CROPPER ROWE, LLP
CERTIFIED PUBLIC ACCOUNTANTS

NEVADA RURAL HOUSING AUTHORITY
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022
(Including Auditors' Report Thereon)

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NEVADA RURAL HOUSING AUTHORITY
FINANCIAL STATEMENTS
JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Nevada Rural Housing Authority
Carson City, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, and the aggregate discretely presented component units of the Nevada Rural Housing Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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 units of the Authority, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the Authority's proportionate share of net pension liability, and schedule of the Authority's pension plan contributions pages 5-10 and 39-42 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying combining statements of net position; combining statements of revenues, expenses, and changes in net position; schedule of expenditures of federal awards; notes to schedule of expenditures of federal awards, and financial data schedule, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Cropper Rowe, LLP

CROPPER ROWE, LLP
Walnut Creek, California
December 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Nevada Rural Housing Authority, we offer readers of the Authority's financial statements this narrative, overview and analysis of the financial activities of Nevada Rural Housing Authority for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with Nevada Rural Housing Authority's financial statements as presented in this report.

The Nevada Rural Housing Authority (the Authority) is a Public Housing Authority as defined in Section 8 of the United States Housing Act of 1937, as amended and a public body corporate and politic established pursuant to the Nevada Revised Statute 616. The Authority was organized in 1973 under the laws of the State of Nevada to primarily provide housing assistance to low and moderate-income families and individuals.

The Nevada Rural Housing Authority predominantly provides rental housing assistance to homeless, as well as low-income families and individuals. The Authority also facilitates single family mortgage financing with down payment assistance and administers a Mortgage Credit Certificate program funded through Private Activity Bond Cap. In addition, the Authority acquires, develops and owns low-income multifamily housing in rural areas of Nevada to promote, provide and preserve affordable housing across the State. Primary funding is as follows:

- Acquisition, development and rehabilitation of multifamily housing units has been funded mostly through federal tax credit partnerships that the Authority participates in

- Governmental grants received from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) Rural Development

- Developer and management fees

- Fees generated through its mortgage programs

- Rent collections from its owned or administered multifamily housing units

- Other programs supporting Nevada's rural low-income housing needs through Weatherization grant services and Continuum of Care program

The following management discussion and analysis (MD&A) will discuss the results of the Authority's operations. Key financial information for the current fiscal year will be compared with those of the prior year.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources, resulting in a Net Position of $20,333,210 at the close of fiscal year 2022 as opposed to $19,062,553 for fiscal year 2021.

- Total assets at June 30, 2022 were $27,356,642. Of this, $9,321,009 represents current assets, and $18,035,633 represents non-current assets. Total assets at June 30, 2022, decreased by $357,533 from the June 30, 2021 balance of $27,714,175.

- Net capital assets for the fiscal year 2022 increased by $1,656,841 from $6,570,908 at June 30, 2021, to $8,227,749 at June 30, 2022 primarily due to the additional development projects in process and office building improvements. Capital assets are reflected at cost, less accumulated depreciation for all capital assets.

- At June 30, 2022 there was $2,840,357 of deferred outflows of resources compared to $1,559,995 at June 30, 2021. See detail discussed in Note 7 of the financial statements.

- Total liabilities at June 30, 2022 were $7,012,769. Of this, $2,467,889 represents current liabilities, and $4,544,880 represents non-current liabilities. Total liabilities at June 30, 2022, decreased by $2,052,747 from the June 30, 2021 balance of $9,065,516. This is primarily due to $1,500,000 in deferred revenue from the Emergency Rental Assistance Program (ERAP) and decreased PERS liability.

- At June 30, 2022, there was $2,851,020 of deferred inflows of resources compared to $302,812 at June 30, 2021. As discussed in Note 7 of the financial statements, differences between projected and actual investments earnings and expected and actual experience accounted for the variance.

