

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

**REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION AND SINGLE AUDIT**

FOR THE YEAR ENDED SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Dania Beach Housing Authority
Dania Beach, Florida

HUD, Miami Area Office
Office of Public Housing
909 S.E. First Avenue, Room 500
Miami, Florida 33131

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Dania Beach Housing Authority ("the Authority") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting Principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages i-vii be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated March 22, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 22, 2023

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

As management of the Dania Beach Housing Authority ("the Authority"), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

For accounting purposes, the Authority's programs are reported in one 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 balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

The section Supplemental Information required by HUD contains the Financial Data Schedule (FDS). HUD has established Uniform Financial Reporting Standards that require the Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended September 30, 2022.

Programs of the Authority

Blended Component Unit

The Authority demolished its traditional public housing units and replaced it with 172 units of affordable 9% LIHTC housing in its blended component unit. It completed the phase down of its traditional public housing program during fiscal year 2021.

Housing Choice Voucher Program

The Authority administers contracts with independent landlords that own the property. The 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 contributions to the Authority to enable the Authority to subsidize the participants' rents. The PHA currently has both Mainstream and traditional vouchers. The Authority has also gone paperless and had all tenant files completely scanned. New records are scanned in as they are processed.

Business Activities

The Authority is creating to affordable housing to the Dania Beach community in place of traditional public housing. The Authority is working on developing 75 units of moderate housing after being awarded CDBG and 4% SAIL bond funding. The Authority plans to use income from these projects to fund future endeavors.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Financial Highlights

The following analysis focuses on the net position and the change in net position of the Authority as a whole and not the individual programs.

- Total net position of the Authority as of September 30, 2022 was \$2,618,670.
- The Authority's unrestricted net position as of September 30, 2022 was \$(286,864) and restricted net position was \$11,886. The remaining \$2,892,648 of equity was investment in capital assets. The negative unrestricted net position is largely due to unearned revenue (long term liability) resulting from advance payments on land leases.
- The Authority's Total operating revenue was \$6,773,535 which consisted of \$6,524,387 in HUD Section 8 subsidy and \$167,463 other revenue (mostly developer fees).

Overview of Financial Statements

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

- **Statement of Net Position** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Position** – the results of activity over the course of the fiscal year. It details the costs associated with operating the facility and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year end to the current fiscal year end.
- **Statement of Cash Flows** – reports the Authority's cash flows in and out from operating, investments and financing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The attached analysis of entity wide net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Our analysis of the Authority as a whole begins on the next page.

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

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Overview of Financial Statements (Continued)

Over time, significant changes in the Authority's net position is an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

At FYE 2022, total net position was \$2,617,670; Total current assets were \$5,087,061, total capital net assets were \$2,892,648, and other assets were \$974,181.

In addition, total liabilities were \$6,336,220 at the end of FYE 2022. Of that, \$6,279,520 was deferred revenue from the land leases.

Net Position – The difference between an organization's assets and its liabilities equals its net position. There are three categories to classify Net position and they are the following:

Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets;

Restricted – net position whose use is subject to constraints imposed by law or agreement;

Unrestricted – net position that is neither invested in capital assets nor restricted.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Overview of Financial Statements (Continued)

Comparative Statement of Net Position is as follows:

	September 30,		
	2022	2021	Variances
ASSETS			
Cash and cash equivalents, unrestricted	\$ 4,727,474	\$ 3,189,397	\$ 1,538,077
Cash and cash equivalents, restricted	11,886	417,998	(406,112)
Accounts receivable, net of allowances	306,715	308,692	(1,977)
Due from other governments	33,020	34,347	(1,327)
Prepaid expenses	7,966	86	7,880
Total current assets	5,087,061	3,950,520	1,136,541
Other Assets:			
Notes and mortgages receivable	970,000	-	970,000
Insurance deposits	4,181	885	3,296
Total other assets	974,181	885	973,296
Capital assets			
Not being depreciated	2,888,876	2,888,876	-
Depreciable, net	3,772	4,244	(472)
Total capital assets, net	2,892,648	2,893,120	(472)
Total noncurrent assets	3,866,829	2,894,005	972,824
Total assets	8,953,890	6,844,525	2,109,365
Deferred outflow of resources	-	-	-
Total Assets and Deferred Outflow of Resources	8,953,890	6,844,525	2,109,365
LIABILITIES			
Current liabilities			
Vendors and contractors payable	18,553	32,940	(14,387)
Accrued wages/ taxes payable	5,289	5,712	(423)
Accrued compensated absences	2,859	6,192	(3,333)
Due to other governments	-	149	(149)
Other current liabilities	4,267	4,516	(249)
Unearned revenue	6,279,520	3,916,433	2,363,087
Total current liabilities	6,310,488	3,965,942	2,344,546
Accrued compensated absences - noncurrent	25,732	55,728	(29,996)
Total liabilities	6,336,220	4,021,670	2,314,550
Deferred inflow of resources	-	-	-
Total Liabilities and Deferred Inflow of Resources	6,336,220	4,021,670	2,314,550
NET POSITION			
Net investment in capital assets	2,892,648	2,893,120	(472)
Restricted	11,886	413,482	(401,596)
Unrestricted	(286,864)	(483,747)	196,883
Total net position	\$ 2,617,670	\$ 2,822,855	\$ (205,185)

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Overview of Financial Statements (Continued)

Cash and other current assets increased by \$1,136,541 primarily in unrestricted cash of \$1,538,077. There was a decrease in overall operating expenses of \$67,463 most of which was due to a decrease in administrative costs.

There was a decrease in net accounts receivable of \$1,977 and a decrease in net capital assets of a nominal \$472. The Authority had long-term debt consisting of accrued compensated absences of \$25,732.

There was an increase in liabilities of \$2,314,550, due to the increase in unearned revenue due to advance payments on ground leases.

This schedule reflects a decrease in total net position of \$205,185.

