

**HOUSING AUTHORITY OF  
CHAMPAIGN COUNTY**

**FINANCIAL STATEMENTS  
AND  
REPORTS OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR YEAR ENDED DECEMBER 31, 2019**

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
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FOR THE YEAR ENDED DECEMBER 31, 2019**

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CERTIFIED PUBLIC ACCOUNTANTS

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## ***Independent Auditor's Report***

Board of Commissioners  
Housing Authority of Champaign County

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component unit of the Housing Authority of Champaign County, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Housing Authority of Champaign County'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 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the Housing Authority of Champaign County as of December 31, 2019, 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 on pages 1-5 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 Housing Authority of Champaign County's basic financial statements. The Financial Data Schedule, required by Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule, and the Schedule of Expenditures of Federal Awards 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. 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 Financial Data Schedule 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.

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2020 on our consideration of the Housing Authority of Champaign County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of Champaign County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Maletta & Company". The signature is written in a cursive, flowing style.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 12, 2020

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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Our discussion and analysis of the Housing Authority of Champaign County's (the Authority) financial performance provides an overview of the Primary Government's financial activities for the year ended December 31, 2019. Please review it in conjunction with the Authority's basic financial statements, which begin on page 6.

**FINANCIAL HIGHLIGHTS**

- Significant activity occurred on several of the Authority's commitments in accordance of its goal of expanding housing opportunities. The Authority provided an additional \$4,250,504 to the development known as Haven at Market Place, in accordance with its \$9 million commitment to the project. In addition, the Authority purchased land and incurred other initial development costs as it undertakes other developments such as Ladd Senior Housing, Pinewood Place and Newton Senior.
- The Authority had applied for additional HUD vouchers under HUD's Mainstream program and was awarded 28 additional vouchers effective November 2018. Leasing of these vouchers began in 2019 with an annual budget authority of approximately \$350,000. Further, the Authority's overall Voucher utilization rate was 80% for the year, an overall decrease from the prior year. The Authority expects a significant increase in 2020 due the new vouchers and additional vouchers committed to ongoing developments.
- The Authority's basic financial statements reflect a current ratio, adjusted to remove restricted elements, of 6.7:1 in the current year, down from 10.6:1 in the prior year. Current ratio measures an entity's liquidity and is computed by dividing current assets by current liabilities. A ratio of greater than one generally signifies a high performing entity as assets are available to pay liabilities. Expectations are for this ratio to continue to dip significantly as the Authority continues investing accumulated funding into various projects and anticipation of HUD implementation of cash management requirements for Moving-to-Work agencies (requiring use of current reserves over HUD held funding). However, it is anticipated that a healthy ratio will continue in the foreseeable future.
- The Authority's Change in Net Position increased \$1,106,505. The surplus is in-line with historical trends but represents a large decrease from the prior year primarily due to certain capital and one-time funding sources during 2018 as follows: gain recognized on sale of Skelton of \$3.8 million and \$8.3 million in additional HUD funding resulting from HUD Held Reserve reconciliation of MTW costs (multiple years) and funding for the Haven at Market Place project (capital activity).
- Grant revenues, primarily in the form of HUD grants, accounted for \$14.25 million or 89 percent of all revenues. Tenant Rental and Fees for Services accounted for \$0.94 million or 5.9 percent of all revenues. This represents a decrease in dependence on government funding since MTW conversion, as the Authority was around 95% dependent prior to conversion, an indicator that the agency is making progress towards reducing its dependence on government grants to fund activities.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows (on pages 6-9) provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. Financial information by program is included in the supplemental information starting on page 22 This information tells how these services were financed in the short term as well as what remains for future spending. Program financial information also reports the Authority's operations in more detail than the government-wide statements by providing information about the Authority's most financially significant programs.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**The Statements of Net Position and Revenues, Expenses and Changes in Net Position**

The Statements provide information about the Authority as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting that is used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in them. The difference between assets and liabilities or net position is one way to measure the Authority's financial health. Over time, increases or decreases in the net position are one indicator of whether its financial position is improving or deteriorating.

The higher the net position figure is, generally, the better the financial position. However, this information does not reflect ongoing fluctuations in the economic climate, regulatory changes, or other external forces that impact an entity's financial position, but which may not be quantifiable as of the financial statement date.

The Authority's total net position was \$46,067,291 as of December 31, 2019.

**Table 1  
Statement of Net Position (in Thousands)**

	2019	2018	Change
Cash & Investments	\$ 3,754	\$ 9,530	\$ (5,776)
Other Current Assets	935	664	271
Noncurrent Assets and Deferred Outflows	46,321	40,147	6,174
Total Assets and Deferred Outflows	<u>51,010</u>	<u>50,341</u>	669
Current Liabilities	592	941	(349)
Noncurrent Liabilities	4,351	4,408	(57)
Total Liabilities	<u>4,943</u>	<u>5,349</u>	(406)
Invested in Capital Assets	18,890	17,411	1,479
Restricted	1,087	799	288
Unrestricted	26,090	26,782	(692)
Total Net Position	<u>\$ 46,067</u>	<u>\$ 44,992</u>	<u>\$ 1,075</u>

The decrease in Cash and Investments of (\$5,776) thousand relates primarily to \$4.25 million in HUD funding received in the prior year that was subsequently invested in the Haven at Market Place development during 2019. Otherwise, cash reserves decreased due to investment in various development activities during the year.

The increase in Noncurrent Assets of \$6,174 thousand is due to significant investment in development projects (noncurrent receivables) and renovation work at RAD developments.

The decrease in Current Liabilities of (\$349) thousand relates unpaid construction activities in the prior year, including retention. Payments of such payables was made with the release of restricted Cash funds during the year. Payable balances in 2019 closely align with typical operating results.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

Table 2 compares the 2019 Change in Net Position to the 2018 Change in Net Position.

**Table 2  
Changes in Net Position (in Thousands)**

	2019	2018	Change
Revenues			
Government Grants	\$ 14,253	\$ 22,555	\$ (8,302)
Rental Income	783	819	(36)
General Revenue	1,015	5,106	(4,091)
Total Revenue	<u>16,051</u>	<u>28,480</u>	<u>(12,429)</u>
Expenses			
Administrative & Tenant Services	2,722	2,597	125
Maintenance	758	827	(69)
Utilities	216	311	(95)
General	556	740	(184)
Housing Assistance Payments	10,052	9,512	540
Financing	38	43	(5)
Depreciation	634	634	-
Total Expenses	<u>14,976</u>	<u>14,664</u>	<u>312</u>
Change in Net Position	<u>\$ 1,075</u>	<u>\$ 13,816</u>	<u>\$ (12,741)</u>

The decrease in Government Grants of (\$8,302) thousand is primarily due to the prior year receipt of \$8,307,600 in additional funding from HUD which includes \$4,307,600 drawn on HUD Held reserves to reconcile multiple years of earned MTW funds spent on various activities and \$4,000,000 to fund the Haven at Market Place development. These one-time transfers in the prior year offset the overall operational increase in HUD funding in the current year.

The decrease in General Revenues of (\$4,091) thousand primarily relates to the net gain on sale of Skelton Place in 2018. In addition, the Authority received HUD settlement proceeds of \$284,459 in 2018.

Housing Assistance Payments increased \$540 thousand primarily to implementation of the Mainstream program during the year along with increased lease-up overall.

Administrative expenses increased \$125 thousand due to Authority staffing normalization at HCV and administrative increases due to reorganization and rebranding of the Authority. The reorganization completed during 2019, and should result in new normal baseline for operating results in future years.

All other expense changes represent normal fluctuations in the operating cycle.

The Financial Data Schedule beginning on page 22 presents a more detailed picture of the activity and balances of the various programs. The reasons for significant changes have been identified above.



**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of December 31, 2019, the Authority has \$21,170,813 invested in a broad range of capital assets, including land, buildings, furniture and equipment as follows:

**Table 3  
Capital Assets**

	Beginning	Additions	Dispositions	Ending
<b>Nondepreciable Assets:</b>				
Land	\$ 5,737,827	\$ 301,007	\$ -	\$ 6,038,834
Construction in Progress	3,200,162	1,668,064	-	4,868,226
<b>Depreciable Assets:</b>				
Buildings & Improvements	14,622,735	-	-	14,622,735
Dwelling Equipment	230,815	-	-	230,815
Administrative Equipment	674,883	103,384	-	778,267
Total	24,466,422	2,072,455	-	26,538,877
Less: Accumulated Depreciation	(4,734,285)	(633,779)	-	(5,368,064)
Net Book Value	<u>\$ 19,732,137</u>			<u>\$ 21,170,813</u>

The \$2,072,455 in net additions to Fixed Assets represent a slight increase in annual expenditures based on historical trends. Specifically, additions include \$1,388,661 spent on renovations of the RAD Conversion properties.

