

**MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION,
A COMPONENT UNIT OF THE CITY OF
MOBRIDGE, SOUTH DAKOTA**

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

DECEMBER 31, 2022

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

Table of Contents

	Page
Independent Auditor's Report.....	1
Management's Discussion and Analysis	4
Financial Statements	
Statement of Net Position.....	9
Statement of Revenues, Expenses and Changes in Net Position	10
Statement of Cash Flows	11
Notes to Financial Statements.....	13
Supplementary Information	
The Financial Data Schedule	
Balance Sheet.....	21
Income Statement.....	24
Memo Account Information	27
Schedule of Expenditures of Federal Awards	30
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 <i>Government Auditing Standards</i>	31
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	33
Summary Schedule of Prior Audit Findings.....	37
Schedule of Findings and Questioned Costs	38
Corrective Action Plan	41



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mobridge Housing and Redevelopment Commission, a component unit of the City of Mobridge, South Dakota (the Commission), as of and for the year ended December 31, 2022, 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, 2022, 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.

MADISON OFFICE: 205 North Egan Ave. | PO Box 505 | Madison, SD 57042 | (605) 256-9165

YANKTON OFFICE: 207 Douglas Ave. | PO Box 1018 | Yankton, SD 57078 | (605) 665-4401

SIOUX FALLS OFFICE: 3600 S Westport, Suite 101 | Sioux Falls, SD 57106 | (605) 336-0372

EMAIL: wrc@wrccpa.com

TOLL FREE: 1-800-456-0889

FAX #: (605) 665-0592



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 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 July 26, 2024, 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 Ritzman + Co., LLC

Yankton, South Dakota
July 26, 2024

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

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 Mobridge Housing and Redevelopment Commission (herein referred to as "the Housing Authority"), Mobridge, South Dakota, financial performance provides an overview of the Housing Authority's financial activities for the fiscal year ended December 31, 2022. 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 similar to 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 on 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, 2022, were \$584,567. Total liabilities were \$65,857. Total assets exceeded total liabilities by \$518,710 (net position).

Unrestricted net position totals \$500,921. This is the amount of the Housing Authority's reserve.

Total operating and non-operating revenue for the year ended December 31, 2022, was \$1,562,167 and expenses totaled \$953,268, revenue exceeded expenses by \$608,899.

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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued DECEMBER 31, 2022

The financial statements report information of 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 of 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, 2022. 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, 2022.

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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2022

Summary Statement of Net Position			
As of December 31,	2022	2021	Change
Current assets	\$ 583,558	\$ 202,603	\$ 380,955
Capital assets, net	\$ 1,009	\$ 739,160	\$ (738,151)
Total Assets	\$ 584,567	\$ 941,763	\$ (357,196)
Current liabilities	\$ 18,695	\$ 85,354	\$ (66,659)
Non-current liabilities	\$ 47,162	\$ 946,598	\$ (899,436)
Total liabilities	\$ 65,857	\$ 1,031,952	\$ (966,095)
Net Position			
Invested in capital assets, net of related debt	\$ 1,009	\$ (211,231)	\$ 212,240
Restricted	\$ 16,780	\$ -	\$ 16,780
Unrestricted	\$ 500,921	\$ 121,042	\$ 379,879
Total Net Position	\$ 518,710	\$ (90,189)	\$ 608,899

Total Assets

Total assets decreased by \$357,196 from the previous year. This was primarily due to the sale of their business activities consisting of an Eight Plex and Town Homes II (a four plex). Book value of the capital assets sold was \$738,761. The increase in current assets was due mainly to the difference in sales price of \$1,300,555 and the mortgage payoff of \$947,688.

Current Liabilities

Current liabilities decreased by \$66,659 due to a decrease in accounts payable, HUD, tenant security deposits, and current portion of mortgage payable.

Net Position

The Commission's unrestricted component of net position changed from \$121,042 to \$500,921, an increase of \$379,879. This is due to the sales price of two housing units in the amount of \$1,300,555 exceeding closing costs including mortgage payoff in the amount of \$931,073. The unrestricted component of net position is the amount available for future appropriations.