Comparative Statement of Revenues, Expenses and Changes in Net Position are as follows:

	September 30,		Variances
	2022	2021	
Operating revenue & expense			
Rental revenues	\$ 81,685	\$ 136,090	\$ (54,405)
HUD grants	6,524,387	6,879,201	(354,814)
Other revenue	167,463	1,652,940	(1,485,477)
Total operating revenue	6,773,535	8,668,231	(1,894,696)
Operating expenses			
Administrative	604,611	679,543	(74,932)
Tenant services, other	-	10,000	(10,000)
Utilities	3,310	13,847	(10,537)
Ordinary maintenance and operation	46,740	42,374	4,366
Protective services	-	5,826	(5,826)
Insurance	14,393	22,020	(7,627)
General expenses	33,241	32,819	422
Housing assistance payments	6,323,523	6,286,852	36,671
Depreciation	471	471	-
Total operating expenses	7,026,289	7,093,752	(67,463)
Operating gain (loss)	(252,754)	1,574,479	1,827,233
Nonoperating revenues (expenses)			
Interest revenue, unrestricted	16,942	3,540	13,402
Fraud Recovery	30,627	-	30,627
Total nonoperating revenues (expenses)	47,569	3,540	44,029
Increase (decrease) in net position	(205,185)	1,578,019	(1,783,204)
Net position, beginning of year	2,822,855	1,244,836	1,578,019
Net position, end of year	\$ 2,617,670	\$ 2,822,855	\$ (205,185)

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Overview of Financial Statements (Continued)

The Authority had a net decrease in operating revenue of \$1,894,696, a net decrease in operating expenses of \$67,463 with 2022 experiencing a net operating loss of \$252,754. The decrease in revenue was due to developer fees received in the prior year that were not received in the current year. The Authority received an increase in Housing Assistance Payments revenue of and an increase in housing assistance payments of \$36,671.

Administrative expenses decreased by \$74,932. Utilities decreased by \$10,537, ordinary maintenance and operations increased by \$4,366, insurance decreased by \$7,627, and total general expenses increased by \$422. There was an increase in housing assistance payments of \$36,671.

In FYE 2022, total revenue was \$6,773,535 while total operating expenses were \$7,026,289. This contributed to a decrease in net position of \$205,185.

Capital Assets:

	For the year ended September 30,		Variances
	2022	2021	
Not being depreciated:			
Land	\$ 2,888,876	\$ 2,888,876	\$ -
	<u>2,888,876</u>	<u>2,888,876</u>	<u>-</u>
Depreciable:			
Equipment - administrative	53,239	53,239	-
	<u>53,239</u>	<u>53,239</u>	<u>-</u>
Total	<u>2,942,115</u>	<u>2,942,115</u>	<u>-</u>
Accumulated depreciation	(49,467)	(48,995)	(472)
Capital assets, net	<u>\$ 2,892,648</u>	<u>\$ 2,893,120</u>	<u>\$ (472)</u>

There was a decrease in net capital assets of a nominal \$472. Depreciation expense for the year was \$471. The only capital assets of the Authority are land and administrative equipment.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(Continued)

Governmental Funds

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Authority's Programs

- Housing Choice Voucher Program (CFDA #14.871)
- Business Activities
- Component Unit

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs
- Hurricane and other weather conditions
- Small Area Fair Market Rents have increased the average per unit cost for the Authority.

Contacting the Authority's Financial Management

Questions concerning any of the information provided in this report or request for additional information should be addressed to Anne Castro, Executive Director, Dania Beach Housing Authority, 1101 West Dania Beach Blvd, Suite 100, Dania Beach, FL 33004.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 4,727,474
Cash and cash equivalents, restricted	11,886
Accounts receivable, net of allowance	306,715
Due from other governments	33,020
Prepaid expense	7,966
Total current assets	<u>5,087,061</u>

Noncurrent assets

Other assets

Notes and mortgages receivable	970,000
Insurance deposit	4,181
Total other assets	<u>974,181</u>

Capital assets

Not being depreciated	2,888,876
Depreciable, net	3,772
Total capital assets, net	<u>2,892,648</u>

Total noncurrent assets	<u>3,866,829</u>
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Total assets	<u>8,953,890</u>
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Deferred Outflow of Resources	<u>-</u>
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Total Assets and Deferred Outflow of Resources	<u>8,953,890</u>
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LIABILITIES

Current liabilities

Vendors and contractors payable	18,553
Accrued wages/taxes payable	5,289
Accrued compensated absences	2,859
Unearned revenue	6,279,520
Notes and bonds payable	1,703
Total current liabilities	<u>6,307,924</u>

Noncurrent liabilities

Notes and bonds payable	2,564
Accrued compensated absences	25,732
Total noncurrent liabilities	<u>28,296</u>

Total liabilities	<u>6,336,220</u>
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Deferred Inflow of Resources	<u>-</u>
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Total Liabilities and Deferred Inflow of Resources	<u>6,336,220</u>
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NET POSITION

Net investment in capital assets	2,892,648
Restricted	11,886
Unrestricted	(286,864)

Total net position	<u>\$ 2,617,670</u>
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The accompanying notes are an integral part of these basic financial statements.

DANIA BEACH HOUSING AUTHORITY

Dania Beach, Florida

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Operating revenues	
Rental revenue	\$ 81,685
HUD grants	6,524,387
Other revenue	167,463
Total operating revenues	<u>6,773,535</u>
Operating expenses	
Administrative	604,611
Utilities	3,310
Ordinary maintenance & operation	46,740
Insurance	14,393
General expenses	33,241
Housing assistance payments	6,323,523
Depreciation	471
Total operating expenses	<u>7,026,289</u>
Operating income (loss)	<u>(252,754)</u>
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	16,942
Fraud recovery	30,627
Total nonoperating revenues	<u>47,569</u>
Increase (decrease) in net position	<u>(205,185)</u>
Net position, beginning of year	<u>2,822,855</u>
Net position, end of year	<u>\$ 2,617,670</u>

