

**BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION,
A COMPONENT UNIT OF THE COUNTY OF
BROOKINGS, SOUTH DAKOTA**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2023

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Brookings County Housing and Redevelopment Commission
Brookings, South Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Brookings County Housing and Redevelopment Commission, a component unit of the County of Brookings, South Dakota (the Commission), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying financial data schedules and 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2025, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Wohlschlag Ribzman + Co., LLC

Yankton, South Dakota
January 8, 2025

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

Management's Discussion and Analysis (MD&A) is a reporting model adopted by the Governmental Accounting Standards Board (GASB) in their statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June 1999.

Our discussion and analysis of the Brookings County Housing and Redevelopment Commission (herein referred to as "the Housing Authority"), Brookings, South Dakota, financial performance provides an overview of the Housing Authority's financial activities for the fiscal year ended December 31, 2023. Please read the MD&A in conjunction with the Housing Authority's financial statements.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities like those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included in the Statement of Net Position. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

Financial Highlights

Total assets of the Housing Authority for the year ended December 31, 2023, were \$291,400. Total liabilities were \$95,082. Total assets exceeded total liabilities by \$196,318 (net position).

Unrestricted net position totals \$151,911. This is the amount of the Housing Authority's reserve.

Total operating and non-operating revenue for the year ended December 31, 2023, was \$1,521,594 and expenses totaled \$1,559,645. Expenses exceeded revenue by \$38,051.

Overview of the Financial Statements

This annual report includes this Management Discussion and Analysis report, the Basic Financial Statements and the Notes to the Financial Statements. The Housing Authority's financial statements are presented as program level financial statements because the Housing Authority only has proprietary funds.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued DECEMBER 31, 2023

The financial statements report information on the Housing Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Housing Authority's activities. The Statement of Net Position includes all the Housing Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Housing Authority's creditors (liabilities). It also provides the basis for evaluating the capital structure of the Housing Authority and assessing the liquidity and financial flexibility of the Housing Authority.

All the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Housing Authority's operations over the past year and can be used to determine whether the Housing Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis

The Housing Authority's basic financial statements are the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The Statement of Net Position provides a summary of the Housing Authority's assets and liabilities as of the close of business on December 31, 2023. The Statement of Revenues, Expenses and Changes in Net Position summarizes the revenues and sources of those revenues, and expenses incurred in operating the Housing Authority for the year ended December 31, 2023.

Housing Choice Voucher Program - Under the Housing Choice Voucher Program, the Housing Authority administers contracts with independent landlords that own the property. The Housing Authority 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. HUD provides Housing Assistance Payment (HAP) to enable the Housing Authority to structure a lease that sets the participants' rent at 30% of household income.

Moderate Rehab Program - Aids families living in units that were developed by individual owners for low-income families and housing assistance provided by the Housing Authority.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2023

Summary Statement of Net Position			
December 31,	2023	2022	Change
Current assets	\$ 268,190	\$ 348,440	\$ (80,250)
Capital assets, net	\$ 23,210	\$ -	\$ 23,210
Total Assets	\$ 291,400	\$ 348,440	\$ (57,040)
Current liabilities	\$ 17,521	\$ 46,344	\$ (28,823)
Noncurrent liabilities	\$ 77,561	\$ 67,727	\$ 9,834
Total liabilities	\$ 95,082	\$ 114,071	\$ (18,989)
Net Position			
Net investment in capital assets	\$ 2,208	\$ -	\$ 2,208
Restricted	\$ 42,199	\$ 114,408	\$ (72,209)
Unrestricted	\$ 151,911	\$ 119,961	\$ 31,950
Total Net Position	\$ 196,318	\$ 234,369	\$ (38,051)

Total Assets

Total assets decreased by \$57,040 from the previous year. The decrease in current assets was primarily due to use of excess HAP cash funds during 2023. Capital assets increased due to the change in reporting intangible lease asset office space.

Total Liabilities

Current liabilities decreased by \$28,823 primarily due to a decrease in unearned revenue of \$22,074, a decrease in accounts payable HUD PHA programs of \$15,758, and an increase in the current portion of the lease payable of \$6,513. Noncurrent liabilities increased due to FFS escrow deposits and recording of intangible lease payable.

Net Position

The Commission's unrestricted component of net position changed from \$119,961 to \$151,911, an increase of \$31,950. During the current year, administrative expenses decreased in the areas of management fees and office expenses. The unrestricted component of net position is the amount available for future appropriations.

The restricted component of net position decreased from \$114,408 to \$42,199. The \$88,550 decrease is due to HAP expenses exceeding HAP revenues. Two new restricted components increased net position by \$16,341. FSS forfeited escrow vouchers fund increased by \$14,042 and restitution funds increased by \$2,299.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2023

Comparative Statement of Revenues, Expenses and Changes in Net Position			
December 31,	2023	2022	Change
Program Revenue			
Other income	\$ 21,754	\$ 2,838	\$ 18,916
HUD operating grants	\$ 1,499,706	\$ 1,583,046	\$ (83,340)
Investment income	\$ 134	\$ 395	\$ (261)
Total revenue	\$ 1,521,594	\$ 1,586,279	\$ (64,685)
Program Expenses			
Administration	\$ 169,139	\$ 205,073	\$ (35,934)
Tenant services	\$ 39,500	\$ 40,134	\$ (634)
Insurance expense	\$ 2,203	\$ 2,179	\$ 24
General expense	\$ 32,072	\$ 1,453	\$ 30,619
Interest expense	\$ 881	\$ -	\$ 881
Housing assistance payments	\$ 1,309,455	\$ 1,318,232	\$ (8,777)
Depreciation expense	\$ 316	\$ -	\$ 316
Amortization expense	\$ 6,079	\$ -	\$ 6,079
Total expenses	\$ 1,559,645	\$ 1,567,071	\$ (7,426)
Change in Net Position	\$ (38,051)	\$ 19,208	\$ (57,259)
Beginning Net Position	\$ 234,369	\$ 215,161	\$ 19,208
Ending Net Position	\$ 196,318	\$ 234,369	\$ (38,051)

Results of Operations

Revenues of the Commission are generated principally from federal funding grant income. The Commission's revenue decreased by \$64,685 compared to the previous fiscal year. There was a decrease in HAP funding in the amount of \$107,661. Administrative fee revenue decreased by \$2,537. In contrast, a new HUD operating grant to assist new participants with their initial security deposit totaled \$25,000 plus an administrative fee of \$2,492. Also, new in 2023 was other income consisting of FSS forfeited escrow vouchers totaling \$14,042 and restitution funds of \$2,299.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2023

Capital Assets

The Housing Authority has capital assets consisting of office equipment, and an intangible lease asset. Total cost is \$29,605 consisting of \$2,524 and \$27,081, respectively. Accumulated depreciation totals \$316 and accumulated amortization is \$6,079; therefore, net book value is \$23,210.