**Long-Term Debt**

The Authority incurred a mortgage payable to IHDA to redevelop Maple Grove Manor totaling \$1,304,343. The debt does not require repayment and is forgivable upon maturity in 2046, provided there is no event of default as determined by IHDA. No event of default has occurred as of the date of the report. In addition, the Authority incurred an additional mortgage to assist funding the construction of the Mahomet development project which was placed in service in November 2017. Borrowings totaled approximately \$1 million and are payable from project sources over the next 4 years (subject to balloon payment).

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

Significant economic factors affecting the Authority are as follows:

- Continued development activities including RAD Conversion of the former Skelton Place to a new Low Income Housing Tax Credit project to be known as Prospect Senior.
- New development activities related to the purchase and development of additional developments including Haven at Market Place, Bristol Place and Oak Field Place.
- Rental Assistance Demonstration (RAD) Program conversion completion for final two projects. RAD provides for the application of proven financing tools on at-risk public and assisted housing and is a central part of HUD's rental housing preservation strategy.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONT'D)**

Significant economic factors affecting the Authority (Cont'd):

- Future congressional appropriation bills on MTW funding and impact of congressional sequestration federal funding cut backs.
- Increased participant and tenant turnover due to the ongoing estimated effects of complying with Local Self Sufficiency requirements.
- Local inflationary rates and employment are trending up which affect residents' income and therefore, rental income to the Authority.
- Inflationary rates will negatively impact utility rates, supplies and other costs of the Authority.

**CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Authority's finance department at (217) 378-7100 or at 2008 N. Market Street, Champaign, Illinois 61822.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY**  
**STATEMENT OF NET POSITION**  
**AS OF DECEMBER 31, 2019**

	<b>Primary Government</b>	<b>Discretely Presented Component Unit</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents - Unrestricted	\$ 2,722,203	\$ 602,109
Cash and Cash Equivalents - Restricted	1,031,723	14,423
Accounts Receivable		
Tenants, net of Allowances	13,229	12,186
Other	606,304	10,835
Inventory	44,050	-
Prepaid Expenses	160,036	24,554
<b>Total Current Assets</b>	<b>4,577,545</b>	<b>664,107</b>
<b>Noncurrent Assets</b>		
Investments - Restricted	111,834	173,711
Capital Assets, Net of A/D		
Nondepreciable	10,907,060	213,186
Depreciable	10,263,753	3,248,495
Other Noncurrent Assets	25,150,181	-
<b>Total Noncurrent Assets</b>	<b>46,432,828</b>	<b>3,635,392</b>
<b>Total Assets</b>	<b>51,010,373</b>	<b>4,299,499</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Total Deferred Outflows of Resources</b>	-	-
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable - Vendors and Contractors	129,367	27,696
Accounts Payable - Other	11,209	106,267
Accrued Wages and Related Payables	75,584	2,829
Accrued Compensated Absences	10,041	-
Accrued Interest	-	4,269
Tenant Security Deposits Payable	63,667	13,500
Current Portion of Mortgages Payable	30,276	25,778
Unearned Revenue	271,647	189
<b>Total Current Liabilities</b>	<b>591,791</b>	<b>180,528</b>
<b>Noncurrent Liabilities</b>		
Mortgages Payable	2,250,624	6,965,980
Accrued Compensated Absences	234,001	-
Unearned Revenue	1,866,666	-
<b>Total Noncurrent Liabilities</b>	<b>4,351,291</b>	<b>6,965,980</b>
<b>Total Liabilities</b>	<b>4,943,082</b>	<b>7,146,508</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
<b>Total Deferred Inflows of Resources</b>	-	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	18,889,913	(3,530,077)
Restricted for:		
Modernization and Development	765,542	157,588
Housing Assistance Payments	270,384	-
Other	24,698	-
Unrestricted	26,116,754	525,480
<b>Total Net Position</b>	<b>\$ 46,067,291</b>	<b>\$ (2,847,009)</b>

*The accompanying notes are an integral  
part of the financial statements.*

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>
<b>Operating Revenue</b>		
Rental Revenue	\$ 782,825	\$ 186,576
HUD Operating Grants	14,247,217	-
Fees for Other Services	152,250	-
Other Government Grants	6,000	731,943
Other Revenue	340,914	515
Total Operating Revenue	<u>15,529,206</u>	<u>919,034</u>
<b>Operating Expenses</b>		
Administrative & Tenant Services	2,721,229	120,872
Utilities	216,248	61,523
Ordinary Maintenance and Operations	756,307	141,342
Insurance Premiums	159,769	23,234
General	369,970	14,088
Housing Assistance Payments	10,052,144	-
Depreciation	633,779	145,916
Total Operating Expenses	<u>14,909,446</u>	<u>506,975</u>
<b>Operating Income (Loss)</b>	619,760	412,059
<b>Nonoperating Income (Expenses)</b>		
Nonroutine Maintenance and Replacement	(2,492)	(14,195)
Investment Income	496,425	348
Interest Expense	(38,315)	(367,085)
Gain (Loss) from Sale of Assets	-	-
HUD Settlement Proceeds	-	-
Total Nonoperating Income (Expenses)	<u>455,618</u>	<u>(380,932)</u>
<b>Income (Loss) before Capital Contributions</b>	1,075,378	31,127
Capital Contributions	-	-
<b>Change in Net Position</b>	1,075,378	31,127
<b>Net Position, Beginning of Period</b>	<u>44,991,913</u>	<u>(2,878,136)</u>
<b>Net Position, End of Period</b>	<u>\$ 46,067,291</u>	<u>\$ (2,847,009)</u>

*The accompanying notes are an integral  
part of the financial statements.*

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Primary Government</b>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Operations	\$ 584,315
HUD Operating Grants	14,247,217
Payments to Landlords	(10,052,144)
Payments to Vendors	(3,058,796)
Payments to Employees	(1,830,931)
Other Receipts (Payments)	497,804
Net Cash Provided by (Used in) Operating Activities	387,465
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Purchases of Capital Assets	(2,072,454)
Proceeds from Sale of Capital Assets	240,934
Capital Contributions received	-
Principal Payments on Debt	(40,065)
Interest Payments on Debt	(38,315)
Net Cash Provided by (Used in) Capital Related Financing Activities	(1,909,900)
<b>Cash Flows from Investing Activities:</b>	
Issuance of Notes Receivable	(4,378,004)
Investment in Affiliates	-
Net Investment Income (Loss)	124,264
Net Cash Provided by (Used in) Investing Activities	(4,253,740)
<b>Net Increase (Decrease) in Cash</b>	(5,776,175)
<b>Cash at the Beginning of the Period</b>	9,530,101
<b>Cash at the End of the Period</b>	\$ 3,753,926
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>	
Operating Income (Loss)	\$ 619,760
Adjustments to Reconcile Change in Net Cash Provided by Operating Activities:	
Depreciation Expense	633,779
Settlement Proceeds	-
Nonroutine Maintenance	(2,492)
Change in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	(173,769)
Decrease (Increase) in Inventory	1,245
Decrease (Increase) in Prepaid Expenses	(7,953)
Increase (Decrease) in Accounts Payable	(698,993)
Increase (Decrease) in Other Liabilities	15,888
Net Cash Provided by (Used in) Operating Activities	\$ 387,465

*The accompanying notes are an integral  
part of the financial statements.*

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

The summary of significant accounting policies of the Housing Authority of Champaign County (“the Authority”) is presented to assist in understanding the Authority’s financial statements. The financial statements and notes are representations of the Authority’s management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Reporting Entity**

The Authority was created in 1939 under the laws of the State of Illinois to administer the Public Housing programs authorized by the Quality Housing and Work Responsibility Act of 1998. These programs are subsidized by the federal government through the U.S. Department of Housing and Urban Development (HUD), for financial assistance for low-income public housing pursuant to the United States Housing Act of 1937, as amended. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development (“HUD”) to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority’s combined financial statements include the accounts of all the Authority’s operations. The criteria for including organizations as component units within the reporting entity, as set forth in The Governmental Accounting Standards Board (GASB)’s Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization’s board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

**Blended Component Units**

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority’s Board of Commissioners or the component unit provides services entirely to the Authority. These component units’ funds are blended into those of the Authority’s by appropriate activity type to compose the primary government presentation.

Currently, the Authority has four component units that meet the criteria for blending.