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

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Cash Flows From Operating Activities	
Receipts from dwelling rentals	\$ 76,131
Operating grants	6,523,990
Receipts from fees	2,363,087
Other receipts	202,829
Payments to employees and suppliers	(757,492)
Payments to landlords and residents	(6,323,523)
Net cash provided (used) by operating activities	<u>2,085,022</u>
 Cash Flows From Investing Activities	
Proceeds from homebuyer note activity - net	(970,000)
Interest	16,943
Net cash provided (used) by investing activities	<u>(953,057)</u>
 Net increase (decrease) in cash and cash equivalents	1,131,965
Balance - beginning of the year	<u>3,607,395</u>
Balance - end of the year	<u><u>\$ 4,739,360</u></u>
 Reconciliation of Cash Flows to Statement of Net Position	
Cash and cash equivalents, unrestricted	\$ 4,727,474
Cash and cash equivalents, restricted	11,886
	<u><u>\$ 4,739,360</u></u>

There are no non-cash transactions.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) By Operating Activities

Operating income/(loss)	\$ (252,754)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:	
Depreciation elimination	471
Decrease in accounts receivable	3,701
Increase in due to/from other governments	(546)
Increase in prepaid expenses	(7,880)
Increase in other assets	(3,296)
Decrease in security deposits	(4,516)
Decrease in accounts payable	(14,387)
Decrease in accrued wages	(423)
Decrease in accrued compensated absences	(3,333)
Increase in unearned revenue	2,363,087
Increase in accrued liabilities	(25,729)
Other revenue and expense reported as nonoperating	30,627
	<u>\$ 2,085,022</u>

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

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

A - Summary of Significant Accounting Policies and Organization:

1. **Organization:** Dania Beach Housing Authority (“the Authority”) is a public body corporate and politic pursuant to Chapter 421 Laws of the State of Florida which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies.
2. **Reporting Entity:** In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14, (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has the following blended component unit: the Dania Beach Quality Housing Solutions, Inc.

The basic financial statements of the Authority consist primarily of Locally Owned Affordable Housing activities and Section 8 Housing Assistance Programs under Annual Contributions Contract A-3398.

3. **Summary of HUD and Other Authority Programs:** The accompanying basic financial statements consist of the activities of the housing programs subsidized by HUD and Authority owned entities. A summary of each of these programs is provided below.

a. Annual Contributions Contract A-3398 - Housing Assistance Payments Programs

Housing Choice Vouchers: This is a housing program wherein low rent tenants lease housing units directly from private landlords rather than through the Authority. The Authority contracts with private landlords to make assistance payments for the difference between the approved contract rent and the actual rent paid by the low rent tenants.

4. **Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the basic financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP).

Based upon compelling reasons offered by HUD, the Authority reports its basic financial statements as a special purpose government engaged solely in business-type activities, which is similar to the governmental proprietary fund type (Enterprise Fund), which uses the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

4. Basis of Presentation and Accounting: (Continued)

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net position categories:

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted - Net position whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or they expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

Unrestricted – Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

- 5. Budgets:** Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The Capital Fund budgets are adopted on a “project length” basis. Budgets are not, however, legally adopted nor legally required for basic financial statement presentation.
- 6. Cash and Cash Equivalents:** For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable Certificates of Deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.
- 7. Interprogram Receivables and Payables:** Interprogram receivables/payables, when present, are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all interprogram balances net zero. Offsetting due to/due from balances are eliminated for the basic financial statement presentation.
- 8. Investments:** Investments, when present, are recorded at fair value. Investment instruments consist only of items specifically approved for public housing agencies by HUD. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority’s agent in the Authority’s name. It is the Authority’s policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Florida
- 9. Inventories:** Inventories (consisting of materials and supplies) are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, the Authority establishes an allowance for obsolete inventory. In accordance with the consumption method, inventory is expensed when items are actually placed in service.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for the effective management of the organization and for ensuring compliance with applicable laws and regulations.

2. The second part of the document outlines the specific procedures and protocols that must be followed when conducting business. This includes guidelines for communication, decision-making, and the handling of confidential information. It also addresses the roles and responsibilities of various staff members and the importance of teamwork and collaboration.

3. The third part of the document focuses on financial management and budgeting. It provides detailed instructions on how to prepare and maintain the organization's budget, track expenses, and report on financial performance. It also discusses the importance of transparency and accountability in financial reporting.

4. The fourth part of the document addresses human resources and employee relations. It covers topics such as recruitment, hiring, training, and performance evaluation. It also discusses the importance of creating a positive work environment, promoting diversity and inclusion, and resolving any conflicts that may arise between employees.

5. The fifth part of the document discusses risk management and legal compliance. It outlines the various risks that the organization may face and provides strategies for identifying, assessing, and mitigating these risks. It also emphasizes the importance of staying up-to-date on changes in laws and regulations and ensuring that the organization remains in full compliance at all times.

6. The sixth part of the document focuses on marketing and sales. It provides guidance on how to develop and implement an effective marketing strategy, identify potential customers, and promote the organization's products and services. It also discusses the importance of tracking and analyzing marketing results to ensure that the organization is achieving its sales goals.

7. The seventh part of the document discusses the organization's relationship with its stakeholders, including customers, suppliers, and the community. It emphasizes the importance of maintaining open and honest communication with these groups and working to build strong, mutually beneficial relationships.

8. The eighth part of the document provides a summary of the key points discussed throughout the document and offers final thoughts on the importance of continuous improvement and innovation in the organization's operations.

APPENDIX A
LIST OF ATTACHED DOCUMENTS
1. Financial Statements
2. Employee Handbook
3. Marketing Plan
4. Risk Assessment Report

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

10. Prepaid Items: Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid items.

11. Use of Estimates: The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

12. Fair Value of Financial Instruments: The carrying amount of the Authority's financial instruments on September 30, 2022, including cash, investments, accounts receivable, and accounts payable closely approximates fair value.

13. Capital Assets:

a. Book Value: All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentation.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

b. Depreciation: The cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year following completion.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

Buildings	40 years
Building modernization	10 years
Furniture and equipment	3-7 years

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

13. Capital Assets: (Continued)

- c. Maintenance and Repairs Expenditures:** Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$500 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.
- d. Impairment of long-lived assets:** The Authority reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended September 30, 2022.
- 14. Compensated Absences:** Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with *GASB Statement No. 16*. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.
- 15. Litigation Losses:** The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable, and the loss is reasonably estimable.
- 16. Annual Contribution Contracts:** Annual Contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by the Authority.
- 17. Risk Management:** The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance, general liability, fire and extended coverage, fidelity bond, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

17. Risk Management: (Continued)

The Authority participates in public entity risk pool (Housing Authority Risk Retention Group) for general liability and Director and Officers liability. Settled claims resulting from these risks have not exceeded risk pool coverage in any of the past three fiscal years. Rights and responsibilities of the Authority and the pool are contained within the pool agreement and the scope of coverage documents.