Long-term Debt

The Housing Authority has an intangible lease payable totaling \$21,002 with the current portion equaling \$6,513.

Economic Factors

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the federal budget for the current year (and future years).

Contacting the Housing Authority's Financial Management

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Rich Galbraith, Executive Director, at Brookings County Housing and Redevelopment Commission 1310 Main Ave S Ste #106, PO Box 432, Brookings, South Dakota 57006 – (605) 692-1670.

**BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS

Current assets:	
Cash and cash equivalents	\$ 253,254
Accounts receivable - HUD	2,711
Accounts receivable - other, less allowance for doubtful accounts of \$2,026	10,025
Fraud recovery, less allowance for doubtful accounts of \$6,229	-
Interest receivable	70
Prepaid expenses	2,130
Total current assets	<u>268,190</u>

Noncurrent assets:

Capital assets:	
Furniture and equipment	2,524
Intangible lease asset	27,081
Accumulated depreciation	(316)
Accumulated amortization	(6,079)
Total noncurrent assets	<u>23,210</u>

Total assets 291,400

LIABILITIES

Current liabilities:	
Accounts payable	5,207
Unearned revenue	5,801
Current portion of long-term debt - lease payable	6,513
Total current liabilities	<u>17,521</u>

Noncurrent liabilities:

Long-term debt, net of current - lease payable	14,489
Other - Family Self-Sufficiency	63,072
Total noncurrent liabilities	<u>77,561</u>

Total liabilities 95,082

NET POSITION

Net investment in capital assets	2,208
Restricted	42,199
Unrestricted	151,911
Total net position	<u>\$ 196,318</u>

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

**BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2023

OPERATING REVENUES

Fraud recovery	\$ 5,413
Other revenue	16,341
Total operating revenues	21,754

OPERATING EXPENSES

Administration	169,139
Tenant services	39,500
Insurance expense	2,203
General expense	32,072
Housing assistance payments	1,309,455
Depreciation expense	316
Amortization expense	6,079
Total operating expenses	1,558,764

Operating (loss) (1,537,010)

NONOPERATING REVENUES AND EXPENSES

HUD operating grants	1,499,706
Investment income	134
Interest expense	(881)
Total nonoperating revenues and expenses	1,498,959

Change in net position (38,051)

Net position - beginning 234,369

Net position - end of year \$ 196,318

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

**BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 21,754
Payments to others for goods and services	(236,209)
Family self sufficiency program	(4,655)
Housing assistance payments	<u>(1,309,455)</u>
Net cash provided by (used in) operating activities	<u>(1,528,565)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating grants received	<u>1,459,797</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of furniture and equipment	(2,524)
Principal payments on lease payable	(6,079)
Interest payments on lease payable	<u>(881)</u>
Net cash provided by (used in) capital and related financing activities	<u>(9,484)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>287</u>
Net change in cash and cash equivalents	(77,965)
Balances - beginning of the year	<u>331,219</u>
Balances - end of the year	<u>\$ 253,254</u>
Noncash Capital and Related Financing Activities:	
Book value of intangible lease asset	<u>\$ 20,833</u>
Intangible lease payable	<u>\$ (20,833)</u>
Reconciliation of operating (loss) to net cash provided by (used in) operating activities:	
Operating (loss)	\$ (1,537,010)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:	
Depreciation expense	316
Amortization expense	6,079
Change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable - other	1,498
Increase (decrease) in:	
Accounts payable	5,207
Other - family self-sufficiency program	<u>(4,655)</u>
Net cash provided by (used in) operating activities	<u>\$ (1,528,565)</u>

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

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Brookings County Housing and Redevelopment Commission (the Commission) was created in 1993 pursuant to the Municipal Housing and Redevelopment Act of South Dakota as a public housing agency formed to provide financial assistance for low income public housing pursuant to the United States Housing Act of 1937, (42 U.S.C. 1401, et seq.). The chairman of the board of county commissioners, with approval of the county commission, appoint the five members of the governing board for five-year staggered terms. The public housing authority (PHA) board elects its own chairperson and recruits and employs its management personnel and other workers. The local governing board of the County of Brookings, South Dakota has the ability to veto or otherwise modify a housing commission's decision to construct a specific project and issue debt.

The primary government is the County of Brookings, South Dakota.

The Governmental Accounting Standards Board (GASB) establishes the criteria for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the primary government appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. Organizations for which the Commission is not financially accountable are also included when doing so is necessary in order to prevent the Commission's financial statements from being misleading.

The Commission considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the Commission's financial statements.

Nature of Business

The Commission administers various low-income housing assistance payment programs in Brookings County, South Dakota through U.S. Department of Housing and Urban Development (HUD). Project No. SD056VO is authorized to operate 434 units under the Section 8 Housing Choice Voucher Program and 7 units are funded by Project No. SD056MR under the Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation.

The Commission also administers a family self-sufficiency program (FSS) that is accounted for within the housing choice voucher program as a noncurrent liability.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Nature of Business, continued

The Deuel, Hamlin, Kingsbury, and Moody County Housing and Redevelopment Commissions have signed joint powers agreements with the Commission. These agreements are to establish various rights and responsibilities between them and the Commission to operate, manage, and administer the HUD Section 8 Rental Assistance Program of the Deuel, Hamlin, Kingsbury, and Moody County Housing and Redevelopment Commissions. No monies have been exchanged or are due as of and for the year ended December 31, 2023.

Basis of Presentation

All activities of the Commission are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the statement of activities presents increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Cash and Cash Equivalents

For purposes of financial statement reporting, the Commission considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit, regardless of maturity, are considered to be cash equivalents.

Fraud Recovery

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

Capital Assets

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Purchased capital assets are recorded at cost. Donated capital assets are valued at their acquisition value on the date donated. Interest costs incurred during construction of capital assets are not capitalized, in accordance with US GAAP. Depreciation is computed principally by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Furniture and equipment	3-5
Intangible lease assets	3-5

Land, in inexhaustible capital asset, is not depreciated.