Central Illinois Development Corporation of Champaign County (CIDC), Oak Grove Development Corporation (OGDC), Maple Grove Development Corporation (MGDC) and Sycamore Grove Development Corporation (SGDC) were created to own, develop and rehabilitate residential dwelling units to low and moderate-income families. The Authority maintains control of the entities primarily through its ability to elect and serve as the board of directors and officers. The entities serve as general partners or shareholders in various current and future mixed finance partnership structures as well as ownership of its current and former public housing stock undergoing conversion under HUD’s Rental Assistance Demonstration (RAD) initiative. Currently, the blended component unit’s significant activities include the operation of Maple Grove Manor, RAD renovation and operation of five former HUD public housing projects and various levels of ownership and control of multiple Low Income Housing Tax Credit partnerships from which no material reporting financial activity is included in the reporting entity, other than as reported below.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Discretely Presented Component Units**

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

The Authority controls the general partner of a Low-Income Housing Tax Credit (LIHTC) limited partnership. The partnership's interests are held by third parties unrelated to the Authority. As the general partner, the Authority has certain rights and responsibilities which enable it to impose its will on the limited partnerships. Additionally, the Authority has a financial benefit and burden relationship as the Authority has assumed the obligation to provide financial support to the organization and has imposed its will over the entity. The partnership does not serve the primary government exclusively, or almost exclusively, and therefore, is shown as a discretely presented component unit.

Currently, the Authority has one component unit that meets the criteria for discrete presentation.

Oakwood Trace Townhomes, L.P, an Illinois limited partnership, was formed in March 2001, for the purpose of rehabilitation and operating a low-income housing project that qualifies for low-income housing credits under §42 of the Internal Revenue Code. The project consists of 50 units for rent to individuals and families of low and moderate income in Champaign, Illinois. The project entered into a ground lease with the Authority for land the Authority owns in Champaign, Illinois.

Complete financial statements of the discretely presented component unit may be obtained at the Authority's administrative office:

Housing Authority of Champaign County  
2008 N. Market Street  
Champaign, IL 61822

**Payments between the Authority and Component Units**

Resource flows between the primary government and blended component unit are typically reported as operating transfers and eliminated during consolidation. Such transactions include excess cash transferred from the blended component, which totaled \$920,000 during 2019. Additionally, certain transactions that are subject to regulatory oversight are reported as external transactions (revenues and expenses) and eliminated during consolidation. Of which, balances and/or transactions between the blended component unit and the primary government provided during 2019 were: notes receivable and related interest incurred, rental subsidies provided through the HAP contracts, operating funds provided per regulatory approved budgets and fees for services charged to the component unit, of which \$709,736, \$1,593,468, \$19,668 and \$196,659, which were eliminated during consolidation, respectively. Resource flows between the primary government and the discretely presented component unit are reported as external transactions (revenues and expenses). Transactions during 2019 consist of rental subsidies and fees for services totaling \$731,943 and \$26,756, respectively.

**Estimates**

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

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

Operating Revenue includes rental income, operating grants, management services income and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants from HUD to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all of the Authority's activities.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations comprise of a number of housing and grant programs as follows:

- The ***Moving-To-Work (MTW) Demonstration Program*** provides the Authority authorization to develop policies outside certain HUD regulations and provisions of the U.S. Housing Act of 1937 in order to increase cost effectiveness, promote self-sufficiency and expand housing options for program participants. As such, the Authority provides rental housing assistance to serve up to the Authority's budget authority of 1,798 vouchers. Of which, the Authority administers 388 units under Project Based Voucher HAP contracts.
- The ***Housing Choice Voucher Program*** provides rental housing assistance to serve up to the Authority's non-MTW budget authority of 22 vouchers related to Veteran's Affairs Supportive Housing (VASH), 23 Tenant Protection Vouchers (TPV) known as Lincolnshire and 28 Mainstream Vouchers. The purpose of the VASH program is to provide decent and affordable housing to low income veterans and their families wherein rental assistance is provided by HUD. The TPV units are provided for a specific development to ensure low income tenants retain quality affordable housing options, typically during redevelopment initiatives. The associated units are owned, maintained and managed by private landlords. Mainstream vouchers are for non-elderly disabled households.



**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

- The **Public Housing Program** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned, maintained, and managed by the Authority. Funding of the program is provided by federal annual contributions, operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition). All units have received reservations under HUD's Rental Demonstration Program (RAD) whereby the units will be removed from the Public Housing Program and released from the ACC. As of 2018, all such units were transferred, and the program currently consists of remaining non-dwelling buildings awaiting disposition.
- The **Rental Assistance Demonstration (RAD) Program** currently includes 253 units of RAD PBV units operating under Maple Grove Development Corporation and reported as a blending component unit. The units were transferred from public housing in 2017 and operate under RAD PBV HAP contracts. Additional 96 RAD units are to complete the transition in 2020.
- The **Moderate Rehab Section 8 Program** was established to account for pass-through project-based Section 8 funding from HUD for the Homestead Apartments project. As contract administrator, the Authority does not own or control the project, but has certain responsibilities relating to compliance monitoring.

**Cash and Cash Equivalents**

Cash and cash equivalents represent cash in checking accounts, demand deposits and money market funds or short-term investments with original maturities of three months or less.

**Accounts Receivable**

Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant, fraud and interest receivables is \$3,543, \$1,239, and \$115,993, respectively.

**Inventory**

The Authority's inventory consists of materials and supplies used to maintain its rental stock. The inventory is valued using the weighted average method and recorded at cost.

**Capital Assets**

Land, buildings, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$5,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed. Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building and Improvements	10 to 40 years
Machinery and Equipment	5 to 15 years

**Operating Leases**

The Authority leases substantially all its building and dwelling equipment to tenants for a period of one year, cancellable upon sufficient notice. As of December 31, 2019, the total cost of leased property was \$11,396,691 with accumulated depreciation of \$3,350,395, for a carrying value of \$8,046,296. In addition, the Authority leases two parcels of land with a carrying value of \$1,722,388. Land lease revenue over the next five years is \$25,778 per year.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Compensated Absences**

Employees accumulate universal leave for subsequent use or payment upon termination. Compensated absences are accrued when incurred and reported as a liability until paid.

**Deferred Outflows and Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position of fund balance that applies to future periods and will be recognized as revenue, or a reduction in expense, in future periods.

**Use of Restricted Funds**

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**Equity Classifications**

Equity is classified as net position and displayed in three components in the Statement of Net Position.

**Net Investment in Capital Assets** consists of capital assets including restricted capital assets, net of accumulated depreciation 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. The Authority has no related debt.

**Restricted** consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consists of disposition proceeds held in escrow for use in future modernization projects as required by HUD, committed resources for development projects and unspent Housing Assistance Payments restricted from use by HUD.

**Unrestricted** consists of all other net position that does not meet the definition of Restricted or Net Investment in Capital Assets.

**NOTE 2 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**Deposits**

The Authority maintains cash with FDIC depository banks. At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, uninsured balances are fully collateralized through agreements with the financial institution. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2019.

**Investments**

All the Authority's investments are held and maintained in restricted reserves held by the respective property's lenders. The Authority does not have any input in the investment of these funds as the lenders control the investment of funds, which are currently held in *2a7-like* pools and are therefore not subject to interest rate or custodial credit risk. The pool sponsors maintain policies to address the remaining risks, and as such, require no further risk disclosure. The pooled investments are accounted for on an amortized cost basis which approximates fair value.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 2 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONT'D)**

Additional information on the Authority's investments is as follows:

	<u>Amortized Cost</u>	<u>Program</u>
<b>Primary Government</b>		
Lender-Held Reserve accounts	\$ 111,834	BCU - Maple Park Manor
Total	<u>\$ 111,834</u>	
<b>Discretely Presented Component Unit</b>		
Lender-Held Reserve accounts	<u>\$ 173,711</u>	Oakwood Trace

The breakdown of restricted deposits and investments reported as of December 31, 2019 is as follows:

<u>Restrictions on Deposits</u>	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>
Restricted Cash - Modernization & Development	\$ 697,672	\$ -
Restricted Cash - Housing Assistance Payments	270,384	-
Restricted Cash - Security Deposits	63,667	14,423
Restricted Cash - Current Liability	-	-
Total	<u>\$ 1,031,723</u>	<u>\$ 14,423</u>
<b><u>Restrictions on Investments</u></b>		
Restricted Investments - Replacement Reserves	\$ 67,870	\$ 157,588
Restricted Investments - Other Reserves	24,698	-
Restricted Investments - Current Liability	19,266	16,123
Total	<u>\$ 111,834</u>	<u>\$ 173,711</u>

**NOTE 3 – CAPITAL ASSETS**

The following is a summary of changes in Capital Assets during the year.