18. Use of Restricted Assets: It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

19. Operating Revenues and Expenses: The principal operating revenues of the Authority's enterprise fund are charges to customers for rents and services. Operating expenses for the Authority's enterprise fund include the cost of providing housing and services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

B - Deposits and Investments: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

1. HUD Deposit and Investment Restrictions

HUD requires authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

2. Risk Disclosures

a. Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the Authority's investment portfolio to maturities not to exceed two years at time of purchase.

On September 30, 2022, the Authority's deposits and investments were not limited and all of which are either available on demand or have maturities of less than two years.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

B - Deposits and Investments: (Continued)

2. Risk Disclosures (Continued)

- b. Credit Risk:** This is risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority's investment policy is that none of its total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies, and instrumentalities.
- c. Custodial Credit Risk:** This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All the Authority's investments in securities are held in the name of the Authority. The Authority's custodial agreement policy prohibits counterparties holding securities not in the Authority's name.

The carrying amounts of the Authority's cash deposits were \$4,739,360 on September 30, 2022. Bank balances before reconciling items were \$4,761,949 at that date, the total amount of which was collateralized as Public Funds in the State of Florida.

C - Accounts Receivable: Tenants – Business Activities

Tenants – Business Activities	\$ 1,038
Fraud Recovery – HCV Program (net of Allowance of \$57,509)	-
Due from Developer- Land Lease fee	<u>305,677</u>
	<u>\$ 306,715</u>

D - Due From Other Governments:

US Department of Housing and Urban Development (HUD)	<u>\$ 33,020</u>
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E - Prepaid Expenses:

Insurance	<u>\$ 7,966</u>
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DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

F - Land, Buildings and Equipment:

	Balance September 30, 2021	Additions	Balance September 30, 2022
Not being depreciated:			
Land	\$ 2,888,876	\$ -	\$ 2,888,876
Total not being depreciated	2,888,876	-	2,888,876
Depreciable:			
Equipment	53,239	-	53,239
Accumulated depreciation	(48,995)	(472)	(49,467)
Net equipment	4,244	(472)	3,772
Net depreciable assets	4,244	(472)	3,772
TOTAL	\$ 2,893,120	\$ (472)	\$ 2,892,648

G - Notes Payable – Capitalized Leases: During the fiscal year, the Authority implemented GASB 87 – Leases. The Authority is leasing a copier starting December 1, 2021, with monthly payments of \$156.50 with an interest rate of 5%. The Authority has chosen not to restate prior periods because the cumulative effect was determined to be immaterial. The future lease payment maturity schedule is presented below:

Year ended September 30,	Principal	Interest	Total Payments	Amortization
2023	\$ 1,703	\$ 175	\$ 1,878	\$ 1,730
2024	1,790	88	1,878	1,730
2025	774	10	784	721
	4,267	\$ 273	\$ 4,540	\$ 4,181
Less current portion:	1,703			
	\$ 2,564			

H - Annual Contributions by Federal Agencies:

Annual Contributions Contract A-3398 - Section 8 programs provide for housing assistance payments to private owners of residential units on behalf of eligible low or very low-income families. The program provides for such payments covering the difference between the maximum rental on a dwelling unit, and the amount of rent contribution by a participating family and related administrative expense. HUD contributions for the year ended September 30, 2022, were \$6,528,220.

The following table shows the results of the analysis of variance for the effect of the treatment on the response variable. The analysis was conducted using the method of least squares. The results are presented in the following table.

Table 1. Analysis of variance results.

Source of Variation	Sum of Squares		Mean Squares		F	p-value
	SS	df	MS	df		
Treatment	12.5	2	6.25	2	1.5	0.25
Error	100.0	18	5.56	18		
Total	112.5	20				

The results of the analysis of variance indicate that there is a significant difference between the treatment groups. The F-value is 1.5, and the p-value is 0.25. This suggests that the treatment has a significant effect on the response variable.

Treatment	Mean Response	Standard Error
Treatment 1	5.5	0.5
Treatment 2	6.0	0.5
Treatment 3	6.5	0.5

Table 2. Mean response and standard error for each treatment.

The mean response for each treatment is as follows: Treatment 1 (5.5), Treatment 2 (6.0), and Treatment 3 (6.5). The standard error for each treatment is 0.5.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

I - Defined Contribution Pension Plan: The Authority provides pension benefits for all its full-time employees through a defined contribution plan entitled "The Housing Renewal and Local Agency Retirement Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Board of Commissioners for the Authority is authorized to establish and amend plan benefits. Employees are eligible to participate from the date of employment. The Authority contributes 9% to 14% of the employee's base salary each month, while the employee contributes 1%. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five (5) years of continuous service, or until age 65, whichever is first. Authority contributions for, and interest forfeited by, employees who leave employment before vesting are used to reduce the Authority's current-period contribution requirement.

The Authority's total payroll in fiscal year 2022 was \$308,752. The Authority's and employee's contributions were calculated using the \$308,752. The Authority and the employees made the required contributions amounting to \$46,162 and \$3,087 respectively.

J - Other Post-Employment Benefits (OPEB): In relation to its employee benefit programs, the Authority does not provide any Other Post-Employment Benefits, as outlined under GASB 45 or 75.

K - Economic Dependency: The Authority receives approximately 96% of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's reserves could be adversely affected.

L - Contingencies: The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. There were no such examinations for the year ended September 30, 2022.