Long-Term Liabilities – Leases Payable

The Commission is a lessee for a noncancelable lease of office space. The Commission recognizes a lease liability and an intangible right-to-use lease asset (intangible lease asset) in the financial statements. The Commission recognizes lease liabilities with an initial, individual value of \$5,000.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Long-Term Liabilities – Leases Payable, continued

At commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, plus certain initial direct costs. Subsequently, the intangible lease asset is amortized on a discounted present value over the life of the lease payable.

Key estimates and judgements related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Commission is reasonably certain to exercise.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of lease liability.

Intangible lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Equity Classifications

Equity is classified as net position and displayed as follows:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and 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.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Equity Classifications, continued

- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
- c. Unrestricted net position - All net position that does not meet the definition of "restricted" or "net investment in capital assets."

Application of Net Position

It is the Commission's policy to first use restricted net position (if any), prior to the use of unrestricted net position, when an expense is incurred for which both purposes are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the entity. For the Commission, these revenues are fraud recoveries, FSS forfeited escrow vouchers and restriction funds. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the entity. Revenues and expenses not meeting these definitions are reported as nonoperating. The primary nonoperating revenue is HUD PHA grants.

Use of Estimates

The preparation of financial statements 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 income and expense during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Budgets

The Commission is not legally required to adopt a budget; therefore, budgetary data is not included in the required supplementary

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Implementation of New Accounting Standard and Restatement

In 2023, the Commission implemented the provisions of GASB Statement No. 87, Leases. GASB 87 affects any government entity that enters into a lease. The main difference between previous US GAAP and GASB 87 is the recognition of an intangible lease asset and lease liability for the lessee and the recognition of a lease receivable and deferred inflow of resources for the lessor. There was no effect on the beginning net position as a result of implementation of the standard.

2. DEPOSITS AND INVESTMENTS

Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

Deposits - The Commission's deposits are made in qualified public depositories as defined by SDCL 4-6A-1. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by federal home loan banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA" or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

Investments – As stated in SDCL 11-7-31, a commission shall have power to invest any funds held in reserves or debt service funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control. In general, SDCL 4-5-6 permits housing authority funds to be invested in (a) securities of the United States and securities guaranteed by the United States government either directly or indirectly; or (b) repurchase agreements fully collateralized by securities described in (a); or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) and repurchase agreements described in (b). Also, SDCL 4-5-9 requires that investments shall be in the physical custody of the political subdivision or may be deposited in a safekeeping account with any bank or trust company designated by the political subdivision as its fiscal agent.

Custodial Credit Risk – Deposits – The risk that, in the event of a depository failure, the Commission's deposits may not be returned to it. The Commission has adopted an investment policy which requires all deposits to be adequately collateralized. As of December 31, 2023, the Commission's deposits were fully insured.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. DEPOSITS AND INVESTMENTS, continued

Investments – As of December 31, 2023, the Commission had no investments.

Authorized Investments by the Commission – The Commission does have a formal investment policy, but it does not limit investments beyond those imposed by statutes.

Interest Rate Risk – The Commission does have a formal investment policy, but it does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of December 31, 2023, the Commission had no investments.

Credit Risk – State law limits eligible investments for the Commission, as discussed above. The Commission has a formal investment policy, but it does not further limit its investment choices. As of December 31, 2023, the Commission had no investments.

Concentration of Credit Risk – The Commission places no limit on the amount that may be invested in any one issuer. As of December 31, 2023, the Commission had no investments.

3. CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2023, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets being depreciated:</i>				
Equipment	\$ -	\$ 2,524	\$ -	\$ 2,524
Intangible lease assets	-	27,081	-	27,081
Total capital assets being depreciated	-	29,605	-	29,605
Less accumulated depreciation for:				
Equipment	-	316	-	316
Intangible lease assets	-	6,079	-	6,079
Total accumulated depreciation	-	6,395	-	6,395
<i>Total capital assets being depreciated, net</i>	<u>\$ -</u>	<u>\$ 23,210</u>	<u>\$ -</u>	<u>\$ 23,210</u>

Depreciation and amortization expenses were charged as follows:

Housing Choice Program	\$ 6,261
Mod Rehab Program	134
Total	<u>\$ 6,395</u>

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

4. LONG-TERM DEBT

Long-term debt activity for the year ended December 31, 2023 is as follows:

	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balances</u>	<u>Due Within</u> <u>One Year</u>
Lease payable	\$ -	\$ 27,081	\$ (6,079)	\$ 21,002	\$ 6,513

The lease payable represents the Commission's liability for the lease of office space. The lease requires monthly payments of \$600. The discount rate of 4% is applied to a 3 year maturity of the lease.

The annual requirements to amortize long-term debt outstanding as of December 31, 2023 is as follows:

Year Ending December 31,	Principal	Interest	Total
2024	\$ 6,513	\$ 722	\$ 7,235
2025	6,804	456	7,260
2026	7,082	178	7,260
2027	603	2	605
	<u>\$ 21,002</u>	<u>\$ 1,358</u>	<u>\$ 22,360</u>

5. NONCURRENT LIABILITIES

The Family Self-Sufficiency Program is accounted for within the Housing Choice Vouchers Program as a noncurrent liability. A recap of the Family Self-Sufficiency Program activities is as follows:

	Donations for client expenses	Escrow for client contract	Total
Donations and other receipts	\$ 191	\$ -	\$ 191
HUD's HAP match to escrow	-	26,192	26,192
Interest earned	-	25	25
Forfeited funds	-	(9,533)	(9,533)
Service charges	(97)	-	(97)
Graduated from program	-	(6,306)	(6,306)
Client disbursements	(236)	(14,891)	(15,127)
Net change	(142)	(4,513)	(4,655)
Balance, beginning of year	<u>10,802</u>	<u>56,925</u>	<u>67,727</u>
Balance, ending of year	<u>\$ 10,660</u>	<u>\$ 52,412</u>	<u>\$ 63,072</u>

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

6. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During the period ended December 31, 2023, the Commission managed its risks as follows:

Liability Insurance

The Commission purchases liability insurance for its risks related to torts, theft, or damage to property; and errors and omissions of public officials from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