	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
<b>Nondepreciable Assets:</b>				
Land	\$ 5,737,827	\$ 301,007	\$ -	\$ 6,038,834
Construction in Progress	3,200,162	1,668,064	-	4,868,226
<b>Depreciable Assets:</b>				
Buildings & Improvements	14,622,735	-	-	14,622,735
Dwelling Equipment	230,815	-	-	230,815
Administrative Equipment	674,883	103,384	-	778,267
Total	<u>24,466,422</u>	<u>2,072,455</u>	-	<u>26,538,877</u>
Less: Accumulated Depreciation	<u>(4,734,285)</u>	<u>(633,779)</u>	-	<u>(5,368,064)</u>
Net Book Value	<u>\$ 19,732,137</u>			<u>\$ 21,170,813</u>

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 3 – CAPITAL ASSETS (CONT'D)**

Significant Additions and Dispositions

Significant additions include approximately \$960,000 spent to renovate the new administrative office building on Market Street and approximately \$428,000 million spent to renovate the RAD properties. In addition, land was purchased for a future development totaling \$301,007.

**NOTE 4 – OTHER NONCURRENT ASSETS**

The Authority invests in current and future mixed finance projects primarily through funding development in the form of notes receivable from the related development. Notes receivable are recorded upon completion and are long-term in nature. Notes include certain funding provided to the Discretely Presented Component Unit, reported and included as long-term debt in Note 7; all other balances are as follows:

**Providence Loan**

Funding provided to construct Providence at Sycamore and Providence at Thornberry totaling \$4,750,000. The projects are owned and operated by TBG Providence Champaign, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 1% per year and matures on December 1, 2058. No surplus cash was available for payment.

**Hamilton Park Loan**

Funding provided to construct Hamilton on the Park totaling \$750,000. The project is owned and operated by TBG Hamilton on the Park, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 2% per year and matures on June 1, 2059. No surplus cash was available for payment.

**HACC Loan – Haven at Market Place**

Funding provided to construct Haven at Market Place totaling \$9,000,000. The project is to be owned and operated by Prospect Senior LP, with the Authority's affiliate owning controlling interest in the general partner of the project. Interest accrues at a rate of 1.75% per year and matures on December 1, 2048. Loan terms will include annual payments of principal and interest of \$45,000 on December 1<sup>st</sup> of each year until maturity.

**OGDC Loan – Haven at Market Place**

Funding provided to construct Haven at Market Place totaling \$1,760,000. The project is to be owned and operated by Prospect Senior LP, with the Authority's affiliate owning controlling interest in the general partner of the project. Interest accrues at a rate of 3.31% per year and matures on December 1, 2048, no payment are required until maturity.

**Donation Loan – Haven at Market Place**

Funding provided to construct Haven at Market Place totaling \$786,355. The project is to be owned and operated by Prospect Senior LP, with the Authority's affiliate owning controlling interest in the general partner of the project. Loan terms will include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 0.00% per year and matures on December 1, 2048. Surplus Cash calculations are not expected to occur prior to 2021.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 4 – OTHER NONCURRENT ASSETS (CONT'D)**

**HACC Loan – Bristol Place**

Funding provided to construct Bristol Place Residences totaling \$1,700,000. The project is to be owned and operated by Bristol Place Residences LP, with the Authority's affiliate owning a non-controlling interest in the general partner of the project. Interest accrues at a rate of 7.50% per year and matures on November 1, 2058. Loan terms will include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Surplus Cash calculations are not expected to occur prior to 2021.

**Oak Grove Loan – Bristol Place**

Funding provided to construct Bristol Place Residences totaling \$200,000. The project is to be owned and operated by Bristol Place Residences LP, with the Authority's affiliate owning a non-controlling interest in the general partner of the project. Interest accrues at a rate of 0.00% per year and matures on November 1, 2036. Loan terms will include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Surplus Cash calculations are not expected to occur prior to 2021.

**Investment in Bristol Place Phase I**

Equity payment for ownership interest in the General Partner interest in Bristol Place Residences, LP totaling \$540,522. Bristol Place is to be a LIHTC property in which the Authority provides PBV assistance. The capital contribution gives the Authority a non-controlling, 51% interest in Bristol Place, LLC the General Partner of the LIHTC property.

**Investment in Douglass Park**

Initial payment for the purchase of General Partner interest in Douglass Park, LP to be finalized in 2020. Douglass Park is a LIHTC property in which the Authority provides PBV assistance. The interest would give the Authority control of this development.

**Investment in Prospect Senior**

Initial payment for the purchase of General Partner interest in Prospect Senior, LP to be finalized in 2019. The Haven at Market will be an LIHTC property in which the Authority provides PBV assistance. The interest would give the Authority control of this development.

A summary of noncurrent assets is as follows:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Providence Loan	\$ 4,905,902	\$ 47,460	\$ -	\$ 4,953,362	\$ -
Hamilton Park Loan	804,127	14,500	-	818,627	-
HUD Loan (Note 6)	4,549,399	295,271	-	4,844,670	-
AHP Loan (Note 6)	305,722	-	-	305,722	-
HACC Loan (Note 6)	36,905	-	-	36,905	-
HACC Loan - Haven at Market Place	4,749,496	4,250,504	-	9,000,000	-
OGDC Loan - Haven at Market Place	1,760,000	-	-	1,760,000	-
Donation Loan - Haven at Market Place	786,355	-	-	786,355	-
HACC Loan - Bristol Place	1,716,418	127,500	-	1,843,918	-
Oak Grove Loan - Bristol Place	200,000	-	-	200,000	-
Investment in Bristol Place Phase I	540,522	-	-	540,522	-
Investment in Douglass Park	50,000	-	-	50,000	-
Investment in Prospect Senior LP	10,100	-	-	10,100	-
	<u>\$ 20,414,946</u>	<u>\$ 4,735,235</u>	<u>\$ -</u>	<u>\$ 25,150,181</u>	<u>\$ -</u>

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 5 – NONCURRENT LIABILITIES**

A summary of noncurrent liabilities is as follows:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Long-Term Debt	\$ 2,320,965	\$ -	\$ (40,065)	\$ 2,280,900	\$ 30,276
Market on Haven - Land Lease	1,742,222	-	(17,778)	1,724,444	17,778
Hamilton Park - Land Lease	176,000	-	(8,000)	168,000	8,000
Compensated Absences	197,695	229,653	(183,306)	244,042	10,041
Total	<u>\$ 4,436,882</u>	<u>\$ 229,653</u>	<u>\$ (249,149)</u>	4,417,386	<u>\$ 66,095</u>
			Less Current Portion:	(66,095)	
			Noncurrent Portion:	<u>\$ 4,351,291</u>	

**NOTE 6 – LONG-TERM DEBT**

**Primary Government:**

Mortgage Payable – Maple Grove Manor

The Maple Grove Manor (MGM) mortgage is a non-recourse mortgage loan payable to IHDA, totaling \$1,304,343, collateralized by a deed of trust on buildings and improvements. The mortgage does not bear interest, and provided there is no event of a default, the balance due shall be forgiven on December 31, 2046. Loan documents require compliance with the regulatory agreement including an annual financial and compliance audit be conducted for UPP in accordance with IHDA requirements.

Mortgage Payable – Manor at Prairie Crossings

Construction and permanent financing for the Manor at Prairie Crossings development is payable to Hickory Point Bank & Trust with a maximum amount of \$1,200,000. The mortgage bears interest at 3.9% with principal and interest installments of \$5,698 through January 2022 and a final balloon payment of \$1,115,247 due February 2022. The original intent of which is to refinance/renew such terms every five (5) years until maturity. The mortgage loan is nonrecourse debt secured by deeds of trust on the related real estate.

Amortization of principal and interest until maturity is as follows:

	Principal	Interest
2020	\$ 29,224	\$ 39,156
2021	30,276	38,104
2022	31,586	36,794
2023	925,536	6,127
2024	-	-
2025-2045	-	-
2046	2,280,900	-
	<u>\$ 3,297,522</u>	<u>\$ 120,181</u>

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 6 – LONG-TERM DEBT (CONT'D)**

**Discretely Presented Component Unit:**

First Mortgage

The mortgage is held by Red Mortgage Capital, Inc. with an original balance totaling \$850,000 and bearing interest at the rate of 8.17% per annum. Principal and interest are due and payable in monthly installments of \$6,338 on the first of each month through September 1, 2033. The mortgage loan is nonrecourse debt secured by deeds of trust on the related real estate. Accrued and unpaid interest as of December 31, 2019 totaled \$4,269.

City Loan

The Partnership has entered into a non-interest-bearing mortgage loan totaling \$667,400 with the City of Champaign for a term of 35 years. The principal payments shall be deferred until March 31, 2021 and will then be payable in equal installments, as stated in the promissory note. The mortgage loan is nonrecourse debt subordinate to the first mortgage and secured by deeds of trust on the related real estate.

HOME Loan

The Partnership entered into a note payable in the amount of \$200,000 with the City of Champaign bearing interest at 5.58% for a term of 30 years from March 31 2001 to March 12, 2031. Payments of interest and principal shall be required only to the extent of available cash flow, as stated in the promissory note. The note is nonrecourse debt secured by real estate. As of December 31, 2019, accrued and unpaid interest totaled \$194,020.