- As of June 30, 2022, the Authority's Unrestricted Net Position was $11,279,261, its Restricted Net Position was $826,200, and its Net Investment in Capital Assets was $8,227,749. This represents a total Net Position at June 30, 2022 of $20,333,210 compared to a total Net Position at June 30, 2021, of $19,905,842.

- The primary source of revenues for the Authority for the fiscal year ended June 30, 2022, were grants from federal agencies. Grant revenues for the fiscal year 2022 were $15,901,971 versus $19,004,853 for fiscal year 2021. The large increase was due to federal funding for the Care Housing Assistance Program (CHAP) and ERAP.

- Operating revenues for the Authority for the 2022 fiscal year were $22,226,195 and operating expenses were $22,128,872. Operating revenues and expenses for the fiscal year 2021 were $27,627,615 and $24,439,586, respectively.

- The major program expenditure, as reflected on the Statement of Revenues, Expenses, and Changes in Net Position, was for Section 8 housing assistance payments. There was $9,819,886 of housing assistance payment expenses for fiscal year 2022. This represents a decrease of $542,978 of the amount for fiscal year 2021 of $10,362,864.

- Tenant Services expenses were $3,040,289 in the fiscal year 2022 versus $5,013,917 in the prior year. This decrease is due to federal funding for the CARES and ERAP programs.

- Expenditures of Federal Awards amounted to $16,185,794 for 2022 for an decrease of $3,304,385 from the prior fiscal year's expenditures of $19,490,179.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which are comprised of a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows and Notes to the Financial Statements.

Government-Wide Financial Statements

The *Statement of Net Position* presents information on the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
The *Statement of Revenues, Expenses, and Changes in Net Position* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents the change in the Authority's cash and cash equivalents during the most recent fiscal year.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some programs are required to be established by the United States Department of Housing and Urban Development (HUD). However, the Authority also administers other programs to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other moneys. All of the funds of the Authority are classified as an enterprise housing fund as a result of *Government Accounting Standards Board* No. 34.

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

Notes to the Basic Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

Supplementary Information

The Schedule of the Authority's Proportionate Share of Net Pension Liability, the Schedule of the Authority's Pension Plan Contributions, the Schedule of Expenditures of Federal Awards and the Financial Data Schedule are presented for purposes of additional analysis as required by the title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, the Governmental Accounting Standards Board Statements (GASB), and the U.S. Department of Housing and Urban Development. These schedules can be found in the supplementary information sections of this report.

Financial Analysis

As we noted earlier, the Authority uses funds to help it control and manage money for particular purposes. A portion of the Authority's net assets reflect the investment in capital assets (e.g. land, buildings and improvements, furniture, equipment and machinery). The Authority uses these capital assets to provide services to clients; consequently, these assets are not available for future spending.

Economic Factors

The Authority is primarily dependent upon HUD for the funding of operations. Therefore, the Authority is affected more by the federal budget than by state or local economic conditions. Changes in HUD grants affect the number of households that can be assisted under these federally funded programs on an ongoing basis.

Budgetary Highlights

An agency-wide budget was prepared for the fiscal year ended June 30, 2022. The budget was primarily used as a management tool. Budgets are prepared in accordance with the accounting procedures prescribed by the applicable funding agency and revised during the year as appropriate.

Comparative Statement of Net Position

The following table reflects the Statement of Net Position at June 30, 2022 compared to prior year. The Authority is engaged only in Business-Type Activities:

Comparative Statement of Net Position
June 30, 2022

	2022	2021	Increase/ (Decrease)	Percentage Change
Assets and Deferred Outflows				
Current assets	$ 9,321,009	$ 11,559,560	$ (2,238,551)	(19.37)%
Mortgage loan receivable	8,425,974	7,720,347	705,627	9.14%
Mortgage interest receivable	422,130	309,919	112,211	36.21%
Capital Assets (net of accumulated depreciation)	9,187,529	8,124,349	1,063,180	13.09%
Deferred outflows	2,840,357	1,559,995	1,280,362	82.07%
Total Assets and Deferred Outflows	30,196,999	29,274,170	922,829	3.15%
Liabilities and Deferred Inflows				
Current liabilities	2,467,889	2,983,877	(515,988)	(17.29)%
Non-current liabilities	4,544,880	6,081,639	(1,536,759)	(25.27)%
Deferred inflows	2,851,020	302,812	2,548,208	841.51%
Total Liabilities and Deferred Inflows	9,863,789	9,368,328	495,461	5.29%
Net Position				
Net investment in Capital Assets	8,227,749	6,570,908	1,656,841	25.21%
Restricted	826,200	936,501	(110,301)	(11.78)%
Unrestricted	11,279,261	12,398,433	(1,119,172)	(9.03)%
Total Net Position	$ 20,333,210	$ 19,905,842	$ 427,368	2.15%

Comparative Statement of Revenues, Expenses, and Changes in Net Position

The table below presents the Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2022 compared to prior year.

Comparative Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2022

	2022	2021	Increase/ Decrease	Percentage Change
Operating Revenues				
Grants	$ 15,901,971	$ 19,004,853	$ (3,102,882)	(16.33)%
Rents	259,767	269,950	(10,183)	(3.77)%
Mortgage and Developer fees	5,155,532	5,171,857	(16,325)	(0.32)%
Other	908,925	3,180,955	(2,272,030)	(71.43)%
Total operating revenues	22,226,195	27,627,615	(5,401,420)	(19.55)%
Operating Expenses				
Administration	7,490,673	7,305,617	185,056	2.53%
Utilities	92,224	99,421	(7,197)	(7.24)%
Maintenance	1,141,040	1,133,733	7,307	0.64%
Tenant services	3,040,289	5,013,917	(1,973,628)	(39.36)%
General	188,997	218,138	(29,141)	(13.36)%
Housing Assistance Payments	9,819,886	10,362,864	(542,978)	(5.24)%
Depreciation	355,763	305,896	49,867	16.30%
Total operating expenses	22,128,872	24,439,586	(2,310,714)	(9.45)%
Operating Income (Loss)	97,323	3,188,029	(3,090,706)	(96.95)%
Non-Operating Revenue (Expenses)				
Interest Income	358,248	358,574	(326)	(0.09)%
Interest Expense	(10,781)	(11,365)	584	(5.14)%
Gain (loss) on sale of fixed assets	(36,222)	18,133	(54,355)	(299.76)%
Net Non-Operating Revenue (Loss)	311,245	365,342	(54,097)	(14.81)%
Change in Net Position	408,568	3,553,371	(3,144,803)	(88.50)%
Beginning Net Position	19,905,842	15,509,182	4,396,660	28.35%
Prior period adjustment	18,800	-	18,800	-
Beginning Net Position, restated	19,924,642	15,509,182	4,415,460	28.47%
Net Position, End of Year	$ 20,333,210	$ 19,062,553	$ 1,270,657	6.67%

Analysis of the Authority's Overall Financial Position and Results of Operations:

As indicated in the above comparative statements the Authority's net position at June 30, 2022, increased by $1,270,657.

Changes in Capital Assets

Capital assets (net of accumulated depreciation) are presented below illustrating changes from prior year:

Changes in Capital Assets
(Net of Accumulated Depreciation)

	2022	2021	Increase/ Decrease	Percentage Change
Land	$ 3,608,592	$ 3,540,441	$ 68,151	1.92%
Buildings and Improvements	5,157,872	4,372,604	785,268	17.96%
Equipment	329,040	211,304	111,736	55.72%
Intangible lease asset	92,025	-	92,025	-
Total	$ 9,187,529	$ 8,124,349	$ 1,063,180	13.09%

The Authority's capital assets as of June 30, 2022 were $9,187,529 (net of accumulated depreciation). During the fiscal year 2022 the Authority's net capital assets increased $1,063,180 or 13.09%. Land increased due to land donated to the Authority. Buildings, Improvements and Equipment increased due to increased predevelopment costs on additional projects under construction and capital improvements made to the Office Building. Additional information pertaining to the Authority's capital assets as of June 30, 2022, is presented in Note 4 to the Financial Statements.