The restricted component of net position increased from \$0 to \$16,780. This is due to HAP revenues in the amount of \$546,621 exceeding HAP expenditures in the amount of \$529,841.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2022

Summary Statement of Revenues, Expenses and Changes in Net Position			
Years ended December 31,	2022	2021	Change
Program Revenue			
Net tenant rental revenue	\$ 45,968	\$ 139,475	\$ (93,507)
Tenant revenue - other	\$ 1,050	\$ -	\$ 1,050
Other income	\$ 7,542	\$ 2,495	\$ 5,047
Federal grants and subsidies	\$ 946,052	\$ 875,254	\$ 70,798
Fraud recovery	\$ 2,278	\$ 2,174	\$ 104
Gain on sale of capital assets	\$ 559,148	\$ -	\$ 559,148
Investment income	\$ 129	\$ 89	\$ 40
Total revenue	\$ 1,562,167	\$ 1,019,487	\$ 542,680
Program Expenses			
Administration	\$ 120,308	\$ 123,932	\$ (3,624)
Tenant Services	\$ 39,480	\$ 34,233	\$ 5,247
Utilities	\$ 1,386	\$ 4,661	\$ (3,275)
Ordinary maintenance and operations	\$ 5,020	\$ 28,762	\$ (23,742)
Insurance expense	\$ 4,009	\$ 9,430	\$ (5,421)
General expenses	\$ 893	\$ 1,048	\$ (155)
Depreciation	\$ 673	\$ 48,728	\$ (48,055)
Interest expense	\$ 10,743	\$ 33,088	\$ (22,345)
Housing assistance payments	\$ 770,756	\$ 750,809	\$ 19,947
Total expenses	\$ 953,268	\$ 1,034,691	\$ (81,423)
Change in Net Position	\$ 608,899	\$ (15,204)	\$ 624,103
Beginning Net Position	\$ (90,189)	\$ (74,985)	\$ (15,204)
Ending Net Position	\$ 518,710	\$ (90,189)	\$ 608,899

Results of Operations

Revenues of the Commission are generated principally from federal funding grant income. The Commission's revenue increased by \$542,680 compared to the previous fiscal year. The primary increase was the gain on sale of two housing units totaling \$559,148. Also, there was an increase in HAP funding in the amount of \$62,588. Administrative fee revenue increased by \$5,763. In contrast, net tenant rental revenue decreased by \$93,507 as the two housing units were operated for only four months in 2022.

Total expenses decreased by \$81,423. This was primarily due to the sale of the two housing units on May 2, 2022.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
DECEMBER 31, 2022

Capital Assets

The Housing Authority has capital assets consisting of office furniture and equipment. Total cost is \$13,684 and accumulated depreciation totals \$12,675; therefore, net book value is \$1,009.

Long-term Debt

The Housing Authority has no long-term debt.

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 Mobridge Housing and Redevelopment Commission 202 1st Ave East, PO Box 370, Mobridge, South Dakota 57601 – (605) 845-2560.

**MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS

Current assets:

Cash and cash equivalents	\$ 574,564
Accounts receivable - HUD	3,640
Accounts receivable - other, less allowance for doubtful accounts of \$407	4,243
Fraud recovery, less allowance for doubtful accounts of \$3,629	-
Interest receivable	6
Prepaid expenses	1,105
Total current assets	<u>583,558</u>

Noncurrent assets

Capital assets:

Furniture and equipment	13,684
Accumulated depreciation	<u>(12,675)</u>
Total noncurrent assets	<u>1,009</u>

Total assets

584,567

LIABILITIES

Current liabilities:

Accounts payable	5,369
Unearned revenue	<u>13,326</u>
Total current liabilities	<u>18,695</u>

Noncurrent liabilities:

Other - Family Self-Sufficiency	<u>47,162</u>
Total noncurrent liabilities	<u>47,162</u>

Total liabilities

65,857

NET POSITION

Investment in capital assets	1,009
Restricted	16,780
Unrestricted	<u>500,921</u>
Total net position	<u>\$ 518,710</u>

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

**MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2022

OPERATING REVENUES

Net tenant rental revenue	\$ 45,968
Tenant revenue - other	1,050
Fraud recovery	2,278
Other revenue	<u>7,542</u>
Total operating revenues	<u>56,838</u>

OPERATING EXPENSES

Administration	120,308
Tenant services	39,480
Utilities	1,386
Maintenance	5,020
Insurance expense	4,009
General expense	893
Housing assistance payments	770,756
Depreciation	<u>673</u>
Total operating expenses	<u>942,525</u>
Operating (loss)	<u>(885,687)</u>

NONOPERATING REVENUES AND EXPENSES

HUD operating grants	946,052
Gain on sale of capital assets	559,148
Investment income	129
Interest expense	<u>(10,743)</u>
Total nonoperating revenues and expenses	<u>1,494,586</u>
Change in net position	608,899
Net position - beginning	<u>(90,189)</u>
Net position - end of year	<u>\$ 518,710</u>