HACC Loan

The Partnership has entered into a note payable totaling \$73,810 with the Housing Authority of Champaign County, an affiliate of the General Partner, and bearing interest at the rate of 5.58% per annum. Payment of principal and interest are deferred and shall be due and payable as the income and cash flow of the Partnership permits. A payment of \$36,905 was made during 2013 bringing the remaining balance to \$36,905. The entire unpaid principal balance and all accrued interest are due and payable on September 1, 2023. The note is nonrecourse debt secured by real estate. As of December 31, 2019, accrued and unpaid interest totaled \$115,993.

HUD Loan

The Partnership entered into a note payable totaling \$1,482,250 with Central Illinois Development Corporation of Champaign County, the General Partner, bearing a compound interest rate of 6.50% for a period of 30 years from the date of closing of permanent financing. Accrued interest shall be added to principal annually. The entire outstanding principal is due and payable at maturity on September 1, 2033. The note is nonrecourse debt secured by real estate. As of December 31, 2019, accrued and unpaid interest totaled \$3,362,860.

AHP Loan

The Partnership had entered into a non-interest-bearing note payable totaling \$305,282 with Central Illinois Development Corporation of Champaign County, the General Partner. Payments of principal are deferred and shall be due and payable as the income and cash flow of the Partnership permits, as stated in the promissory note. The entire unpaid principal balance is due and payable on September 1, 2033. The note is nonrecourse debt secured by real estate.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 7 – RETIREMENT PLAN**

The Authority is a participating employer in the Government Agency Retirement Plan. The defined contribution pension plan is qualified under Section 401(a) of the Internal Revenue Code. The plan is administered by Benefit Planning Consultants, Inc. and became effective on June 1, 1951.

All employees who work at least 40 hours per week and have completed the six-month waiting period are covered by this plan. The Authority pays 10% of each employee's gross salary into their plans. The employees are not required to contribute to their retirement fund. For the year ended December 31, 2019, the Authority recognized pension expense of \$122,043.

The employee's interest in the Authority's contributions vests over a five-year period from the date of participation in the plan. The normal retirement age is 65 at which time the employee is 100% vested regardless of years of service to the Authority. Non-vested Authority contributions are forfeited upon termination of employment. Total forfeitures were \$-0- during the year ended December 31, 2019.

As of December 31, 2019, the Authority's liability related to the plan was \$6,111.

**NOTE 8 – HOUSING CHOICE VOUCHER NET POSITION**

The summary of HCV program balances is as follows:

	Section 8 Housing Choice Vouchers		
	Unrestricted	Restricted	Total
Beginning Net Position	\$ 47,903	\$ 178,108	\$ 226,011
Revenue			
HUD Operating Grants	18,463	148,062	166,525
Fraud Recovery	1,209	-	1,209
Total Revenue	19,672	148,062	167,734
Expenses			
Operating	(8,150)	-	(8,150)
Housing Assistance Payments	(1,172)	(148,482)	(149,654)
Total Expenses	(9,322)	(148,482)	(157,804)
Net Result	10,350	(420)	9,930
Ending Net Position	\$ 58,253	\$ 177,688	\$ 235,941



**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE 9 – HUD CAPITAL FUND PROGRAM**

The Authority is provided HUD development funds for modernization projects and replacement housing. Grant expenditures were audited in accordance with program requirements. The following grant is open as of December 31, 2019:

	IL06-P006	
	501-18	501-19
Funds Authorized	\$ 453,289	\$ 73,527
Funds Advanced	453,289	73,527
Less Project Expenditures	453,289	73,527
Excess(Deficiency) of Advances	\$ -	\$ -

**NOTE 10 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS**

The Authority receives a substantial portion of revenue from the Department of Housing and Urban Development (HUD). The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost to comply with the change.

**NOTE 11 – 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 November 12, 2020, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements and one subsequent that requires disclosure in the notes to the financial statements.

In March 2020, COVID-19 was declared a global pandemic. It is currently affecting business continuity, including supply chains and consumer demand across a broad range of industries and countries. The pandemic has already severely impacted the global economy and will continue to, likely for months to come, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, and an estimate of the related future financial impact can't be made at this time.

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
111 Cash - Unrestricted	\$1,967	\$1,167,036	\$885,216	\$0	\$72,395
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$697,672	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$0	\$0	\$63,667	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$1,967	\$1,167,036	\$1,646,555	\$0	\$72,395
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$345,967	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0	\$24,743	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$68,982	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$0	\$0	\$16,772	\$0	\$0
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	-\$3,543	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$4,489	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	-\$1,239	\$0	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$418,199	\$37,972	\$0	\$0
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$92,568	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$19,266	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$38,024	\$95,953	\$0	\$0
143 Inventories	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$1,967	\$1,623,259	\$1,892,314	\$0	\$72,395
161 Land	\$1,978,922	\$0	\$2,345,708	\$0	\$0
162 Buildings	\$144,049	\$0	\$9,088,054	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$230,815	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$0	\$169,161	\$97,940	\$0	\$0
166 Accumulated Depreciation	-\$95,052	-\$91,517	-\$1,314,231	\$0	\$0
167 Construction in Progress	\$0	\$1,290	\$3,117,142	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,027,919	\$78,934	\$13,565,428	\$0	\$0

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
111 Cash - Unrestricted	\$298,615	\$602,109	\$184,434	\$0	\$3,735
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0	\$92,696
114 Cash - Tenant Security Deposits	\$0	\$14,423	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$298,615	\$616,532	\$184,434	\$0	\$96,431
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0	\$2,484
124 Accounts Receivable - Other Government	\$0	\$10,835	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$78,723	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$0	\$41,580	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	\$0	-\$29,394	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$78,723	\$23,021	\$0	\$0	\$2,484
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$157,588	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$16,123	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$13,300	\$24,554	\$0	\$0	\$0
143 Inventories	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$390,638	\$837,818	\$184,434	\$0	\$98,915
161 Land	\$1,198,814	\$213,186	\$0	\$0	\$0
162 Buildings	\$2,164,588	\$6,306,709	\$0	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$50,000	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$2,039,194	-\$3,108,214	\$0	\$0	\$0
167 Construction in Progress	\$278,113	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,602,321	\$3,461,681	\$0	\$0	\$0

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$58,253		\$50,552	\$3,324,312		\$3,324,312
112 Cash - Restricted - Modernization and Development	\$0		\$0	\$697,672		\$697,672
113 Cash - Other Restricted	\$177,688		\$0	\$270,384		\$270,384
114 Cash - Tenant Security Deposits	\$0		\$0	\$78,090		\$78,090
115 Cash - Restricted for Payment of Current Liabilities	\$0		\$0	\$0		\$0
100 Total Cash	\$235,941	\$0	\$50,552	\$4,370,458	\$0	\$4,370,458
121 Accounts Receivable - PHA Projects	\$0		\$0	\$0		\$0
122 Accounts Receivable - HUD Other Projects	\$0		\$0	\$348,451		\$348,451
124 Accounts Receivable - Other Government	\$0		\$0	\$35,578	-\$22,283	\$13,295
125 Accounts Receivable - Miscellaneous	\$0		\$104,438	\$252,143		\$252,143
126 Accounts Receivable - Tenants	\$0		\$0	\$58,352		\$58,352
126.1 Allowance for Doubtful Accounts -Tenants	\$0		\$0	-\$32,937		-\$32,937
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0		\$0
128 Fraud Recovery	\$0		\$0	\$4,489		\$4,489
128.1 Allowance for Doubtful Accounts - Fraud	\$0		\$0	-\$1,239		-\$1,239
129 Accrued Interest Receivable	\$0		\$0	\$0		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$104,438	\$664,837	-\$22,283	\$642,554
131 Investments - Unrestricted	\$0		\$0	\$0		\$0
132 Investments - Restricted	\$0		\$0	\$250,156		\$250,156
135 Investments - Restricted for Payment of Current Liability	\$0		\$0	\$35,389		\$35,389
142 Prepaid Expenses and Other Assets	\$0		\$12,759	\$184,590		\$184,590
143 Inventories	\$0		\$44,050	\$44,050		\$44,050
150 Total Current Assets	\$235,941	\$0	\$211,799	\$5,549,480	-\$22,283	\$5,527,197
161 Land	\$0		\$515,390	\$6,252,020		\$6,252,020
162 Buildings	\$0		\$3,226,044	\$20,929,444		\$20,929,444
163 Furniture, Equipment & Machinery - Dwellings	\$0		\$0	\$280,815		\$280,815
164 Furniture, Equipment & Machinery - Administration	\$0		\$511,166	\$778,267		\$778,267
166 Accumulated Depreciation	\$0		-\$1,828,070	-\$8,476,278		-\$8,476,278
167 Construction in Progress	\$0		\$1,471,681	\$4,868,226		\$4,868,226
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$3,896,211	\$24,632,494	\$0	\$24,632,494