M - Schedule of Changes in Noncurrent Liabilities:

	Balance at		Year Ended		September 30, 2022	
	September 30, 2021	September 30, 2021	September 30, 2022	September 30, 2022	September 30, 2022	September 30, 2022
	Long-term Portion	Current Portion	Additions	Payments	Current Portion	Long-term Portion
Accrued compensated absences	\$ 55,728	\$ 6,192	\$ 12,350	\$ (45,679)	\$ 2,859	\$ 25,732

N - Leasing Activities (as Lessor): The Authority is the Lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Revenues associated with these leases are recorded in the basic financial statements and schedules as "Rental Revenue". Rental Revenue per dwelling unit generally remains consistent from year to year but is affected by general economic conditions which impact personal income and local job availability.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

- O - Decrease in Net Position:** The decrease in net position is expected to be absorbed through operations in subsequent fiscal years, assisted by transfers from various programs. No fund deficit is expected as a result of the current year loss.

- P - Interprogram Transfers:** The Authority will make cash transfers between its various programs as outlined in the Federal Regulations and authorized and approved by the Authority's Board of Commissioners. There were no cash transfers made during the current fiscal year from the Capital Fund Program to the Low Rent Public Housing Program.

- Q - Subsequent Events:** Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through the Date of the Independent Auditors Report and concluded that no subsequent events have occurred that would require recognition in the Financial Statements other than the following disclosures for informational purposes as set out below.

Effective November 8, 2020, the Authority and the Master Developer revitalized and rebuilt Saratoga Crossings in an economical and high-quality manner. The parties intend to develop approximately one hundred sixty-nine (169) units of family and elderly rental housing for households with income no greater than 60% of the Area Median Income ("AMI"), and three (3) units of market rate rental housing with no income restriction. The foregoing revitalization activities and other site and related improvements are collectively referred to as the "Development". The parties anticipate developing the Development into phases (each, a "Phase"), with Phase I consisting of one hundred twenty-eight (128) family rental housing units and Phase II consisting of 44 elderly rental housing units.

The Authority has entered into a ground lease with respect to each Phase of the Development with an Owner Entity for such Phase that will develop, construct, own and operate affordable housing at the Development. The Master Developer shall obtain sources of debt and equity funding and grants and loans from public and/or private sources.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

R - Condensed Statement - Component Units: As per GASB 61, the condensed combining information is provided on the component unit:

	<u>Dania Beach Housing Authority</u>	<u>Component Unit Dania Beach Quality Housing Solutions, Inc.</u>	<u>Total</u>
Condensed Statement of Net Position			
Current Assets	\$ 4,727,677	\$ 392,404	\$ 5,120,081
Capital Assets	2,892,648	-	2,892,648
Other Assets	4,181	970,000	974,181
Total Assets	7,624,506	1,362,404	8,986,910
Deferred Outflow of Resources	-	-	-
Total Assets and Deferred Outflow of Resources	7,624,506	1,362,404	8,986,910
Current Liabilities	6,341,153	2,355	6,343,508
Noncurrent Liabilities	17,821	7,911	25,732
Total Liabilities	6,358,974	10,266	6,369,240
Deferred Inflow of Resources	-	-	-
Total Liabilities and Deferred Inflow of Resources	6,358,974	10,266	6,369,240
Net Investment in Capital Assets	2,892,648	-	2,892,648
Restricted	11,886	-	11,886
Unrestricted	(1,639,002)	1,352,138	(286,864)
Total Net Position	\$ 1,265,532	\$ 1,352,138	\$ 2,617,670

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

R - Condensed Statement - Component Units: (Continued)

	<u>Dania Beach Housing Authority</u>	<u>Component Unit Dania Beach Quality Housing Solutions, Inc.</u>	<u>Total</u>
Condensed Statement of Revenues, Expenses and Changes in Net Position			
Operating Revenues	\$ 6,804,162	\$ -	\$ 6,804,162
Operating Expenses			
Operating Expense	6,946,662	79,156	7,025,818
Depreciation Expense	471	-	471
Total Operating Expenses	6,947,133	79,156	7,026,289
Nonoperating Revenue(Expense)			
Nonoperating Revenue	363	16,579	16,942
Total Nonoperating Revenue(Expense)	363	16,579	16,942
Change in Net Position	(142,608)	(62,577)	(205,185)
Net Position, beginning of year	1,309,853	(65,017)	1,244,836
Net Position, end of year	\$ 1,167,245	\$ (127,594)	\$ 1,039,651

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(Continued)

R- Condensed Statement - Component Units: (Continued)

	<u>Dania Beach Housing Authority</u>	<u>Component Unit Dania Beach Quality Housing Solutions, Inc.</u>	<u>Total</u>
Condensed Statement of Cash Flows			
Net Cash Flows from(used) Operating Activities	\$ 2,164,580	\$ (79,558)	\$ 2,085,022
Net Cash provided(used) by Investing Activities	<u>364</u>	<u>(953,421)</u>	<u>(953,057)</u>
Net increase in Cash and Cash Equivalentrs	2,164,944	(1,032,979)	1,131,965
Cash-Beginning of year	<u>2,182,012</u>	<u>1,425,383</u>	<u>3,607,395</u>
Cash-End of year	<u><u>\$ 4,346,956</u></u>	<u><u>\$ 392,404</u></u>	<u><u>\$ 4,739,360</u></u>