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

**MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF CASH FLOWS (PAGE 1 OF 2)
YEAR ENDED DECEMBER 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 56,878
Payments to employees	(2,894)
Payments to others for goods and services	(162,962)
Payments returned to tenants	(10,425)
Family self-sufficiency program	1,604
Housing assistance payments	<u>(770,756)</u>
Net cash provided by (used in) operating activities	<u>(888,555)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING
ACTIVITIES**

Operating grants received	<u>932,419</u>
---------------------------	----------------

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Proceeds from sale of capital assets	1,300,555
Expenses of sale of capital assets	(2,646)
Purchase of capital assets	(1,283)
Principal payments on capital debt	(947,688)
Interest payments on capital debt	<u>(13,446)</u>
Net cash provided by (used in) capital and related financing activities	<u>335,492</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>123</u>
-----------------	------------

Net change in cash and cash equivalents	379,479
---	---------

Balances - beginning of the year	<u>195,085</u>
----------------------------------	----------------

Balances - end of the year	<u><u>\$ 574,564</u></u>
----------------------------	--------------------------

Noncash Capital and Related Financing Activities:

Book value of capital assets sold	<u><u>\$ 738,761</u></u>
-----------------------------------	--------------------------

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

**MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION**

STATEMENT OF CASH FLOWS (PAGE 2 of 2)
YEAR ENDED DECEMBER 31, 2022

**Reconciliation of operating (loss) to net cash provided by
(used in) operating activities:**

Operating (loss)	\$ (885,687)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:	
Depreciation expense	673
Change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable - other	(2,317)
Interest receivable	40
Prepaid expenses	4,447
Increase (decrease) in:	
Accounts payable	3,110
Tenant security deposits	(10,425)
Other - family self-sufficiency program	1,604
Net cash provided by (used in) operating activities	<u>\$ (888,555)</u>

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

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Mobridge Housing and Redevelopment Commission (the Commission) was created in 1990 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 mayor and city council 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 City of Mobridge, 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 City of Mobridge, 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 City of Mobridge, South Dakota through U.S. Department of Housing and Urban Development (HUD). Project No. SD057VO is authorized to operate 154 units under the Section 8 Housing Choice Voucher Program and 42 units are funded by Project No. SD057MR 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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Nature of Business, continued

The Campbell, Corson, Dewey, Edmunds, Faulk, Hand, Perkins, Potter, and Walworth County Housing and Redevelopment Commissions have signed joint powers agreements with the Commission. The City of Faulkton and Lemmon Housing and Redevelopment Commissions also have joint powers agreements. 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 above named entities. No monies have been exchanged or are due as of and for the year ended December 31, 2022.

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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

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.

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.
- 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 charges for dwelling rents. 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 revenue. The primary nonoperating revenue is HUD PHA grants.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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 local authority.

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 information.

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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. DEPOSITS AND INVESTMENTS, continued

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, 2022, the Commission’s deposits were fully insured or collateralized.

At December 31, 2022, the actual bank balances were as follows:

Insured (FDIC)	\$ 260,600
Uninsured, collateral held by the Commission or the Commission's agent in the Commission's name	<u>316,130</u>
Total deposits	<u>\$ 576,730</u>
The Commission's carrying amount of deposits	<u>\$ 574,564</u>

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. DEPOSITS AND INVESTMENTS, continued

Investments – As of December 31, 2022, 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, 2022, 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, 2022, 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, 2022, the Commission had no investments.

3. 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	Mortgage maintenance reserve	Total
Donations and other receipts	\$ 2,780	\$ -	\$ 627	\$ 3,407
HUD's HAP match to escrow	-	21,440	-	21,440
Homebuyer' maintenance	-	-	2,970	2,970
Interest earned	-	55	-	55
Absorption back to Commission	-	(2,857)	-	(2,857)
Graduated from program	-	(14,885)	-	(14,885)
Client disbursements	<u>(3,266)</u>	<u>(3,760)</u>	<u>(1,500)</u>	<u>(8,526)</u>
Net change	(486)	(7)	2,097	1,604
Balance, beginning of year	<u>4,038</u>	<u>29,979</u>	<u>11,541</u>	<u>45,558</u>
Balance, ending of year	<u>\$ 3,552</u>	<u>\$ 29,972</u>	<u>\$ 13,638</u>	<u>\$ 47,162</u>

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

4. 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, 2022, 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