Changes in Mortgage Debt

Mortgage debt is presented below to illustrate changes from the prior year:

	2022	2021	Increase/ (Decrease)	Percentage Change
Notes payable	$ 959,780	$ 1,441,909	$ (482,129)	(33.44)%
Total	$ 959,780	$ 1,441,909	$ (482,129)	(33.44)%

At June 30, 2022, the Authority had long-term debt outstanding of $959,780. During the fiscal year, long-term debt decreased by $482,129 or 33.44% primarily due to payments made on notes payable. Additional information pertaining to the Authority's long-term debt as of June 30, 2022 is presented in Note 5 in the "Notes to the Financial Statements".

Requests for information

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Director of Finance at 3695 Desatoya Drive, Carson City, Nevada 89701.

BASIC FINANCIAL STATEMENTS

NEVADA RURAL HOUSING AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2022

	Nevada Rural Housing Authority	Blue Bird Properties	Total Combined
ASSETS			
Current Assets:			
Cash and investments (Note 2)	$ 4,718,373	$ 26,872	$ 4,745,245
Restricted Cash (Note 2)	621,395	-	621,395
Due from other agencies	415,204	-	415,204
Accounts receivable	2,899,713	57,418	2,957,131
Prepaid expenses	36,977	1,047	38,024
Investments in Other Entities (Note 2)	629,347	-	629,347
Total current assets	9,321,009	85,337	9,406,346
Noncurrent assets:			
Mortgage loan receivable (Note 3)	8,425,974	-	8,425,974
Mortgage interest receivable	422,130	-	422,130
Capital assets, net (Note 4)	9,187,529	24,063	9,211,592
Total noncurrent assets	18,035,633	24,063	18,059,696
Total Assets	27,356,642	109,400	27,466,042
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan (Note 7)	2,840,357	-	2,840,357
Total deferred outflows	2,840,357	-	2,840,357
Total assets and deferred outflows of resources	30,196,999	109,400	30,306,399
LIABILITIES			
Current Liabilities:			
Accounts payable	439,792	129,117	568,909
Tenant security deposits	18,703	-	18,703
Accrued liabilities	243,089	34,330	277,419
Compensated absences (Note 6)	18,619	-	18,619
Deferred revenues	1,649,108	-	1,649,108
Lease payable, current	50,415	-	50,415
Notes payable (Note 5)	48,163	-	48,163
Total current liabilities	2,467,889	163,447	2,631,336
Noncurrent liabilities:			
Compensated absences (Note 6)	167,571	-	167,571
Lease payable, noncurrent	44,990	-	44,990
Notes payable (Note 5)	911,617	615,349	1,526,966
Pension liability (Note 7)	3,420,702	-	3,420,702
Total noncurrent liabilities	4,544,880	615,349	5,160,229
Total liabilities	7,012,769	778,796	7,791,565
DEFERRED INFLOWS OF RESOURCES			
Pension Plan (Note 7)	2,851,020	-	2,851,020
Total liabilities and deferred inflows of resources	9,863,789	778,796	10,642,585
NET POSITION			
Net investment in capital assets	8,227,749	24,063	8,251,812
Restricted	826,200	826,200	1,652,400
Unrestricted	11,279,261	(1,519,659)	9,759,602
Total Net Position	$ 20,333,210	$ (669,396)	$ 19,663,814