SUPPLEMENTAL INFORMATION

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

COMBINING SCHEDULE OF NET POSITION
SEPTEMBER 30, 2022

	14.871 Housing Choice Vouchers	14.879 Mainstream Voucher Program	1 Business Activities	6.2 Component Unit - Blended	Total 2022
ASSETS					
Current assets					
Cash and cash equivalents, unrestricted	\$ 288,911	\$ 1,795	\$ 4,044,364	\$ 392,404	\$ 4,727,474
Cash and cash equivalents, restricted	11,886	-	-	-	11,886
Accounts receivable, net of allowance	-	-	306,715	-	306,715
Due from other governments	-	33,020	-	-	33,020
Due from/to other programs	33,020	(33,020)	-	-	-
Prepaid expense	4,921	-	3,045	-	7,966
Total current assets	338,738	1,795	4,354,124	392,404	5,087,061
Noncurrent assets					
Other assets					
Notes and mortgages receivable	-	-	-	970,000	970,000
Insurance deposit	4,181	-	-	-	4,181
Total other assets	4,181	-	-	970,000	974,181
Capital assets					
Not being depreciated	20,090	-	2,868,786	-	2,888,876
Depreciable, net	3,772	-	-	-	3,772
Total capital assets, net	23,862	-	2,868,786	-	2,892,648
Total noncurrent assets	28,043	-	2,868,786	970,000	3,866,829
Total assets	366,781	1,795	7,222,910	1,362,404	8,953,890
Deferred Outflow of Resources	-	-	-	-	-
Total Assets and Deferred Outflow of Resources	366,781	1,795	7,222,910	1,362,404	8,953,890
LIABILITIES					
Current liabilities					
Vendors and contractors payable	17,027	-	50	1,476	18,553
Accrued wages/taxes payable	3,812	-	1,477	-	5,289
Accrued compensated absences	1,980	-	-	879	2,859
Unearned revenue	-	-	6,279,520	-	6,279,520
Notes and bonds payable	1,703	-	-	-	1,703
Total current liabilities	24,522	-	6,281,047	2,355	6,307,924
Noncurrent liabilities					
Notes and bonds payable	2,564	-	-	-	2,564
Accrued compensated absences	17,821	-	-	7,911	25,732
Total noncurrent liabilities	20,385	-	-	7,911	28,296
Total liabilities	44,907	-	6,281,047	10,266	6,336,220
Deferred Inflow of Resources	-	-	-	-	-
Total Liabilities and Deferred Inflow of Resources	44,907	-	6,281,047	10,266	6,336,220
NET POSITION					
Net investment in capital assets	23,862	-	2,868,786	-	2,892,648
Restricted	11,886	-	-	-	11,886
Unrestricted	286,126	1,795	(1,926,923)	1,352,138	(286,864)
Total net position	\$ 321,874	\$ 1,795	\$ 941,863	\$ 1,352,138	\$ 2,617,670

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	14.871 Housing Choice Vouchers	14.879 Mainstream Voucher Program	1 Business Activities	6.2 Component Unit - Blended	Total 2022
Operating revenues					
Rental revenue	\$ -	\$ -	\$ 81,685	\$ -	\$ 81,685
HUD grants	5,549,686	974,701	-	-	6,524,387
Other revenue	3,833	-	163,630	-	167,463
Total operating revenues	5,553,519	974,701	245,315	-	6,773,535
Operating expenses					
Administrative	502,813	53,759	13,731	34,308	604,611
Utilities	27	-	3,283	-	3,310
Ordinary maintenance & operation	1,187	-	1,291	44,262	46,740
Insurance	9,008	1,001	4,384	-	14,393
General expenses	17,587	13,000	2,068	586	33,241
Housing assistance payments	5,416,764	906,759	-	-	6,323,523
Depreciation	471	-	-	-	471
Total operating expenses	5,947,857	974,519	24,757	79,156	7,026,289
Operating income (loss)	(394,338)	182	220,558	(79,156)	(252,754)
Nonoperating revenues (expenses)					
Interest revenue, unrestricted	354	-	9	16,579	16,942
Fraud recovery	30,627	-	-	-	30,627
Total nonoperating revenues	30,981	-	9	16,579	47,569
Increase (decrease) in net position	(363,357)	182	220,567	(62,577)	(205,185)
Net position, beginning of year	685,231	1,613	721,296	1,414,715	2,822,855
Net position, end of year	\$ 321,874	\$ 1,795	\$ 941,863	\$ 1,352,138	\$ 2,617,670

DANIA BEACH HOUSING AUTHORITY (FL116)

DANIA BEACH, FL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2022

	Project Total	6.2 Component Unit - Blended	1 Business Activities	14.878 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted		\$392,404	\$4,044,384	\$1,795	\$288,911	\$4,727,474		\$4,727,474
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted					\$11,888	\$11,888		\$11,888
114 Cash - Tenant Security Deposits								
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$0	\$392,404	\$4,044,384	\$1,795	\$300,797	\$4,739,360	\$0	\$4,739,360
121 Accounts Receivable - PHA Projects								
122 Accounts Receivable - HUD Other Projects			\$0	\$33,020		\$33,020		\$33,020
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous			\$305,677			\$305,677		\$305,677
126 Accounts Receivable - Tenants			\$1,038			\$1,038		\$1,038
126.1 Allowance for Doubtful Accounts - Tenants			\$0			\$0		\$0
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery				\$1,292	\$56,217	\$57,509		\$57,509
128.1 Allowance for Doubtful Accounts - Fraud				-\$1,292	-\$56,217	-\$57,509		-\$57,509
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$306,715	\$33,020	\$0	\$339,735	\$0	\$339,735
131 Investments - Unrestricted								
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets			\$3,045		\$4,821	\$7,866		\$7,866
143 Inventories								
143.1 Allowance for Obsolete Inventories								
144 Inter Program Due From					\$33,020	\$33,020	-\$33,020	\$0
145 Assets Held for Sale								
150 Total Current Assets	\$0	\$392,404	\$4,354,124	\$34,815	\$338,738	\$5,120,081	-\$33,020	\$5,087,061
161 Land			\$2,888,788		\$20,090	\$2,888,878		\$2,888,878

162 Buildings									
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration					\$53,239	\$53,239			\$53,239
165 Leasehold Improvements									
166 Accumulated Depreciation					-\$49,467	-\$49,467			-\$49,467
167 Construction in Progress									
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$2,868,786	\$0	\$23,862	\$2,892,648	\$0		\$2,892,648
171 Notes, Loans and Mortgages Receivable - Non-Current									
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		\$970,000				\$970,000			\$970,000
173 Grants Receivable - Non Current									
174 Other Assets					\$4,181	\$4,181			\$4,181
176 Investments in Joint Ventures									
180 Total Non-Current Assets	\$0	\$970,000	\$2,868,786	\$0	\$28,043	\$3,866,829	\$0		\$3,866,829
200 Deferred Outflow of Resources									
290 Total Assets and Deferred Outflow of Resources	\$0	\$1,362,404	\$7,222,910	\$34,815	\$366,781	\$8,986,910	-\$33,020		\$8,953,890
311 Bank Overdraft									
312 Accounts Payable <= 90 Days		\$1,476	\$50		\$17,027	\$18,553			\$18,553
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable			\$1,477		\$3,812	\$5,289			\$5,289
322 Accrued Compensated Absences - Current Portion		\$879			\$1,980	\$2,859			\$2,859
324 Accrued Contingency Liability									
325 Accrued Interest Payable									
331 Accounts Payable - HUD PHA Programs									
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government									
341 Tenant Security Deposits									
342 Unearned Revenue			\$6,279,520			\$6,279,520			\$6,279,520
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue									
344 Current Portion of Long-term Debt - Operating Borrowings					\$1,703	\$1,703			\$1,703
345 Other Current Liabilities									
346 Accrued Liabilities - Other									
347 Inter Program - Due To				\$33,020		\$33,020	-\$33,020		\$0
348 Loan Liability - Current									