SUPPLEMENTARY INFORMATION

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239 HOME Investment Partnerships Program	14.896 Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
111	Cash - Unrestricted	\$ 147,983	\$ -	\$ -	\$ -	\$ -	\$ 123,974	\$ 24,009
112	Cash - Restricted - Modernization and Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
113-010	HAP Funds	\$ 25,858	\$ -	\$ -	\$ -	\$ -	\$ 25,858	\$ -
113-020	FSS Escrow Deposits	\$ 77,114	\$ -	\$ -	\$ -	\$ 14,042	\$ 63,072	\$ -
113-030	All other Funds	\$ 2,299	\$ -	\$ -	\$ 2,299	\$ -	\$ -	\$ -
113	Cash - Other Restricted	\$ 105,271	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ 88,930	\$ -
114	Cash - Tenant Security Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
115	Cash - Restricted for Payment of Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	Total Cash	\$ 253,254	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ 212,904	\$ 24,009
121	Accounts Receivable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-010	Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-020	Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-030	Other	\$ 2,711	\$ -	\$ -	\$ 2,711	\$ -	\$ -	\$ -
122	Accounts Receivable - HUD Other Projects	\$ 2,711	\$ -	\$ -	\$ 2,711	\$ -	\$ -	\$ -
124	Accounts Receivable - Other Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-050	Other	\$ 12,051	\$ -	\$ -	\$ -	\$ -	\$ 11,898	\$ 153
125-060	Other Comments							
125	Accounts Receivable - Miscellaneous	\$ 12,051	\$ -	\$ -	\$ -	\$ -	\$ 11,898	\$ 153
126	Accounts Receivable - Tenants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126.1	Allowance for Doubtful Accounts - Tenants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126.2	Allowance for Doubtful Accounts - Other	\$ (2,026)	\$ -	\$ -	\$ -	\$ -	\$ (1,873)	\$ (153)
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
128	Fraud Recovery	\$ 6,229	\$ -	\$ -	\$ -	\$ -	\$ 6,229	\$ -
128.1	Allowance for Doubtful Accounts - Fraud	\$ (6,229)	\$ -	\$ -	\$ -	\$ -	\$ (6,229)	\$ -
129	Accrued Interest Receivable	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ 70	\$ -
120	Total Receivables, Net of Allowances for Doubtful Acco	\$ 12,806	\$ -	\$ -	\$ 2,711	\$ -	\$ 10,095	\$ -
131	Investments - Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
132	Investments - Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
135	Investments - Restricted for Payment of Current Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
142	Prepaid Expenses and Other Assets	\$ 2,130	\$ -	\$ -	\$ -	\$ -	\$ 2,130	\$ -
143	Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
143.1	Allowance for Obsolete Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
144	Inter Program Due From	\$ -	\$ (3,000)	\$ -	\$ -	\$ -	\$ -	\$ 3,000
145	Assets Held for Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
150	Total Current Assets	\$ 268,190	\$ (3,000)	\$ -	\$ 5,010	\$ 14,042	\$ 225,129	\$ 27,009
161	Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
162	Buildings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
163	Furniture, Equipment & Machinery - Dwellings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
164	Furniture, Equipment & Machinery - Administration	\$ 2,524	\$ -	\$ -	\$ -	\$ -	\$ 2,524	\$ -
165	Leasehold Improvements	\$ 27,081	\$ -	\$ -	\$ -	\$ -	\$ 26,485	\$ 596
166	Accumulated Depreciation	\$ (6,395)	\$ -	\$ -	\$ -	\$ -	\$ (6,261)	\$ (134)
167	Construction in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
168	Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
160	Total Capital Assets, Net of Accumulated Depreciation	\$ 23,210	\$ -	\$ -	\$ -	\$ -	\$ 22,748	\$ 462
171-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171-060	Other Comments							
171	Notes, Loans and Mortgages Receivable - Non-Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
172-060	Other Comments							
172	Notes, Loans, & Mortgages Receivable - Non Current -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
173	Grants Receivable - Non Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239 HOME Investment Partnerships Program	14.896 Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
174-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
174-060	Other Comments							
174	Other Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-060	Other Comments							
176	Investments in Joint Ventures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
180	Total Non-Current Assets	\$ 23,210	\$ -	\$ -	\$ -	\$ -	\$ 22,748	\$ 462
190	Total Assets	\$ 291,400	\$ (3,000)	\$ -	\$ 5,010	\$ 14,042	\$ 247,877	\$ 27,471
200	Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
290	Total Assets and Deferred Outflow of Resources	\$ 291,400	\$ (3,000)	\$ -	\$ 5,010	\$ 14,042	\$ 247,877	\$ 27,471
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts Payable <= 90 Days	\$ 5,207	\$ -	\$ -	\$ 2,711	\$ -	\$ 2,496	\$ -
313	Accounts Payable >90 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
321	Accrued Wage/Payroll Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
322	Accrued Compensated Absences - Current Portion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
324	Accrued Contingency Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
325	Accrued Interest Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
331-010	Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
331-020	Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
331-030	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
331	Accounts Payable - HUD PHA Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
332	Account Payable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
333	Accounts Payable - Other Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
341	Tenant Security Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342-010	Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342-020	Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342-030	Other	\$ 5,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,801
342	Unearned Revenue	\$ 5,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,801
343-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
343-020	Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
343	Current Portion of Long-term Debt - Capital Projects/M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
344	Current Portion of Long-term Debt - Operating Borrowing	\$ 6,513	\$ -	\$ -	\$ -	\$ -	\$ 6,370	\$ 143
345	Other Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
346	Accrued Liabilities - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
347	Inter Program - Due To	\$ -	\$ (3,000)	\$ -	\$ -	\$ -	\$ 3,000	\$ -
348-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
348-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
348-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
348-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
348-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
348-060	Other Comments							
348	Loan Liability - Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
310	Total Current Liabilities	\$ 17,521	\$ (3,000)	\$ -	\$ 2,711	\$ -	\$ 11,866	\$ 5,944
351-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
351-020	Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
351	Long-term Debt, Net of Current - Capital Projects/Mortg	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
352	Long-term Debt, Net of Current - Operating Borrowings	\$ 14,489	\$ -	\$ -	\$ -	\$ -	\$ 14,170	\$ 319
353	Non-current Liabilities - Other	\$ 63,072	\$ -	\$ -	\$ -	\$ -	\$ 63,072	\$ -
354	Accrued Compensated Absences - Non Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355-060	Other Comments							