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$1,960,000	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$10,100	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$2,027,919	\$78,934	\$15,535,528	\$0	\$0
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$2,029,886	\$1,702,193	\$17,427,842	\$0	\$72,395
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$67,427	\$9,566	\$0	\$0
313 Accounts Payable >90 Days Past Due	\$0	\$8,671	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$2,260	\$699	\$0	\$0
322 Accrued Compensated Absences - Current Portion	\$0	\$4,306	\$3,390	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$4,166	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$0	\$63,667	\$0	\$0
342 Unearned Revenue	\$0	\$0	\$22,713	\$0	\$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0	\$30,276	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$86,830	\$130,311	\$0	\$0

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
171 Notes, Loans and Mortgages Receivable - Non-Current	\$22,512,940	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$1,376,877	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$25,492,138	\$3,461,681	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$25,882,776	\$4,299,499	\$184,434	\$0	\$98,915
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$27,696	\$0	\$0	\$0
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$2,829	\$0	\$0	\$0
322 Accrued Compensated Absences - Current Portion	\$1,030	\$0	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$4,269	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$7,043	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$106,267	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$13,500	\$0	\$0	\$0
342 Unearned Revenue	\$8,000	\$189	\$0	\$0	\$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$25,778	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$351
347 Inter Program - Due To	\$0	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$9,030	\$180,528	\$7,043	\$0	\$351

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0		\$0	\$24,472,940	-\$709,736	\$23,763,204
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0		\$0	\$0		\$0
173 Grants Receivable - Non Current	\$0		\$0	\$0		\$0
174 Other Assets	\$0		\$0	\$1,386,977		\$1,386,977
176 Investments in Joint Ventures	\$0		\$0	\$0		\$0
180 Total Non-Current Assets	\$0	\$0	\$3,896,211	\$50,492,411	-\$709,736	\$49,782,675
200 Deferred Outflow of Resources	\$0		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$235,941	\$0	\$4,108,010	\$56,041,891	-\$732,019	\$55,309,872
311 Bank Overdraft	\$0		\$0	\$0		\$0
312 Accounts Payable <= 90 Days	\$0		\$61,625	\$166,314	-\$22,283	\$144,031
313 Accounts Payable >90 Days Past Due	\$0		\$4,010	\$12,681		\$12,681
321 Accrued Wage/Payroll Taxes Payable	\$0		\$72,625	\$78,413		\$78,413
322 Accrued Compensated Absences - Current Portion	\$0		\$1,315	\$10,041		\$10,041
324 Accrued Contingency Liability	\$0		\$0	\$0		\$0
325 Accrued Interest Payable	\$0		\$0	\$4,269		\$4,269
331 Accounts Payable - HUD PHA Programs	\$0		\$0	\$11,209		\$11,209
332 Account Payable - PHA Projects	\$0		\$0	\$0		\$0
333 Accounts Payable - Other Government	\$0		\$0	\$106,267		\$106,267
341 Tenant Security Deposits	\$0		\$0	\$77,167		\$77,167
342 Unearned Revenue	\$0		\$240,934	\$271,836		\$271,836
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0		\$0	\$56,054		\$56,054
344 Current Portion of Long-term Debt - Operating Borrowings	\$0		\$0	\$0		\$0
345 Other Current Liabilities	\$0		\$0	\$0		\$0
346 Accrued Liabilities - Other	\$0		\$0	\$351		\$351
347 Inter Program - Due To	\$0		\$0	\$0		\$0
348 Loan Liability - Current	\$0		\$0	\$0		\$0
310 Total Current Liabilities	\$0	\$0	\$380,509	\$794,602	-\$22,283	\$772,319

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$2,960,360	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$1,706,666	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$0	\$50,854	\$60,761	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$50,854	\$4,727,787	\$0	\$0
300 Total Liabilities	\$0	\$137,684	\$4,858,098	\$0	\$0
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$2,027,919	\$78,934	\$10,574,792	\$0	\$0
511.4 Restricted Net Position	\$0	\$0	\$790,240	\$0	\$0
512.4 Unrestricted Net Position	\$1,967	\$1,485,575	\$1,204,712	\$0	\$72,395
513 Total Equity - Net Assets / Position	\$2,029,886	\$1,564,509	\$12,569,744	\$0	\$72,395
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,029,886	\$1,702,193	\$17,427,842	\$0	\$72,395



Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$6,965,980	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$160,000	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$56,631	\$0	\$0	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$216,631	\$6,965,980	\$0	\$0	\$0
300 Total Liabilities	\$225,661	\$7,146,508	\$7,043	\$0	\$351
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$1,602,321	-\$3,530,077	\$0	\$0	\$0
511.4 Restricted Net Position	\$0	\$157,588	\$0	\$0	\$92,696
512.4 Unrestricted Net Position	\$24,054,794	\$525,480	\$177,391	\$0	\$5,868
513 Total Equity - Net Assets / Position	\$25,657,115	-\$2,847,009	\$177,391	\$0	\$98,564
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$25,882,776	\$4,299,499	\$184,434	\$0	\$98,915

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0		\$0	\$9,926,340	-\$709,736	\$9,216,604
352 Long-term Debt, Net of Current - Operating Borrowings	\$0		\$0	\$0		\$0
353 Non-current Liabilities - Other	\$0		\$0	\$1,866,666		\$1,866,666
354 Accrued Compensated Absences - Non Current	\$0		\$65,755	\$234,001		\$234,001
355 Loan Liability - Non Current	\$0		\$0	\$0		\$0
356 FASB 5 Liabilities	\$0		\$0	\$0		\$0
357 Accrued Pension and OPEB Liabilities	\$0		\$0	\$0		\$0
350 Total Non-Current Liabilities	\$0	\$0	\$65,755	\$12,027,007	-\$709,736	\$11,317,271
300 Total Liabilities	\$0	\$0	\$446,264	\$12,821,609	-\$732,019	\$12,089,590
400 Deferred Inflow of Resources	\$0		\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$0		\$3,896,211	\$14,650,100	\$709,736	\$15,359,836
511.4 Restricted Net Position	\$177,688		\$0	\$1,218,212		\$1,218,212
512.4 Unrestricted Net Position	\$58,253	\$0	-\$234,465	\$27,351,970	-\$709,736	\$26,642,234
513 Total Equity - Net Assets / Position	\$235,941	\$0	\$3,661,746	\$43,220,282	\$0	\$43,220,282
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$235,941	\$0	\$4,108,010	\$56,041,891	-\$732,019	\$55,309,872

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
70300 Net Tenant Rental Revenue	\$0	\$0	\$766,823	\$0	\$0
70400 Tenant Revenue - Other	\$0	\$0	\$16,002	\$0	\$0
70500 Total Tenant Revenue	\$0	\$0	\$782,825	\$0	\$0
70600 HUD PHA Operating Grants	\$0	\$0	\$0	\$708	\$0
70610 Capital Grants	\$0				
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	\$0	\$6,000	\$1,613,136	\$0	\$0
71100 Investment Income - Unrestricted	\$0	\$81	\$4,418	\$0	\$159
71400 Fraud Recovery	\$0	\$6,662	\$0	\$0	\$0
71500 Other Revenue	\$16	\$4,502	\$200,581	\$0	\$3,338
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$1,131	\$0	\$0
70000 Total Revenue	\$16	\$17,245	\$2,602,091	\$708	\$3,497
91100 Administrative Salaries	\$0	\$535,836	\$187,702	\$0	\$0
91200 Auditing Fees	\$0	\$22,307	\$12,694	\$0	\$0
91300 Management Fee	\$0	\$248,220	\$203,864	\$0	\$0
91310 Book-keeping Fee	\$0	\$155,136	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$14,025	\$5,275	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$0	\$162,716	\$63,813	\$0	\$0
91600 Office Expenses	\$0	\$120,853	\$35,567	\$0	\$0
91700 Legal Expense	\$0	\$23,006	\$12,158	\$0	\$2,734
91800 Travel	\$0	\$49,664	\$13,481	\$0	\$0
91900 Other	\$0	\$376,839	\$106,839	\$0	\$5,143
91000 Total Operating - Administrative	\$0	\$1,708,602	\$641,393	\$0	\$7,877