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

NEVADA RURAL HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Nevada Rural Housing Authority	BlueBird Properties	Total Combined
Operating Revenues			
Grants	$ 15,901,971	$ -	$ 15,901,971
Rents	259,767	-	259,767
Mortgage issuer and lender fees	3,755,357	-	3,755,357
Developer fees	566,000	-	566,000
Management fees	834,175	405,948	1,240,123
Other	908,925	-	908,925
Total operating revenues	22,226,195	405,948	22,632,143
Operating Expenses			
Administration	7,490,673	1,463,679	8,954,352
Utilities	92,224	-	92,224
Maintenance	1,141,040	26,556	1,167,596
General	188,997	25,108	214,105
Tenant services	3,040,289	-	3,040,289
Housing assistance payments	9,819,886	-	9,819,886
Depreciation	355,763	810	356,573
Total operating expenses	22,128,872	1,516,153	23,645,025
Operating income (loss)	97,323	(1,110,205)	(1,012,882)
Non-Operating Revenues (Expenses)			
Interest income - investments	167,022	-	167,022
Interest income - mortgage loans	191,226	-	191,226
Contributed capital	-	440,809	440,809
Gain (loss) on sale of capital asset	(36,222)	-	(36,222)
Interest expense	(10,781)	-	(10,781)
Net non-operating revenue	311,245	440,809	752,054
Change in net position	408,568	(669,396)	(260,828)
Total beginning net position, as previously stated	19,905,842	-	19,905,842
Prior period adjustment	18,800	-	18,800
Total beginning net position, as restated	19,924,642	-	19,924,642
Total ending net position	$ 20,333,210	$ (669,396)	$ 19,663,814

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

NEVADA RURAL HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Nevada Rural Housing Authority	BlueBird Properties	Total Combined
Cash flows from operating activities:			
Grants received	$ 15,998,965	$ -	$ 15,998,965
Cash received from rents	278,567	405,948	684,515
Development and mortgage fees	3,734,896	(57,418)	3,677,478
Other cash receipts	1,743,100	-	1,743,100
Cash payments to suppliers and landlords	(19,019,828)	(1,352,943)	(20,372,771)
Cash payments to employees	(2,832,863)	-	(2,832,863)
Net cash provided (used) in operating activities	(97,163)	(1,004,413)	(1,101,576)
Cash flows from capital and related financing activities:			
Interest paid on long-term debt	(51,320)	-	(51,320)
Disposal (purchase) of fixed assets	(1,455,165)	(24,873)	(1,480,038)
Principal paid	(593,659)	615,349	21,690
Rent and lease payments	(46,783)	-	(46,783)
Interest received from mortgage loans	79,015	-	79,015
Net cash provided (used) in capital and related financing activities	(2,067,912)	590,476	(1,477,436)
Cash flows from investing activities:			
Increase in principal during the year	(705,626)	-	(705,626)
Purchase of investment	(23,436)	440,809	417,373
Interest received from investments	167,021	-	167,021
Net cash provided (used) in investing activities	(562,041)	440,809	(121,232)
Net increase (decrease) in cash	(2,727,116)	26,872	(2,700,244)
Cash at beginning of year	8,066,884	-	8,066,884
Cash at end of year	$ 5,339,768	$ 26,872	$ 5,366,640
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 97,323	$ (1,110,205)	$ (1,012,882)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	355,763	810	356,573
GASB 87 implementation	142,188	-	142,188
Prior period adjustment	18,800	-	18,800
(Increase)/decrease in assets:			
Accounts receivable	(586,461)	(57,418)	(643,879)
Amounts due from other agencies	149,506	-	149,506
Prepaid expenses	(28,174)	(1,047)	(29,221)
Increase/(decrease) in liabilities:			
Accounts payable	41,881	129,117	170,998
Tenant security deposits	(3,276)	-	(3,276)
Accrued liabilities	29,281	34,330	63,611
Deferred revenues	(52,512)	-	(52,512)
Accrued compensated absences	642	-	642
Net pension liability	(1,529,970)	-	(1,529,970)
Deferred inflows and outflows	1,267,846	-	1,267,846
Net cash provided (used) in operating activities	$ (97,163)	$ (1,004,413)	$ (1,101,576)

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Nevada Rural Housing Authority (the Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The following is a summary of the more significant policies.