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239 HOME Investment Partnerships Program	14.896 Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
355	Loan Liability - Non Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
356	FASB 5 Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
357-010	Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
357-020	OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
357	Accrued Pension and OPEB Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
357	Accrued Pension and OPEB Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
350	Total Non-Current Liabilities	\$ 77,561	\$ -	\$ -	\$ -	\$ -	\$ 77,242	\$ 319
300	Total Liabilities	\$ 95,082	\$ (3,000)	\$ -	\$ 2,711	\$ -	\$ 89,108	\$ 6,263
400	Deferred Inflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
508.1	Invested In Capital Assets, Net of Related Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
511.1	Restricted Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
512.1	Unrestricted Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
513	Total Equity/Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
509.2	Fund Balance Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
511.2	Unreserved, Designated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
512.2	Unreserved, Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
513	Total Equity/Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
508.3	Nonspendable Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
509.3	Restricted Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
510.3	Committed Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
511.3	Assigned Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
512.3	Unassigned Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
513	Total Equity/Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
508.4	Net Investment in Capital Assets	\$ 2,208	\$ -	\$ -	\$ -	\$ -	\$ 2,208	\$ -
511.4	Restricted Net Position	\$ 42,199	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ 25,858	\$ -
512.4	Unrestricted Net Position	\$ 151,911	\$ -	\$ -	\$ -	\$ -	\$ 130,703	\$ 21,208
513	Total Equity - Net Assets / Position	\$ 196,318	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ 158,769	\$ 21,208
600	Total Liba., Def. Inflow of Res., and Equity - Net Assets	\$ 291,400	\$ (3,000)	\$ -	\$ 5,010	\$ 14,042	\$ 247,877	\$ 27,471

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239	14.896	14.EFA	14.871	14.856
				HOME Investments Partnerships Program	Family Self-Sufficiency Program	FSS Escrow Forfeiture Account	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
70300	Net Tenant Rental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant Revenue - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70500	Total Tenant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70600	HUD PHA Operating Grants	\$ 1,499,706	\$ -	\$ 27,492	\$ 39,500	\$ -	\$ 1,381,878	\$ 50,836
70600-010	Housing Assistance Payments	\$ 1,218,335	\$ -	\$ -	\$ -	\$ -	\$ 1,177,120	\$ 41,215
70600-020	Ongoing Administrative Fees Earned	\$ 211,379	\$ -	\$ -	\$ -	\$ -	\$ 204,758	\$ 6,621
70600-030	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70600-031	FSS Coordinator Grant	\$ 39,500	\$ -	\$ -	\$ 39,500	\$ -	\$ -	\$ -
70600-040	Actual Independent Public Accountant Audit Costs	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
70600-050	Total Preliminary Fees Earned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70600-060	All Other Fees	\$ 27,492	\$ -	\$ 27,492	\$ -	\$ -	\$ -	\$ -
70610	Capital Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70710	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70720	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70730	Book Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70740	Front Line Service Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70750	Other Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70700	Total Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70800	Other Government Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71100	Investment Income - Unrestricted	\$ 134	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ 29
71100-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71100-020	Administrative Fee	\$ 134	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ 29
71200	Mortgage Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71300	Proceeds from Disposition of Assets Held for Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71310	Cost of Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71400	Fraud Recovery	\$ 5,413	\$ -	\$ -	\$ -	\$ -	\$ 5,413	\$ -
71400-010	Fraud Recovery - Housing Assistance Payment	\$ 2,707	\$ -	\$ -	\$ -	\$ -	\$ 2,707	\$ -
71400-020	Fraud Recovery - Administrative Fee	\$ 2,706	\$ -	\$ -	\$ -	\$ -	\$ 2,706	\$ -
71500	Other Revenue	\$ 16,341	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ -	\$ -
71600	Gain or Loss on Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72000	Investment Income - Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70000	Total Revenue	\$ 1,521,594	\$ -	\$ 27,492	\$ 41,799	\$ 14,042	\$ 1,387,396	\$ 50,865
91100	Administrative Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91200	Auditing Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91300-010	To PHA Administered Program (i.e., COCC)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91300-020	To a Third Party/Outside Entity	\$ 121,198	\$ -	\$ -	\$ -	\$ -	\$ 118,752	\$ 2,446
91300	Management Fee	\$ 121,198	\$ -	\$ -	\$ -	\$ -	\$ 118,752	\$ 2,446
91310	Book-keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91400	Advertising and Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91500	Employee Benefit contributions - Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91600	Office Expenses	\$ 31,213	\$ -	\$ -	\$ -	\$ -	\$ 30,172	\$ 1,041
91700	Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91800	Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91900	Other	\$ 16,728	\$ -	\$ -	\$ -	\$ -	\$ 14,907	\$ 1,821
91000	Total Operating - Administrative	\$ 169,139	\$ -	\$ -	\$ -	\$ -	\$ 163,831	\$ 5,308
92000	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92100	Tenant Services - Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92200	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92300	Employee Benefit Contributions - Tenant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92400	Tenant Services - Other	\$ 39,500	\$ -	\$ -	\$ 39,500	\$ -	\$ -	\$ -
92500	Total Tenant Services	\$ 39,500	\$ -	\$ -	\$ 39,500	\$ -	\$ -	\$ -
93100	Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93200	Electricity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93300	Gas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93400	Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93500	Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93600	Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93700	Employee Benefit Contributions - Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93800	Other Utilities Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93000	Total Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94100	Ordinary Maintenance and Operations - Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94200	Ordinary Maintenance and Operations - Materials and Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-010	Garbage and Trash Removal Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-020	Heating & Cooling Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-030	Snow Removal Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-040	Elevator Maintenance Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-050	Landscape & Grounds Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-060	Unit Turnaround Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239	14.896	14.EFA	14.871	14.856
				HOME Investments Partnerships Program	Family Self-Sufficiency Program	FSS Escrow Forfeiture Account	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
94300-070	Electrical Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-080	Plumbing Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-090	Extermination Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-100	Janitorial Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-110	Routine Maintenance Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-120	Miscellaneous Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300	Ordinary Maintenance and Operations Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94500	Employee Benefit Contributions - Ordinary Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94000	Total Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95100	Protective Services - Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95200	Protective Services - Other Contract Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95300	Protective Services - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95500	Employee Benefit Contributions - Protective Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95000	Total Protective Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96110	Property Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96120	Liability Insurance	\$ 2,027	\$ -	\$ -	\$ -	\$ -	\$ 1,968	\$ 59
96130	Workmen's Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96140	All Other Insurance	\$ 176	\$ -	\$ -	\$ -	\$ -	\$ 176	\$ -
96100	Total insurance Premiums	\$ 2,203	\$ -	\$ -	\$ -	\$ -	\$ 2,144	\$ 59
96200	Other General Expenses	\$ 32,072	\$ -	\$ 27,492	\$ -	\$ -	\$ 4,580	\$ -
96210	Compensated Absences	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96300	Payments in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96400	Bad debt - Tenant Rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96500	Bad debt - Mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96600	Bad debt - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96600-100	Bad debt - Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96600-200	Bad debt - Housing Assistance Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96800	Severance Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96000	Total Other General Expenses	\$ 32,072	\$ -	\$ 27,492	\$ -	\$ -	\$ 4,580	\$ -
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96720	Interest on Notes Payable (Short and Long Term)	\$ 881	\$ -	\$ -	\$ -	\$ -	\$ 862	\$ 19
96730	Amortization of Bond Issue Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96700	Total Interest Expense and Amortization Cost	\$ 881	\$ -	\$ -	\$ -	\$ -	\$ 862	\$ 19
96900	Total Operating Expenses	\$ 243,795	\$ -	\$ 27,492	\$ 39,500	\$ -	\$ 171,417	\$ 5,386
97000	Excess of Operating Revenue over Operating Expenses	\$ 1,277,799	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ 1,215,979	\$ 45,479
97100	Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97200	Casualty Losses - Non-capitalized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97300-040	Tenant Protection	\$ 73,813	\$ -	\$ -	\$ -	\$ -	\$ 73,813	\$ -
97300-041	Portability-Out	\$ 59,974	\$ -	\$ -	\$ -	\$ -	\$ 59,974	\$ -
97300-045	FSS Escrow Deposits	\$ 26,192	\$ -	\$ -	\$ -	\$ -	\$ 26,192	\$ -
97300-050	All Other	\$ 1,149,476	\$ -	\$ -	\$ -	\$ -	\$ 1,108,398	\$ 41,078
97300	Housing Assistance Payments	\$ 1,309,455	\$ -	\$ -	\$ -	\$ -	\$ 1,268,377	\$ 41,078
97350	HAP Portability-In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97400	Depreciation Expense	\$ 6,395	\$ -	\$ -	\$ -	\$ -	\$ 6,261	\$ 134
97500	Fraud Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97600	Capital Outlays - Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97700	Debt Principal Payment - Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97800	Dwelling Units Rent Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90000	Total Expenses	\$ 1,559,645	\$ -	\$ 27,492	\$ 39,500	\$ -	\$ 1,446,055	\$ 46,598
10010	Operating Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10020	Operating Transfer Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030-060	Other Comments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10030	Operating Transfers from/to Primary Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10040	Operating Transfers from/to Component Unit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10050	Proceeds from Notes, Loans and Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10060	Proceeds from Property Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10070	Extraordinary Items, Net Gain/Loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10080	Special Items (Net Gain/Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10091	Inter Project Excess Cash Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10092	Inter Project Excess Cash Transfer Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10093	Transfers between Program and Project - In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10094	Transfers between Project and Program - Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10100	Total Other financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2023