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
70300 Net Tenant Rental Revenue	\$0	\$170,875	\$0	\$0	\$0
70400 Tenant Revenue - Other	\$0	\$15,701	\$0	\$0	\$0
70500 Total Tenant Revenue	\$0	\$186,576	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$0	\$0	\$94,648	\$13,454,219	\$185,150
70610 Capital Grants				\$0	
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees	\$239,882				
70700 Total Fee Revenue					
70800 Other Government Grants	\$0	\$731,943	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$503,689	\$139	\$838	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$0
71500 Other Revenue	\$85,565	\$515	\$0	\$0	\$0
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$209	\$0	\$0	\$0
70000 Total Revenue	\$829,136	\$919,382	\$95,486	\$13,454,219	\$185,150
91100 Administrative Salaries	\$299,073	\$31,664	\$0	\$0	\$0
91200 Auditing Fees	\$4,557	\$6,960	\$21	\$0	\$0
91300 Management Fee	\$0	\$24,656	\$3,072	\$0	\$2,004
91310 Book-keeping Fee	\$0	\$2,100	\$1,920	\$0	\$1,253
91400 Advertising and Marketing	\$8,016	\$970	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$94,016	\$17,386	\$0	\$0	\$0
91600 Office Expenses	\$3,231	\$8,078	\$14	\$0	\$0
91700 Legal Expense	\$10,533	\$5,591	\$0	\$0	\$0
91800 Travel	\$20,411	\$112	\$0	\$0	\$0
91900 Other	\$23,488	\$22,923	\$0	\$0	\$0
91000 Total Operating - Administrative	\$463,325	\$120,440	\$5,027	\$0	\$3,257

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0		\$0	\$937,698		\$937,698
70400 Tenant Revenue - Other	\$0		\$0	\$31,703		\$31,703
70500 Total Tenant Revenue	\$0	\$0	\$0	\$969,401	\$0	\$969,401
70600 HUD PHA Operating Grants	\$166,525	\$345,967	\$0	\$14,247,217		\$14,247,217
70610 Capital Grants	\$0		\$0	\$0		\$0
70710 Management Fee			\$257,640	\$257,640	-\$264,845	-\$7,205
70720 Asset Management Fee			\$0	\$0		\$0
70730 Book Keeping Fee			\$161,025	\$161,025	-\$161,025	\$0
70740 Front Line Service Fee			\$0	\$0		\$0
70750 Other Fees			\$0	\$239,882	-\$205,921	\$33,961
70700 Total Fee Revenue			\$418,665	\$418,665	-\$631,791	-\$213,126
70800 Other Government Grants	\$0		\$0	\$2,351,079	-\$1,613,136	\$737,943
71100 Investment Income - Unrestricted	\$0		\$25	\$509,349	-\$13,916	\$495,433
71400 Fraud Recovery	\$0		\$0	\$6,662		\$6,662
71500 Other Revenue	\$1,209		\$164,535	\$460,261		\$460,261
71600 Gain or Loss on Sale of Capital Assets	\$0		\$0	\$0		\$0
72000 Investment Income - Restricted	\$0		\$0	\$1,340		\$1,340
70000 Total Revenue	\$167,734	\$345,967	\$583,225	\$19,203,856	-\$2,258,843	\$16,945,013
91100 Administrative Salaries	\$0		\$269,686	\$1,323,961		\$1,323,961
91200 Auditing Fees	\$140		\$2,834	\$49,513		\$49,513
91300 Management Fee	\$4,344			\$486,160	-\$461,504	\$24,656
91310 Book-keeping Fee	\$2,716			\$163,125	-\$161,025	\$2,100
91400 Advertising and Marketing	\$0		\$2,217	\$30,503		\$30,503
91500 Employee Benefit contributions - Administrative	\$0		\$81,201	\$419,132		\$419,132
91600 Office Expenses	\$0		\$42,702	\$210,445		\$210,445
91700 Legal Expense	\$0		\$29,264	\$83,286		\$83,286
91800 Travel	\$0		\$39,500	\$123,168		\$123,168
91900 Other	\$950		\$31,258	\$567,440	-\$9,262	\$558,178
91000 Total Operating - Administrative	\$8,150	\$0	\$498,662	\$3,456,733	-\$631,791	\$2,824,942

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$8,869	\$7,858	\$0	\$0
92500 Total Tenant Services	\$0	\$8,869	\$7,858	\$0	\$0
93100 Water	\$0	\$1,047	\$56,814	\$0	\$0
93200 Electricity	\$0	\$4,798	\$50,604	\$0	\$0
93300 Gas	\$0	\$1,916	\$36,278	\$0	\$0
93600 Sewer	\$0	\$0	\$3,439	\$0	\$0
93800 Other Utilities Expense	\$0	\$2,577	\$38,064	\$0	\$0
93000 Total Utilities	\$0	\$10,338	\$185,199	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$294,221	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$0	\$8,606	\$45,168	\$0	\$0
94300 Ordinary Maintenance and Operations Contracts	\$0	\$11,088	\$172,575	\$0	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$86,134	\$0	\$0
94000 Total Maintenance	\$0	\$19,694	\$598,098	\$0	\$0
96110 Property Insurance	\$0	\$635	\$62,287	\$0	\$0
96120 Liability Insurance	\$0	\$1,567	\$18,376	\$0	\$0
96130 Workmen's Compensation	\$0	\$18,845	\$18,869	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$3,094	\$0	\$0
96100 Total insurance Premiums	\$0	\$21,047	\$102,626	\$0	\$0
96200 Other General Expenses	\$0	\$88,606	\$7,489	\$0	\$0
96210 Compensated Absences	\$0	\$79,846	\$68,993	\$0	\$0
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$0	\$0	\$10,863	\$0	\$0
96000 Total Other General Expenses	\$0	\$168,452	\$87,345	\$0	\$0

Housing Authority of Champaign County (IL006)

CHAMPAIGN, IL

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$432	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$432	\$0	\$0	\$0
93100 Water	\$846	\$30,468	\$0	\$0	\$0
93200 Electricity	\$2,833	\$4,348	\$0	\$0	\$0
93300 Gas	\$2,586	\$2,559	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$3,847	\$24,148	\$0	\$0	\$0
93000 Total Utilities	\$10,112	\$61,523	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$3,315	\$65,317	\$0	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$1,286	\$17,351	\$0	\$0	\$0
94300 Ordinary Maintenance and Operations Contracts	\$7,729	\$40,420	\$0	\$0	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,044	\$18,254	\$0	\$0	\$0
94000 Total Maintenance	\$13,374	\$141,342	\$0	\$0	\$0
96110 Property Insurance	\$436	\$22,588	\$0	\$0	\$0
96120 Liability Insurance	\$921	\$646	\$0	\$0	\$0
96130 Workmen's Compensation	\$16,768	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$0	\$0	\$0
96100 Total insurance Premiums	\$18,125	\$23,234	\$0	\$0	\$0
96200 Other General Expenses	\$20,504	\$14,088	\$0	\$0	\$0
96210 Compensated Absences	\$45,356	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$65,860	\$14,088	\$0	\$0	\$0

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee	\$0			\$0		\$0
92100 Tenant Services - Salaries	\$0		\$0	\$0		\$0
92200 Relocation Costs	\$0		\$0	\$0		\$0
92400 Tenant Services - Other	\$0		\$0	\$17,159		\$17,159
92500 Total Tenant Services	\$0	\$0	\$0	\$17,159	\$0	\$17,159
93100 Water	\$0		\$1,204	\$90,379		\$90,379
93200 Electricity	\$0		\$4,977	\$67,560		\$67,560
93300 Gas	\$0		\$1,977	\$45,316		\$45,316
93600 Sewer	\$0		\$0	\$3,439		\$3,439
93800 Other Utilities Expense	\$0		\$2,441	\$71,077		\$71,077
93000 Total Utilities	\$0	\$0	\$10,599	\$277,771	\$0	\$277,771
94100 Ordinary Maintenance and Operations - Labor	\$0		\$57,838	\$420,691		\$420,691
94200 Ordinary Maintenance and Operations - Materials and Other	\$0		\$10,162	\$82,573		\$82,573
94300 Ordinary Maintenance and Operations Contracts	\$0		\$35,778	\$267,590		\$267,590
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0		\$21,363	\$126,795		\$126,795
94000 Total Maintenance	\$0	\$0	\$125,141	\$897,649	\$0	\$897,649
96110 Property Insurance	\$0		\$2,527	\$88,473		\$88,473
96120 Liability Insurance	\$0		\$320	\$21,830		\$21,830
96130 Workmen's Compensation	\$0		\$14,178	\$68,660		\$68,660
96140 All Other Insurance	\$0		\$946	\$4,040		\$4,040
96100 Total insurance Premiums	\$0	\$0	\$17,971	\$183,003	\$0	\$183,003
96200 Other General Expenses	\$0		\$32,523	\$163,210	-\$19,668	\$143,542
96210 Compensated Absences	\$0		\$35,458	\$229,653		\$229,653
96300 Payments in Lieu of Taxes	\$0		\$0	\$0		\$0
96400 Bad debt - Tenant Rents	\$0		\$0	\$10,863		\$10,863
96000 Total Other General Expenses	\$0	\$0	\$67,981	\$403,726	-\$19,668	\$384,058



Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.881 Moving to Work Demonstration Program	6.2 Component Unit Blended	14.OPS MTW Demonstration Program for Low Rent	2 State/Local
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$52,231	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$52,231	\$0	\$0
96900 Total Operating Expenses	\$0	\$1,937,002	\$1,674,750	\$0	\$7,877
97000 Excess of Operating Revenue over Operating Expenses	\$16	-\$1,919,757	\$927,341	\$708	-\$4,380
97100 Extraordinary Maintenance	\$0	\$0	\$2,492	\$0	\$0
97300 Housing Assistance Payments	\$0	\$11,338,134	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$9,603	\$20,951	\$460,475	\$0	\$0
90000 Total Expenses	\$9,603	\$13,296,087	\$2,137,717	\$0	\$7,877
10010 Operating Transfer In	\$0	\$13,800,894	\$0	\$0	\$0
10020 Operating transfer Out	\$0	-\$5,043,047	\$0	-\$708	\$0
10100 Total Other financing Sources (Uses)	\$0	\$8,757,847	-\$920,000	-\$708	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$9,587	-\$4,520,995	-\$455,626	\$0	-\$4,380
11020 Required Annual Debt Principal Payments	\$0	\$0	\$40,065	\$0	\$0
11030 Beginning Equity	\$2,286,967	\$6,085,504	\$13,025,370	\$0	\$76,775
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$247,494	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	0	25620	3444	0	0
11210 Number of Unit Months Leased	0	20685	3409	0	0
11270 Excess Cash	\$1,967				
11610 Land Purchases	\$0				
11620 Building Purchases	\$0				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	1 Business Activities	6.1 Component Unit - Discretely Presented	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$367,085	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$367,085	\$0	\$0	\$0
96900 Total Operating Expenses	\$570,796	\$728,144	\$5,027	\$0	\$3,257
97000 Excess of Operating Revenue over Operating Expenses	\$258,340	\$191,238	\$90,459	\$13,454,219	\$181,893
97100 Extraordinary Maintenance	\$0	\$14,195	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$74,495	\$0	\$83,329
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$30,840	\$145,916	\$0	\$0	\$0
90000 Total Expenses	\$601,636	\$888,255	\$79,522	\$0	\$86,586
10010 Operating Transfer In	\$5,043,047	\$0	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0	-\$13,454,219	\$0
10100 Total Other financing Sources (Uses)	\$5,043,047	\$0	\$0	-\$13,454,219	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$5,270,547	\$31,127	\$15,964	\$0	\$98,564
11020 Required Annual Debt Principal Payments	\$0	\$23,762	\$0	\$0	\$0
11030 Beginning Equity	\$20,139,074	-\$2,878,136	\$161,427	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$247,494	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	0	552	300	0	336
11210 Number of Unit Months Leased	0	543	300	0	167
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					

Housing Authority of Champaign County (IL006)  
 CHAMPAIGN, IL  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	14.CFP MTW Demonstration Program for Capital Fund	COCC	Subtotal	ELIM	Total
96710 Interest of Mortgage (or Bonds) Payable	\$0		\$0	\$419,316	-\$13,916	\$405,400
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$419,316	-\$13,916	\$405,400
96900 Total Operating Expenses	\$8,150	\$0	\$720,354	\$5,655,357	-\$665,375	\$4,989,982
97000 Excess of Operating Revenue over Operating Expenses	\$159,584	\$345,967	-\$137,129	\$13,548,499	-\$1,593,468	\$11,955,031
97100 Extraordinary Maintenance	\$0		\$0	\$16,687		\$16,687
97300 Housing Assistance Payments	\$148,482		\$0	\$11,644,440	-\$1,593,468	\$10,050,972
97350 HAP Portability-In	\$1,172		\$0	\$1,172		\$1,172
97400 Depreciation Expense	\$0		\$111,910	\$779,695		\$779,695
90000 Total Expenses	\$157,804	\$0	\$832,264	\$18,097,351	-\$2,258,843	\$15,838,508
10010 Operating Transfer In	\$0		\$0	\$18,843,941	-\$18,893,941	-\$50,000
10020 Operating transfer Out	\$0	-\$345,967	\$0	-\$18,843,941	\$18,893,941	\$50,000
10100 Total Other financing Sources (Uses)	\$0	-\$345,967	\$920,000	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$9,930	\$0	\$670,961	\$1,106,505	\$0	\$1,106,505
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$63,827		\$63,827
11030 Beginning Equity	\$226,011	\$0	\$2,990,785	\$42,113,777		\$42,113,777
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0	\$0		\$0
11170 Administrative Fee Equity	\$58,253			\$58,253		\$58,253
11180 Housing Assistance Payments Equity	\$177,688			\$177,688		\$177,688
11190 Unit Months Available	540		0	30792		30792
11210 Number of Unit Months Leased	362		0	25466		25466
11270 Excess Cash				\$1,967		\$1,967
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



CERTIFIED PUBLIC ACCOUNTANTS

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**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**

***Independent Auditor's Report***

The Governing Body  
Housing Authority of Champaign County

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 and the aggregate discretely presented component unit of the Housing Authority of Champaign County as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority of Champaign County's basic financial statements, and have issued our report thereon dated November 12, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of Champaign County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of Champaign County's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Champaign County'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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Housing Authority of Champaign County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

A handwritten signature in black ink that reads "Maletta & Company". The signature is written in a cursive, flowing style.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 12, 2020

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

***Independent Auditor's Report***

Board of Commissioners  
Housing Authority of Champaign County

**Report on Compliance for Each Major Federal Program**

We have audited the Housing Authority of Champaign County's 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 Housing Authority of Champaign County's major federal programs for the year ended December 31, 2019. The Housing Authority of Champaign County'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 the federal statutes, regulations, and 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 Housing Authority of Champaign County'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 (CFR) 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 Housing Authority of Champaign County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Housing Authority of Champaign County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

## Report on Internal Control over Compliance

Management of the Housing Authority of Champaign County 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 Housing Authority of Champaign County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing 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 Housing Authority of Champaign County's internal control over compliance.

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

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

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.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 12, 2020

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Federal Grantor/Pass-through Grantor/Program Title</b>	<b>Contract / Pass-Through #</b>	<b>CFDA Number</b>	<b>Federal Expenditures</b>	<b>Expenditures to Subrecipients</b>
<b><i>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</i></b>				
<b>Direct Programs:</b>				
Section 8 Moderate Rehabilitation	C-7001	14.249	\$ 94,648	\$ 74,495
Section 8 Housing Choice Vouchers	C-992	14.871	166,525	-
Mainstream Vouchers	IL 006	14.879	185,150	-
Total Housing Voucher Cluster			<u>351,675</u>	<u>-</u>
Moving to Work Demonstration Program	IL 006	14.881	<u>13,800,894</u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 14,247,217</u>	<u>\$ 74,495</u>

*See accompanying notes to  
Schedule of Expenditures of Federal Awards*



**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

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**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. 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, change in net positions, or cash flows of the Authority.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – SUB-RECIPIENTS**

Of the federal expenditures presented in the schedule, the Authority provided federal awards to subrecipients as follows:

CFDA Number	Program Title/Sub-Recipient	Amount Provided
14.249	Section 8 - Moderate Rehabilitation/Homestead Corporation	\$ 74,495
		\$ 74,495

**NOTE D – PROGRAM COST**

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the schedule.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

• Material weaknesses identified?	_____	Yes	_____	X	No
• Significant deficiencies identified?	_____	Yes	_____	X	None Reported
Noncompliance material to financial statements noted?	_____	Yes	_____	X	No

**Federal Awards**

Internal control over major federal programs:

• Material weaknesses identified?	_____	Yes	_____	X	No
• Significant deficiencies identified?	_____	Yes	_____	X	None Reported

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

**Unmodified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____	Yes	_____	X	No
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Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of federal program or cluster</u>
14.881	Moving to Work Demonstration Program

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

Auditee qualified as a low-risk auditee?	_____	X	Yes	_____	No
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**II. Financial Statement Findings**

None Reported.

**III. Federal Awards Findings**

None Reported.

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**2018-001 Eligibility  
Moving to Work – CFDA# 14.881**

**Condition and Criteria:** Recertification were not completed or were not completed timely as required by HUD regulations and/or the MTW Agreement. In addition, income calculations performed during examinations contained errors. The recertification process is critical to implementing, enforcing and reporting on various MTW activities.

**Status:** Corrective Action taken.

**2018-002 Eligibility  
Moving to Work – CFDA# 14.881**

**Condition and Criteria:** The 2018 MTW Annual Report and Financial Data Schedule (FDS) were not filed timely. In addition, data and documentation was not prepared or retained in an effective manner. The MTW Annual report is required to be filed within 90 days and the FDS within 60 days (or 90 days with extension) of the Authority's yearend.

**Status:** Corrective Action taken.