310 Total Current Liabilities	\$0	\$2,355	\$6,281,047	\$33,020	\$24,522	\$6,340,844	-\$33,020	\$6,307,924
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue								
352 Long-term Debt, Net of Current - Operating Borrowings					\$2,584	\$2,584		\$2,584
353 Non-current Liabilities - Other								
354 Accrued Compensated Absences - Non Current		\$7,911			\$17,821	\$25,732		\$25,732
355 Loan Liability - Non Current								
356 FASB 5 Liabilities								
357 Accrued Pension and OPEB Liabilities								
350 Total Non-Current Liabilities	\$0	\$7,911	\$0	\$0	\$20,385	\$28,286	\$0	\$28,286
300 Total Liabilities	\$0	\$10,266	\$6,281,047	\$33,020	\$44,907	\$6,369,240	-\$33,020	\$6,336,220
400 Deferred Inflow of Resources								
508.4 Net Investment In Capital Assets			\$2,868,786		\$23,862	\$2,892,648		\$2,892,648
511.4 Restricted Net Position					\$11,886	\$11,886		\$11,886
512.4 Unrestricted Net Position	\$0	\$1,352,138	-\$1,926,923	\$1,795	\$286,126	-\$286,864		-\$286,864
513 Total Equity - Net Assets / Position	\$0	\$1,352,138	\$941,863	\$1,795	\$321,874	\$2,617,670	\$0	\$2,617,670
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$1,362,404	\$7,222,910	\$34,815	\$368,781	\$8,988,910	-\$33,020	\$8,953,890

DANIA BEACH HOUSING AUTHORITY (FL116)

DANIA BEACH, FL

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2022

	Project Total	6.2 Component Unit - Blended	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			\$81,685			\$81,685		\$81,685
70400 Tenant Revenue - Other								
70500 Total Tenant Revenue	\$0	\$0	\$81,685	\$0	\$0	\$81,685	\$0	\$81,685
70600 HUD PHA Operating Grants				\$974,701	\$5,549,686	\$6,524,387		\$6,524,387
70810 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						\$0	\$0	\$0
70800 Other Government Grants								
71100 Investment Income - Unrestricted		\$16,579	\$9		\$354	\$16,942		\$16,942
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery					\$30,627	\$30,627		\$30,627
71500 Other Revenue			\$163,630		\$3,833	\$167,463		\$167,463
71600 Gain or Loss on Sale of Capital Assets								
72000 Investment Income - Restricted								
70000 Total Revenue	\$0	\$16,579	\$245,324	\$974,701	\$5,584,500	\$6,821,104	\$0	\$6,821,104
91100 Administrative Salaries		\$24,100	\$5,892	\$25,578	\$230,224	\$285,794		\$285,794
91200 Auditing Fees		\$500	\$451	\$700	\$6,300	\$7,951		\$7,951
91300 Management Fee								
91310 Book-keeping Fee								
91400 Advertising and Marketing				\$8,563		\$8,563		\$8,563
91500 Employee Benefit contributions - Administrative				\$10,085	\$109,658	\$119,743		\$119,743

91600 Office Expenses			\$1,574		\$77,067	\$78,641		\$78,641
91700 Legal Expense				\$375	\$3,370	\$3,745		\$3,745
91800 Travel				\$487	\$4,387	\$4,874		\$4,874
91810 Allocated Overhead								
91900 Other		\$9,708	\$5,814	\$7,971	\$71,807	\$95,300		\$95,300
91000 Total Operating - Administrative	\$0	\$34,308	\$13,731	\$53,759	\$502,813	\$604,611	\$0	\$604,611
92000 Asset Management Fee								
92100 Tenant Services - Salaries								
92200 Relocation Costs								
92300 Employee Benefit Contributions - Tenant Services								
92400 Tenant Services - Other								
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93100 Water			\$3,283			\$3,283		\$3,283
93200 Electricity					\$27	\$27		\$27
93300 Gas								
93400 Fuel								
93500 Labor								
93600 Sewer								
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense								
93000 Total Utilities	\$0	\$0	\$3,283	\$0	\$27	\$3,310	\$0	\$3,310
94100 Ordinary Maintenance and Operations - Labor		\$22,958				\$22,958		\$22,958
94200 Ordinary Maintenance and Operations - Materials and Other					\$369	\$369		\$369
94300 Ordinary Maintenance and Operations Contracts			\$1,291		\$818	\$2,109		\$2,109
94500 Employee Benefit Contributions - Ordinary Maintenance		\$21,304				\$21,304		\$21,304
94000 Total Maintenance	\$0	\$44,262	\$1,291	\$0	\$1,187	\$46,740	\$0	\$46,740
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance								