Line Item No.	Description	Total Programs	Eliminations	14.239	14.896	14.EFA	14.871	14.856
				HOME Investments Partnerships Program	Family Self-Sufficiency Program	FSS Escrow Forfeiture Account	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
10000	Excess (Deficiency) of Total Revenue Over (Under) Total	\$ (38,051)	\$ -	\$ -	\$ 2,299	\$ 14,042	\$ (58,659)	\$ 4,267
11020	Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning Equity	\$ 234,369	\$ -	\$ -	\$ -	\$ -	\$ 217,428	\$ 16,941
11040-010	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-020	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-030	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-040	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-050	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-060	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-070	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-080	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-090	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-100	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040-110	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11040	Prior Period Adjustments, Equity Transfers and Correction of	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11050	Changes in Compensated Absence Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11060	Changes in Contingent Liability Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11070	Changes in Unrecognized Pension Transition Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11080	Changes in Special Term/Severance Benefits Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11100	Changes in Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170	Administrative Fee Equity							
11170-001	Administrative Fee Equity - Beginning Balance	\$ 103,020	\$ -	\$ -	\$ -	\$ -	\$ 103,020	\$ -
11170-010	Administrative Fee Revenue	\$ 204,758	\$ -	\$ -	\$ -	\$ -	\$ 204,758	\$ -
11170-020	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-030	Audit Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-040	Investment Income	\$ 105	\$ -	\$ -	\$ -	\$ -	\$ 105	\$ -
11170-045	Fraud Recovery Revenue	\$ 2,706	\$ -	\$ -	\$ -	\$ -	\$ 2,706	\$ -
11170-050	Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-051	Comment for Other Revenue							
11170-060	Total Admin Fee Revenues	\$ 207,569	\$ -	\$ -	\$ -	\$ -	\$ 207,569	\$ -
11170-080	Total Operating Expenses	\$ 171,417	\$ -	\$ -	\$ -	\$ -	\$ 171,417	\$ -
11170-090	Depreciation	\$ 6,261	\$ -	\$ -	\$ -	\$ -	\$ 6,261	\$ -
11170-095	Housing Assistance Payment Portability In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-100	Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-101	Comment for Other Expenses							
11170-110	Total Expenses	\$ 177,678	\$ -	\$ -	\$ -	\$ -	\$ 177,678	\$ -
11170-002	Net Administrative Fee	\$ 29,891	\$ -	\$ -	\$ -	\$ -	\$ 29,891	\$ -
11170-003	Administrative Fee Equity - Ending Balance	\$ 132,911	\$ -	\$ -	\$ -	\$ -	\$ 132,911	\$ -
11170-005	Pre-2004 Administrative Fee Reserves	\$ 13,358	\$ -	\$ -	\$ -	\$ -	\$ 13,358	\$ -
11170-006	Post-2003 Administrative Fee Reserves	\$ 119,553	\$ -	\$ -	\$ -	\$ -	\$ 119,553	\$ -
11180	Housing Assistance Payments Equity							
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ 114,408	\$ -	\$ -	\$ -	\$ -	\$ 114,408	\$ -
11180-010	Housing Assistance Payment Revenues	\$ 1,177,120	\$ -	\$ -	\$ -	\$ -	\$ 1,177,120	\$ -
11180-015	Fraud Recovery Revenue	\$ 2,707	\$ -	\$ -	\$ -	\$ -	\$ 2,707	\$ -
11180-020	Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11180-021	Comments for Other Revenue							
11180-025	Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11180-030	Total Housing Assistance Payments Revenues	\$ 1,179,827	\$ -	\$ -	\$ -	\$ -	\$ 1,179,827	\$ -
11180-080	Housing Assistance Payments	\$ 1,268,377	\$ -	\$ -	\$ -	\$ -	\$ 1,268,377	\$ -
11180-090	Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11180-091	Comments for Other Expenses							
11180-100	Total Housing Assistance Payments Expenses	\$ 1,268,377	\$ -	\$ -	\$ -	\$ -	\$ 1,268,377	\$ -
11180-002	Net Housing Assistance Payments	\$ (88,550)	\$ -	\$ -	\$ -	\$ -	\$ (88,550)	\$ -
11180-003	Housing Assistance Payments Equity - Ending Balance	\$ 25,858	\$ -	\$ -	\$ -	\$ -	\$ 25,858	\$ -
11190	Unit Months Available							
11190-210	Total ACC HCV Units	5,208	-	-	-	-	5,208	-
11190-220	Unfunded Units	-	-	-	-	-	-	-
11190-230	Other Adjustments	-	-	-	-	-	-	-
11190	Unit Months Available	5,292	-	-	-	-	5,208	84
11210	Number of Unit Months Leased	2,820	-	-	-	-	2,736	84
11270	Excess Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11610	Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11620	Building Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11630	Furniture & Equipment - Dwelling Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11640	Furniture & Equipment - Administrative Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11650	Leasehold Improvements Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11660	Infrastructure Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13510	CFFP Debt Service Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13901	Replacement Housing Factor Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report

BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2023

Financial Statements		
Element	Description	Value
G3000-005	Financial Statements Using Basis Other Than GAAP	NO
G3000-010	Fund Opinion(s)	Single Fund
-	Modified Opinion	NO
-	Unmodified Opinion	YES
-	Adverse Opinion	NO
-	Disclaimer Opinion	NO
G3000-020	"Going Concern" Indicator	NO
G3000-030	Significant Deficiency Indicator	YES
G3000-230	Does the Deficiency relate to the Low Rent or Capital Fund?	NO
G3000-240	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-040	Material Weakness Indicator	NO
G3000-250	Does the material weakness relate to the Low Rent or Capital Fund Program?	N/A
G3000-260	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-050	Material Noncompliance Indicator	NO
G3000-270	Does the non-compliance relate to the Low Rent or Capital Fund Program?	N/A
G3000-280	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-060	Fraud	NO
G3000-290	Does the activity relate to the Low Rent or Capital Fund Program?	N/A
G3000-300	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-070	Illegal Acts	NO
G3000-310	Does the activity relate to the Low Rent or Capital Fund Program?	N/A
G3000-320	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-080	Abuse	NO
G3000-330	Does the activity relate to the Low Rent or Capital Fund Program?	N/A
G3000-340	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-

See Independent Auditor's Report

BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2023

Financial Statement Fund Opinion Details		
Element	Description	Details
G3000-200	Fund Type of the fund containing the listed program	MAJOR
G3000-210	Fund Opinion of the fund containing the listed program	UNMODIFIED
G3000-220	Is the departure or qualification related to the Capital Fund or Low Rent Programs?	N/A

Federal Programs		
Element	Description	Value
G4000-020	Dollar Threshold Used to Distinguish Type A and Type B Programs	\$750,000
G4000-030	Low-Risk Auditee Indicator	NO
G4000-040	Indicator-Any Audit Findings Disclosed that are Required to be Reported	NO
G4000-080	Was a Schedule of Prior Audit Findings Prepared?	YES
G4100-040	Total Federal Awards Expended (This cell is populated by G4100-030 from the "Federal Award Details" Tab)	\$1,499,706

BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2023

Federal Award Details		
Element	Description	Details
G4100-030	Amount Expended	\$1,499,706
G4200-010	Major Federal Program Indicator	YES
G4200-050	Type of Opinion on Major Federal Program	UNMODIFIED
G4200-060	Number of Uniform Guidance Compliance Audit Findings	0
G4200-100	Significant Deficiency Indicator	NO
G4200-200	Number of Significant Deficiencies	0
G4200-110	Material Weakness Indicator	NO
G4200-210	Number of Material Weaknesses	0
G4200-120	Material Noncompliance Indicator	NO
G4200-220	Number of Material Noncompliance	0
G4200-070	Audit Finding Reference Number	N/A
G4200-090	Are Awards Received Directly from a Federal Agency?	YES
G4100-050	Total Amount of Questioned Costs	\$0

Supplementary Information		
Element	Description	Value
G3100-040	SAS 29 "in relation to" opinion on the Financial Data Schedule	FAIRLY STATED
G3100-050	Is MD&A omitted ?	NO
G3100-060	Is other supplementary information omitted?	NO

See Independent Auditor's Report

**BROOKINGS COUNTY HOUSING AND
REDEVELOPMENT COMMISSION**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Disbursements/ Expenditures</u>
U.S. DEPARTMENT OF THE HOUSING AND URBAN DEVELOPMENT:		
Direct Funding:		
Section 8 Project-Based Cluster:		
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	\$ 50,836
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	1,381,878
Family Self-Sufficiency Program	14.896	39,500
Indirect Funding:		
U.S. Department of Housing and Redevelopment Pass-Through Program from South Dakota Housing Development Authority (SDHDA):		
HOME Investment Partnerships Program - Security Deposit Assistance Program Administration	14.239	\$ 25,000 <u>2,492</u>
		<u>27,492</u>
Total U.S. Department of Housing and Urban Development		<u>\$ 1,499,706</u>

Note 1: Basis of Presentation

The accompanying schedule of Expenditures of federal awards (the "Schedule") includes the federal award activity of the Commission under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Commission has elected to not use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

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

To the Board of Commissioners
Brookings County Housing and Redevelopment Commission
Brookings, South Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Brookings County Housing and Redevelopment Commission, a component unit of the County of Brookings, South Dakota (the Commission) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated January 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency: Finding 2023-001.

Report on Compliance and Other Matters

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

The Commission's Response to Finding

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

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 report is not suitable for any other purpose. However, as required by South Dakota Codified Law 4-11-11, this report is matter of public record and its distribution is not limited.

Wohlenberg Ritzman + Co., LLC

Yankton, South Dakota
January 8, 2025

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

To the Board of Commissioners
Brookings County Housing and Redevelopment Commission
Brookings, South Dakota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Brookings County Housing and Redevelopment Commission, a component unit of the County of Brookings, South Dakota's (the Commission) compliance with the type of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Commission's major federal program for the year ended December 31, 2023. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the type of compliance requirements referred to above that could have a direct and material effect on the Section 8 Housing Choice Vouchers for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed other instances on noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2023-002. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Wohlschlag Ritzman + Co., LLC

Yankton, South Dakota
January 8, 2025

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023**

FINDINGS - FINANCIAL STATEMENTS AUDIT

Finding 2022-001.