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896	14.871	14.856	Business Activities
				Family Self-Sufficiency Program	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	
111	Cash - Unrestricted	\$ 510,622	\$ -	\$ -	\$ 63,345	\$ -	\$ 447,277
113-010	HAP Funds	\$ 16,780	\$ -	\$ -	\$ 16,780	\$ -	\$ -
113-020	FSS Escrow Deposits	\$ 47,162	\$ -	\$ -	\$ 47,162	\$ -	\$ -
113-030	All other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
113	Cash - Other Restricted	\$ 63,942	\$ -	\$ -	\$ 63,942	\$ -	\$ -
114	Cash - Tenant Security Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
115	Cash - Restricted for Payment of Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	Total Cash	\$ 574,564	\$ -	\$ -	\$ 127,287	\$ -	\$ 447,277
121	Accounts Receivable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-010	Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-020	Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-030	Other	\$ 3,640	\$ -	\$ 3,640	\$ -	\$ -	\$ -
122	Accounts Receivable - HUD Other Projects	\$ 3,640	\$ -	\$ 3,640	\$ -	\$ -	\$ -
124	Accounts Receivable - Other Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-050	Other	\$ 4,650	\$ -	\$ -	\$ 4,650	\$ -	\$ -
125-060	Other Comments				Wgt bill \$4,243 & landlord overpayment \$407		
125	Accounts Receivable - Miscellaneous	\$ 4,650	\$ -	\$ -	\$ 4,650	\$ -	\$ -
126	Accounts Receivable - Tenants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126.1	Allowance for Doubtful Accounts - Tenants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126.2	Allowance for Doubtful Accounts - Other	\$ (407)	\$ -	\$ -	\$ (407)	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
128	Fraud Recovery	\$ 3,629	\$ -	\$ -	\$ 3,629	\$ -	\$ -
128.1	Allowance for Doubtful Accounts - Fraud	\$ (3,629)	\$ -	\$ -	\$ (3,629)	\$ -	\$ -
129	Accrued Interest Receivable	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ 6
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$ 7,889	\$ -	\$ 3,640	\$ 4,243	\$ -	\$ 6
131	Investments - Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
132	Investments - Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
135	Investments - Restricted for Payment of Current Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
142	Prepaid Expenses and Other Assets	\$ 1,105	\$ -	\$ -	\$ 1,105	\$ -	\$ -
143	Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
143.1	Allowance for Obsolete Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
144	Inter Program Due From	\$ -	\$ (61,446)	\$ -	\$ -	\$ 61,446	\$ -
145	Assets Held for Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
150	Total Current Assets	\$ 583,558	\$ (61,446)	\$ 3,640	\$ 132,635	\$ 61,446	\$ 447,283
161	Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
162	Buildings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
163	Furniture, Equipment & Machinery - Dwellings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
164	Furniture, Equipment & Machinery - Administration	\$ 13,684	\$ -	\$ -	\$ 13,684	\$ -	\$ -
165	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
166	Accumulated Depreciation	\$ (12,675)	\$ -	\$ -	\$ (12,675)	\$ -	\$ -
167	Construction in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
168	Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
160	Total Capital Assets, Net of Accumulated Depreciation	\$ 1,009	\$ -	\$ -	\$ 1,009	\$ -	\$ -
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 - Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
173	Grants Receivable - Non Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896	14.871	14.856	Business Activities
				Family Self-Sufficiency Program	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	
176-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
176-060	Other Comments						
176	Investments in Joint Ventures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
180	Total Non-Current Assets	\$ 1,009	\$ -	\$ -	\$ 1,009	\$ -	\$ -
190	Total Assets	\$ 584,567	\$ (61,446)	\$ 3,640	\$ 133,644	\$ 61,446	\$ 447,283
200	Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
290	Total Assets and Deferred Outflow of Resources	\$ 584,567	\$ (61,446)	\$ 3,640	\$ 133,644	\$ 61,446	\$ 447,283
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts Payable <= 90 Days	\$ 5,369	\$ -	\$ 3,640	\$ 1,651	\$ -	\$ 78
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	\$ 13,326	\$ -	\$ -	\$ -	\$ 13,326	\$ -
342	Unearned Revenue	\$ 13,326	\$ -	\$ -	\$ -	\$ 13,326	\$ -
343-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
343-020	Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
343	Current Portion of Long-term Debt - Capital Projects/Mortgage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
344	Current Portion of Long-term Debt - Operating Borrowings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
345	Other Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
346	Accrued Liabilities - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
347	Inter Program - Due To	\$ -	\$ (61,446)	\$ -	\$ 61,446	\$ -	\$ -
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	\$ 18,695	\$ (61,446)	\$ 3,640	\$ 63,097	\$ 13,326	\$ 78
351-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
351-020	Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
352	Long-term Debt, Net of Current - Operating Borrowings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
353	Non-current Liabilities - Other	\$ 47,162	\$ -	\$ -	\$ 47,162	\$ -	\$ -
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						
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	\$ 47,162	\$ -	\$ -	\$ 47,162	\$ -	\$ -
300	Total Liabilities	\$ 65,857	\$ (61,446)	\$ 3,640	\$ 110,259	\$ 13,326	\$ 78
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - BALANCE SHEET
DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896	14.871	14.856	Business Activities
				Family Self-Sufficiency Program	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	
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	\$ 1,009	\$ -	\$ -	\$ 1,009	\$ -	\$ -
511.4	Restricted Net Position	\$ 16,780	\$ -	\$ -	\$ 16,780	\$ -	\$ -
512.4	Unrestricted Net Position	\$ 500,921	\$ -	\$ -	\$ 5,596	\$ 48,120	\$ 447,205
513	Total Equity - Net Assets / Position	\$ 518,710	\$ -	\$ -	\$ 23,385	\$ 48,120	\$ 447,205
600	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	\$ 584,567	\$ (61,446)	\$ 3,640	\$ 133,644	\$ 61,446	\$ 447,283