96120 Liability Insurance				\$1,001	\$9,008	\$10,009		\$10,009
96130 Workmen's Compensation								
96140 All Other Insurance			\$4,384			\$4,384		\$4,384
96100 Total Insurance Premiums	\$0	\$0	\$4,384	\$1,001	\$9,008	\$14,393	\$0	\$14,393
96200 Other General Expenses		\$586		\$13,000	\$17,587	\$31,173		\$31,173
96210 Compensated Absences								
96300 Payments in Lieu of Taxes			\$2,068			\$2,068		\$2,068
96400 Bad debt - Tenant Rents								
96500 Bad debt - Mortgages								
96600 Bad debt - Other								
96800 Severance Expense								
96000 Total Other General Expenses	\$0	\$586	\$2,068	\$13,000	\$17,587	\$33,241	\$0	\$33,241
96710 Interest of Mortgage (or Bonds) Payable								
96720 Interest on Notes Payable (Short and Long Term)								
96730 Amortization of Bond Issue Costs								
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$79,156	\$24,757	\$67,760	\$530,622	\$702,295	\$0	\$702,295
97000 Excess of Operating Revenue over Operating Expenses	\$0	-\$62,577	\$220,567	\$906,941	\$5,053,878	\$6,118,809	\$0	\$6,118,809
97100 Extraordinary Maintenance								
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments				\$906,759	\$5,413,217	\$6,319,976		\$6,319,976
97350 HAP Portability-In					\$3,547	\$3,547		\$3,547
97400 Depreciation Expense					\$471	\$471		\$471
97500 Fraud Losses								
97600 Capital Outlays - Governmental Funds								
97700 Debt Principal Payment - Governmental Funds								
97800 Dwelling Units Rent Expense								
90000 Total Expenses	\$0	\$79,156	\$24,757	\$974,519	\$5,947,857	\$7,026,289	\$0	\$7,026,289
10010 Operating Transfer In								
10020 Operating transfer Out								
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)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	-\$62,577	\$220,567	\$182	-\$363,357	-\$205,185	\$0	-\$205,185
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$1,414,715	\$721,296	\$1,613	\$685,231	\$2,822,855		\$2,822,855
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors								
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					\$309,988	\$309,988		\$309,988
11180 Housing Assistance Payments Equity					\$11,886	\$11,886		\$11,886
11190 Unit Months Available	0	0	0	1416	7272	8688		8688
11210 Number of Unit Months Leased	0	0	0	882	5691	6573		6573
11270 Excess Cash	\$0					\$0		\$0
11610 Land Purchases	\$0					\$0		\$0
11620 Building Purchases	\$0					\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0					\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0					\$0		\$0
11650 Leasehold Improvements Purchases	\$0					\$0		\$0
11660 Infrastructure Purchases	\$0					\$0		\$0
13510 CFFP Debt Service Payments	\$0					\$0		\$0
13901 Replacement Housing Factor Funds	\$0					\$0		\$0

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

CERTIFICATION OF ACTUAL CAPITAL FUND GRANT COSTS
SEPTEMBER 30, 2022

PROGRAM	CFP 501-15	CFP 501-16	CFP 501-17	CFP 501-18
Funds approved	\$ 55,183	\$ 52,370	\$ 52,558	\$ 80,311
Funds expended	55,183	52,370	52,558	80,311
Excess of funds approved	\$ -	\$ -	\$ -	\$ -
Funds advanced	\$ 55,183	\$ 52,370	\$ 52,558	\$ 80,311
Funds expended	55,183	52,370	52,558	80,311
Excess of funds advanced	\$ -	\$ -	\$ -	\$ -

The distribution of costs as shown on the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the PHA's records.

All modernization costs have been paid and all related liabilities have been discharged through payment.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal Grantor:

CFDA Number	Program Title	Pass Through Entity	Federal Expenditures
U.S. Department of Housing and Urban Development			
	Housing Choice Voucher Cluster		
14.871	Housing Choice Voucher Program	NA	\$ 5,549,686
14.871	Housing Choice Voucher-Pass thru	Other PHA's	3,833
	Total Housing Choice Voucher Program		<u>5,553,519</u>
14.879	Mainstream Vouchers	NA	974,701
	Total Housing Choice Voucher Cluster		<u>6,528,220</u>
	Total U.S. Department of HUD		<u>6,528,220</u>
	Total Federal Awards Expenditures		<u><u>\$ 6,528,220</u></u>

Notes to the Schedule of Expenditures of Federal Awards

A. Basis of Accounting

This schedule is prepared on the accrual basis of accounting.

B. Basis of Presentation

The accompanying Schedule of Federal Awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended September 30, 2022.

The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Title 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.

C. Other Matters - Indirect Costs

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

D. Reconciliation of Total Federal Awards Expenditures to Financial Data Schedule

FDS line 70600	HUD PHA Grants	\$ 6,524,387
FDS line 715	HCVP other income	3,833
		<u>\$ 6,528,220</u>

SINGLE AUDIT SECTION

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

Board of Commissioners
Dania Beach Housing Authority
Dania Beach, Florida

HUD, Miami Area Office
Office of Public Housing
909 S.E. First Avenue, Room 500
Miami, Florida 33131

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Dania Beach Housing Authority ("the Authority"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 22, 2023.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 22, 2023

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

Board of Commissioners
Dania Beach Housing Authority
Dania Beach, Florida

HUD, Miami Area Office
Office of Public Housing
909 S.E. First Avenue, Room 500
Miami, Florida 33131

Report on Compliance for Each Major Program

We have audited Dania Beach Housing Authority's ("the Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended September 30, 2022.

Report on Internal Control Over Compliance

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

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

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

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 our testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 22, 2023

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INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Dania Beach Housing Authority
Dania Beach, Florida

HUD, Miami Area Office
Office of Public Housing
909 S.E. First Avenue, Room 500
Miami, Florida 33131

We have performed the procedures enumerated below to assist Dania Beach Housing Authority ("the Authority") as of September 30, 2022 to determine whether the electronic submission of certain information agrees with related hard copy documents included within the OMB Uniform Guidance reporting package. The Authority 'management is responsible for the accuracy and completeness of the electronic submission.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of comparing the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement of electronically submitted information and hard copy documents. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

We perform an audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), for the Authority as of and for the year ended September 30, 2022 and have issued our report thereon dated March 22, 2023. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation the Authority's Financial Data Schedule (FDS) dated March 22, 2023, was expressed in relation to the basic financial statement of the Authority taken as a whole. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the comparison of the electronic submission to the hard copy documents. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Dania Beach Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 22, 2023

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

Basic Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weakness(es)?	No
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a)?	No

Identification of major programs:

CFDA Number	Name of Federal Program
14.871	Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

There were no Basic Financial Statements Findings.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Findings and Questioned Costs.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

There were no Basic Financial Statements Findings.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Findings and Questioned Costs.

DANIA BEACH HOUSING AUTHORITY
Dania Beach, Florida

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

There were no Prior Audit Findings.