Condition: We requested the auditors to assist with drafting the financial statements and related note disclosures for the year ended December 31, 2022. Although information was provided, the auditors prepared and proposed various adjusting entries, based on this information. This was needed to ensure that note disclosures included required elements.

Recommendation: The auditors recommend the Commission expand internal controls over financial reporting to include further emphasis on the overall financial statements and required note disclosures. The designated auditee staff should receive appropriate training. Management will then be able to take responsibility for the preparation of its financial statements and related note disclosures.

Current Status: This has not been corrected and is restated as current audit Finding 2023-001.

FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 2022-002.

Condition: The Commission did not complete and submit their audit to the Federal Audit Clearinghouse by the due date of September 30, 2023. This affects all federal programs.

Recommendation: We recommend the Commission become familiar with reporting requirements for each award and implement procedures to begin audit preparation work earlier in the fiscal year to ensure reports are filed within the nine-month reporting deadline set forth by Uniform Guidance.

Current Status: This has not been corrected and is restated as current audit Finding 2023-002.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? X yes _____ none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance 2 CFR section 200.516(a)? X yes _____ no

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers

Dollar Threshold used to distinguish between Type A and Type B Programs: \$750,000

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

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
YEAR ENDED DECEMBER 31, 2023

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDIT

Finding 2023-001 Preparation of Financial Statements

Significant Deficiency

Condition:

We, as auditors, were requested to assist with drafting the financial statements and related note disclosures for the year ended December 31, 2023. Although information was provided, the auditors prepared and proposed various adjusting entries, based on this information. This was needed to ensure that note disclosures included required elements.

Questioned Costs: None

Criteria:

In accordance with U.S. generally accepted accounting principles (US GAAP) it is management's responsibility to provide for the preparation of the Commission's financial statements and related note disclosures, which includes effective internal controls over the entire financial reporting process. It is the responsibility of the auditor to determine the fairness of the presentation of those statements.

Cause:

The Commission's staff has not fully developed their knowledge of accounting standards to allow for the preparation of full disclosure financial statements as required by US GAAP.

Effect:

This condition may affect the Commission's ability to recognize and report financial data that is timely, accurate, and consistent with the US GAAP requirements.

Recommendation:

We recommend the Commission expand internal controls over financial reporting to include further emphasis on the overall financial statements and required note disclosures. The designated auditee staff should receive appropriate training. Management will then be able to take responsibility for the preparation of its financial statements and related note disclosures.

Views of Responsible Officials:

Please refer to the Corrective Action Plan for management's views and planned corrective action.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
YEAR ENDED DECEMBER 31, 2023

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 2023-002 Single Audit Report Filed Late

Condition:

The audited financial statements were not submitted to the Federal Audit Clearinghouse by the due date of September 30, 2024.

Questioned Costs: None

Criteria:

In accordance with 2 CFR Section 200.512, an entity expending more than \$750,000 of federal funds within a fiscal year must submit the data collection form and reporting package by a due date that is the earlier of 30 calendar days after receipt of the auditor's report(s) or nine months after the year end of the audit period.

Cause:

The late filing of the 2022 audit report led to a delayed start for the 2023 audit. As a result, the subsequent audit processes for the year ended December 31, 2023, were impacted, causing the filing for that audit to also be late.

Effect:

The Commission was not in compliance with Uniform Guidance, which could lead to sanctions by the funding agencies.

Recommendation:

We recommend the Commission establish a timely process to ensure completion of the audit by September 30 of each year.

Views of Responsible Officials:

Please refer to the Corrective Action Plan for management's views and planned corrective action.

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

1310 South Main, Suite 106 PO Box 432 Brookings, SD 57006-00432
Phone: (605) 692-1670 Ext 1 Fax: (605) 692-3192

**CORRECTIVE ACTION PLAN (Unaudited)
YEAR ENDED DECEMBER 31, 2023**

The Brookings County Housing and Redevelopment Commission respectfully submits the following corrective action plan for audit findings for the year ended December 31, 2023.

Independent Public Accounting Firm:

Wohlenberg, Ritzman and Co. LLC
P.O. Box 1018
Yankton, SD 57078

Audit Period:

January 1, 2023 - December 31, 2023

The findings from the December 31, 2023 Schedule of Findings and Questioned Costs are discussed below.

Findings Related to the Financial Statements

Finding 2023-001 Preparation of Financial Statements

Condition as Noted in Auditor's Finding:

"We, as auditors, were requested to assist with drafting the financial statements and related note disclosures for the year ended December 31, 2023. Although information was provided, the auditors prepared and proposed various adjusting, based on this information. This was needed to ensure that note disclosures included required elements."

Responsible Individuals:

Board of Commissioners and Management

Corrective Action Plan:

The Commission is aware of the risk associated with requesting the auditors to assist in the preparation of the financial statements. Planned actions include management to annually review the draft financial statements and related notes prepared by the auditor and the review of all recommended adjusting journal entries proposed by the auditor. Additional avenues will be explored to provide Commission staff with additional training to further their knowledge of accounting standards.

Anticipated Completion Date:

Ongoing analysis

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION

1310 South Main, Suite 106 PO Box 432 Brookings, SD 57006-00432

Phone: (605) 692-1670 Ext 1 Fax: (605) 692-3192

**CORRECTIVE ACTION PLAN (Unaudited), continued
YEAR ENDED DECEMBER 31, 2023**

Findings Related to Major Federal Award Program

Finding 2023-002 Single Audit Report Filed Late

Condition as Noted in Auditor's Finding:

The Commission did not complete and submit their audit to the Federal Audit Clearinghouse by the due date of September 30, 2024.

Responsible Individuals:

Board of Commissioners and Management

Correction Action Plan:

The Commission will implement procedures to begin audit preparation work earlier in the calendar year to ensure reports are filed within the nine-month reporting deadline set forth by Uniform Guidance.

Anticipated Complete Date:

Ongoing analysis

Very truly yours,

BROOKINGS COUNTY HOUSING AND REDEVELOPMENT COMMISSION



Rich Galbraith
Executive Director