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896 Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.856 Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	Business Activities
70300	Net Tenant Rental Revenue	\$ 45,968	\$ -	\$ -	\$ -	\$ -	\$ 45,968
70400	Tenant Revenue - Other	\$ 1,050	\$ -	\$ -	\$ -	\$ -	\$ 1,050
70500	Total Tenant Revenue	\$ 47,018	\$ -	\$ -	\$ -	\$ -	\$ 47,018
70600	HUD PHA Operating Grants	\$ 946,052	\$ -	\$ 39,480	\$ 623,198	\$ 283,374	\$ -
70600-010	Housing Assistance Payments	\$ 787,494	\$ -	\$ -	\$ 545,457	\$ 242,037	\$ -
70600-020	Ongoing Administrative Fees Earned	\$ 117,466	\$ -	\$ -	\$ 77,741	\$ 39,725	\$ -
70600-030	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70600-031	FSS Coordinator Grant	\$ 39,480	\$ -	\$ 39,480	\$ -	\$ -	\$ -
70600-040	Actual Independent Public Accountant Audit Costs	\$ 1,612	\$ -	\$ -	\$ -	\$ 1,612	\$ -
70600-050	Total Preliminary Fees Earned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70600-060	All Other Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 129	\$ -	\$ -	\$ 10	\$ 119	\$ -
71100-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71100-020	Administrative Fee	\$ 129	\$ -	\$ -	\$ 10	\$ 119	\$ -
71200	Mortgage Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71300	Proceeds from Disposition of Assets Held for Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71310	Cost of Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71400	Fraud Recovery	\$ 2,278	\$ -	\$ -	\$ 1,796	\$ 482	\$ -
71400-010	Fraud Recovery - Housing Assistance Payment	\$ 1,139	\$ -	\$ -	\$ 898	\$ 241	\$ -
71400-020	Fraud Recovery - Administrative Fee	\$ 1,139	\$ -	\$ -	\$ 898	\$ 241	\$ -
71500	Other Revenue	\$ 7,542	\$ -	\$ -	\$ 6,219	\$ 1,143	\$ 180
71600	Gain or Loss on Sale of Capital Assets	\$ 559,148	\$ -	\$ -	\$ -	\$ -	\$ 559,148
72000	Investment Income - Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70000	Total Revenue	\$ 1,562,167	\$ -	\$ 39,480	\$ 631,223	\$ 285,118	\$ 606,346
91100	Administrative Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91200	Auditing Fees	\$ 5,200	\$ -	\$ -	\$ 3,276	\$ 1,612	\$ 312
91300-010	To PHA Administered Program (i.e., COCC)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91300-020	To a Third Party/Outside Entity	\$ 76,122	\$ -	\$ -	\$ 46,886	\$ 26,345	\$ 2,891
91300	Management Fee	\$ 76,122	\$ -	\$ -	\$ 46,886	\$ 26,345	\$ 2,891
91310	Book-keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91400	Advertising and Marketing	\$ 478	\$ -	\$ -	\$ -	\$ -	\$ 478
91500	Employee Benefit contributions - Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91600	Office Expenses	\$ 27,531	\$ -	\$ -	\$ 20,354	\$ 7,177	\$ -
91700	Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91800	Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
91900	Other	\$ 10,977	\$ -	\$ -	\$ 7,220	\$ 2,150	\$ 1,607
91000	Total Operating - Administrative	\$ 120,308	\$ -	\$ -	\$ 77,736	\$ 37,284	\$ 5,288
92000	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92100	Tenant Services - Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92200	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92300	Employee Benefit Contributions - Tenant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92400	Tenant Services - Other	\$ 39,480	\$ -	\$ 39,480	\$ -	\$ -	\$ -
92500	Total Tenant Services	\$ 39,480	\$ -	\$ 39,480	\$ -	\$ -	\$ -
93100	Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93200	Electricity	\$ 67	\$ -	\$ -	\$ -	\$ -	\$ 67
93300	Gas	\$ 1,319	\$ -	\$ -	\$ 1,319	\$ -	\$ -
93400	Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93500	Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93600	Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93700	Employee Benefit Contributions - Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93800	Other Utilities Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93000	Total Utilities	\$ 1,386	\$ -	\$ -	\$ 1,319	\$ -	\$ 67
94100	Ordinary Maintenance and Operations - Labor	\$ 2,688	\$ -	\$ -	\$ -	\$ -	\$ 2,688
94200	Ordinary Maintenance and Operations - Materials and Other	\$ 540	\$ -	\$ -	\$ -	\$ -	\$ 540
94300-010	Garbage and Trash Removal Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-020	Heating & Cooling Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-030	Snow Removal Contracts	\$ 737	\$ -	\$ -	\$ -	\$ -	\$ 737
94300-040	Elevator Maintenance Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896	14.871	14.856	Business Activities
				Family Self-Sufficiency Program	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	
94300-050	Landscape & Grounds Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-060	Unit Turnaround Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-070	Electrical Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-080	Plumbing Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-090	Extermination Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-100	Janitorial Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94300-110	Routine Maintenance Contracts	\$ 764	\$ -	\$ -	\$ -	\$ -	\$ 764
94300-120	Miscellaneous Contracts	\$ 85	\$ -	\$ -	\$ -	\$ -	\$ 85
94300	Ordinary Maintenance and Operations Contracts	\$ 1,586	\$ -	\$ -	\$ -	\$ -	\$ 1,586
94500	Employee Benefit Contributions - Ordinary Maintenance	\$ 206	\$ -	\$ -	\$ -	\$ -	\$ 206
94000	Total Maintenance	\$ 5,020	\$ -	\$ -	\$ -	\$ -	\$ 5,020
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96130	Workmen's Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96140	All Other Insurance	\$ 4,009	\$ -	\$ -	\$ 833	\$ 408	\$ 2,768
96100	Total Insurance Premiums	\$ 4,009	\$ -	\$ -	\$ 833	\$ 408	\$ 2,768
96200	Other General Expenses	\$ 893	\$ -	\$ -	\$ 735	\$ -	\$ 158
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	\$ 893	\$ -	\$ -	\$ 735	\$ -	\$ 158
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96720	Interest on Notes Payable (Short and Long Term)	\$ 10,743	\$ -	\$ -	\$ -	\$ -	\$ 10,743
96730	Amortization of Bond Issue Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96700	Total Interest Expense and Amortization Cost	\$ 10,743	\$ -	\$ -	\$ -	\$ -	\$ 10,743
96900	Total Operating Expenses	\$ 181,839	\$ -	\$ 39,480	\$ 80,623	\$ 37,692	\$ 24,044
97000	Excess of Operating Revenue over Operating Expenses	\$ 1,380,328	\$ -	\$ -	\$ 550,600	\$ 247,426	\$ 582,302
97100	Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97200	Casualty Losses - Non-capitalized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97300-040	Tenant Protection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97300-020	Home-Ownership	\$ 20,455	\$ -	\$ -	\$ 20,455	\$ -	\$ -
97300-041	Portability-Out	\$ 18,078	\$ -	\$ -	\$ 18,078	\$ -	\$ -
97300-045	FSS Escrow Deposits	\$ 21,230	\$ -	\$ -	\$ 21,230	\$ -	\$ -
97300-050	All Other	\$ 710,993	\$ -	\$ -	\$ 468,715	\$ 242,278	\$ -
97300	Housing Assistance Payments	\$ 770,756	\$ -	\$ -	\$ 528,478	\$ 242,278	\$ -
97350	HAP Portability-In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97400	Depreciation Expense	\$ 673	\$ -	\$ -	\$ 673	\$ -	\$ -
97500	Fraud Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97700	Debt Principal Payment - Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97800	Dwelling Units Rent Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90000	Total Expenses	\$ 953,268	\$ -	\$ 39,480	\$ 609,774	\$ 279,970	\$ 24,044
10010	Operating Transfer In	\$ -	\$ 3,000	\$ -	\$ (3,000)	\$ -	\$ -
10020	Operating transfer Out	\$ -	\$ (3,000)	\$ -	\$ 3,000	\$ -	\$ -
10030	Operating Transfers from/to Primary Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10040	Operating Transfers from/to Component Unit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10070	Extraordinary Items, Net Gain/Loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10080	Special Items (Net Gain/Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10093	Transfers between Program and Project - In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10094	Transfers between Project and Program - Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10100	Total Other financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10000	Excess (Deficiency) of Total Revenue Over (Under) Total	\$ 608,899	\$ -	\$ -	\$ 21,449	\$ 5,148	\$ 582,302
11020	Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning Equity	\$ (90,189)	\$ -	\$ -	\$ 1,936	\$ 42,972	\$ (135,097)
11040-020	Prior Period Adjustments and Correction of Errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

FINANCIAL DATA SCHEDULE - INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2022

Line Item No.	Description	Total Programs	Eliminations	14.896	14.871	14.856	Business Activities
				Family Self-Sufficiency Program	Housing Choice Vouchers	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	
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	\$ 1,936	\$ -	\$ -	\$ 1,936	\$ -	\$ -
11170-010	Administrative Fee Revenue	\$ 77,741	\$ -	\$ -	\$ 77,741	\$ -	\$ -
11170-020	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-030	Audit Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-040	Investment Income	\$ 10	\$ -	\$ -	\$ 10	\$ -	\$ -
11170-045	Fraud Recovery Revenue	\$ 898	\$ -	\$ -	\$ 898	\$ -	\$ -
11170-050	Other Revenue	\$ 5,101	\$ -	\$ -	\$ 5,101	\$ -	\$ -
11170-051	Comment for Other Revenue				Pat div \$2481; Misc \$3738		
11170-060	Total Admin Fee Revenues	\$ 83,750	\$ -	\$ -	\$ 83,750	\$ -	\$ -
11170-080	Total Operating Expenses	\$ 78,408	\$ -	\$ -	\$ 78,408	\$ -	\$ -
11170-090	Depreciation	\$ 673	\$ -	\$ -	\$ 673	\$ -	\$ -
11170-095	Housing Assistance Payment Portability In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-100	Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11170-101	Comment for Other Expenses						
11170-110	Total Expenses	\$ 79,081	\$ -	\$ -	\$ 79,081	\$ -	\$ -
11170-002	Net Administrative Fee	\$ 4,669	\$ -	\$ -	\$ 4,669	\$ -	\$ -
11170-003	Administrative Fee Equity - Ending Balance	\$ 6,605	\$ -	\$ -	\$ 6,605	\$ -	\$ -
11170-005	Pre-2004 Administrative Fee Reserves	\$ 255	\$ -	\$ -	\$ 255	\$ -	\$ -
11170-006	Post-2003 Administrative Fee Reserves	\$ 6,350	\$ -	\$ -	\$ 6,350	\$ -	\$ -
11180	Housing Assistance Payments Equity						
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11180-010	Housing Assistance Payment Revenues	\$ 545,457	\$ -	\$ -	\$ 545,457	\$ -	\$ -
11180-015	Fraud Recovery Revenue	\$ 898	\$ -	\$ -	\$ 898	\$ -	\$ -
11180-020	Other Revenue	\$ 266	\$ -	\$ -	\$ 266	\$ -	\$ -
11180-021	Comments for Other Revenue				Void HAP check		
11180-025	Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11180-030	Total Housing Assistance Payments Revenues	\$ 546,621	\$ -	\$ -	\$ 546,621	\$ -	\$ -
11180-080	Housing Assistance Payments	\$ 528,478	\$ -	\$ -	\$ 528,478	\$ -	\$ -
11180-090	Other Expenses	\$ 1,363	\$ -	\$ -	\$ 1,363	\$ -	\$ -
11180-091	Comments for Other Expenses				Negative RNP prior year		
11180-100	Total Housing Assistance Payments Expenses	\$ 529,841	\$ -	\$ -	\$ 529,841	\$ -	\$ -
11180-002	Net Housing Assistance Payments	\$ 16,780	\$ -	\$ -	\$ 16,780	\$ -	\$ -
11180-003	Housing Assistance Payments Equity - Ending Balance	\$ 16,780	\$ -	\$ -	\$ 16,780	\$ -	\$ -
11190	Unit Months Available						
11190-210	Total ACC HCV Units	-	-	-	-	-	-
11190-220	Unfunded Units	-	-	-	-	-	-
11190-230	Other Adjustments	-	-	-	-	-	-
11190	Unit Months Available	1,860	-	-	1,812	504	48
11210	Number of Unit Months Leased	1,112	-	-	1,064	504	48
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2022

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

MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2022

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	YES
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)	\$946,052

MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION

Financial Data Schedule - Memo Account Information
Year Ended December 31, 2022

Federal Award Details		
Element	Description	Details
G4100-030	Amount Expended	\$946,052
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	1
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	2022-002
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

**MOBRIDGE HOUSING AND
REDEVELOPMENT COMMISSION**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<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	\$ 283,374
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	623,198
Family Self-Sufficiency Program	14.896	<u>39,480</u>
Total Federal Funding		<u>\$ 946,052</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, 2022. 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
Mobridge Housing and Redevelopment Commission
Mobridge, 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 Mobridge Housing and Redevelopment Commission, a component unit of the City of Mobridge, South Dakota (the Commission) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated July 26, 2024.

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.

MADISON OFFICE: 205 North Egan Ave. | PO Box 505 | Madison, SD 57042 | (605) 256-9165

YANKTON OFFICE: 207 Douglas Ave. | PO Box 1018 | Yankton, SD 57078 | (605) 665-4401

SIOUX FALLS OFFICE: 3600 S Westport, Suite 101 | Sioux Falls, SD 57106 | (605) 336-0372

EMAIL: wrc@wrccpa.com

TOLL FREE: 1-800-456-0889

FAX #: (605) 665-0592



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 2022-001.

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.

Wohlberg Ritzman + Co., LLC

Yankton, South Dakota
July 26, 2024

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
Mobridge Housing and Redevelopment Commission
Mobridge, South Dakota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mobridge Housing and Redevelopment Commission, a component unit of the City of Mobridge, 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, 2022. 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed 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 2022-002. 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 the 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.

Wohlenberg Ritzman + Co., LLC

Yankton, South Dakota
July 26, 2024

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2022**

FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no prior financial statement audit findings reported.

FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no prior major federal award programs audit findings reported.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022**

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? X yes _____ no

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
YEAR ENDED DECEMBER 31, 2022

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDIT

Finding 2022-001 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, 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.

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.

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
YEAR ENDED DECEMBER 31, 2022

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

Finding 2022-002 – Reporting – Compliance

Significant Deficiency

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.

Questions Costs: None.

Criteria:

2 CFR §200.512 of the Uniform Guidance requires an entity expending more than \$750,000 of federal funds in a fiscal year to submit a data collection form by a due date that is the earlier of 30 calendar day after receipt of the auditor's report(s) or nine months after the end of the audit period.

Cause:

The Commission had difficulties in securing an audit firm to conduct an audit of the Commission's 2022 calendar year.

Effect:

Late filing of the data collection form results in noncompliance with requirements of Uniform Guidance which could lead to sanctions by funding agencies.

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.

Views of Responsible Officials:

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

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

202 1st Ave East., P. O. Box 370, Mobridge, SD 57601

Telephone: (605)845-2560 Fax: (605)845-9902

**CORRECTIVE ACTION PLAN (Unaudited)
YEAR ENDED DECEMBER 31, 2022**

Mobridge Housing and Redevelopment Commission respectfully submits the following corrective action plan for audit findings for the year ended December 31, 2022.

Independent Public Accounting Firm:

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

Audit Period:

January 1, 2022 - December 31, 2022

The findings from the December 31, 2022 Schedule of Findings and Questioned Costs are discussed below.

Findings Related to the Financial Statements

Finding 2022-001 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, 2022. 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 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

MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION

202 1st Ave East., P. O. Box 370, Mobridge, SD 57601

Telephone: (605)845-2560 Fax: (605)845-9902

CORRECTIVE ACTION PLAN (Unaudited), continued
YEAR ENDED DECEMBER 31, 2022

Mobridge Housing and Redevelopment Commission respectfully submits the following corrective action plan for audit findings for the year ended December 31, 2022.

Independent Public Accounting Firm:

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

Audit Period:

January 1, 2022 - December 31, 2022

The findings from the December 31, 2022 Schedule of Findings and Questioned Costs are discussed below.

Findings Related to Major Federal Award Program

Finding 2022-002 Reporting (Compliance; Internal Control Over Compliance)

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, 2023.

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:

September 30, 2024

Very truly yours,
MOBRIDGE HOUSING AND REDEVELOPMENT COMMISSION



Rich Galbraith
Executive Director