A. Definition of Reporting Entity

The Nevada Rural Housing Authority (the Authority) was established during 1973 by Nevada Revised Statute 616 and updated by Nevada Revised Statute 315. The Authority is governed by a five-member Board of Commissioners appointed to four-year terms. The Authority was organized to promote the health and safety of the residents of the State of Nevada and to develop more desirable neighborhoods and alleviate poverty in the counties, cities, and towns of the state by making provisions for decent, safe and sanitary low-rent housing facilities for persons of low and moderate income. Since being established, the Authority has not only administered a Section 8 (Housing Choice Voucher) program and other grants, but also introduced single family bond programs and acted as sponsor and developer to several affordable multifamily housing projects across rural Nevada.

The Authority has implemented the provisions of the Governmental Accounting Standards Board, codified in GASB section 2100, "Defining the Government Reporting". For financial reporting purposes, the Authority's financial statements include all funds over and other organizations over which Authority officials exercise oversight responsibility. Oversight responsibility includes such duties as appointment of governing body members, budget review, approval of tax levies, responsibility for outstanding debt secured by the Authority's full faith and credit, or revenues, and the responsibility for funding deficits.

Blended Presented Component Unit
Nevada Rural Housing Inc. (NRHI) is a non-profit 501(c)3 that fills a role on behalf of the Authority when such a non-profit is needed. NRHI does not undertake business that is not in the interest of or which is not supported by the Authority. The Authority serves as the Developer for all Low Income Housing Tax Credit projects in which NRHI is the Managing Member of the tax credit entities' Managing Member. There is one board member in common between the two entities. The Authority is contracted by NRHI to provide administration and technical services necessary to handle its daily business affairs.

Discretely Presented Component Unit
Blue Bird Property, LLC is a limited liability property management company created by the Authority and NRHI in February 2021 with a 51%/49% shared interest. Blue Bird Property, LLC is responsible for the management of NRHA's affordable housing properties located throughout Nevada. This includes real estate operations, affordable housing finance and compliance, rental assistance/subsidy program administration, client services and community relations. There are two directors in common between the Authority and Blue Bird Property, LLC. The Authority provides guidance and oversight as needed to assist Blue Bird Property, LLC in meeting its mission. As of June 30, 2022, NRHA provided capital contributions totaling $371,484 in the form of cash and services and NRHI provided $69,325 in the form of cash for startup costs. Operations began June 1, 2021.

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows) report the financial information of the Authority's operations as a whole.

For financial reporting purposes, the Authority reports all of its operations as a single business type activity in a single enterprise housing fund. Therefore, for the Authority the government-wide and fund financial statements are the same. These basic financial statements are presented in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements and the Schedule of Expenditures of Federal Awards are reported using the e*conomic resources measurement focus* and the *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place. Nonexchange transactions are those in which the Authority receives value without directly giving equal value in exchange. These transactions include revenues from federal, state, and local assistance programs. Revenues from these sources are recognized in the fiscal year in which all eligibility requirements have been met.

The Authority applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before December 30, 1989 in accounting and reporting for its proprietary operations and it has implemented in fiscal year 2016 GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-December 30, 1989 FASB and AICPA Pronouncements for FASB Pronouncements after December 30, 1989.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* activities. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise housing fund are grants from federal funding agencies for housing assistance payments earned, fees generated through its mortgage programs, administrative and developer fees, and rental income from its owned housing units. Operating expenses include employee services and supplies, administrative expenses, management fees, utilities, housing assistance payments to landlords, and depreciation of its capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position

1. Cash and Investments

Cash
For purposes of the accompanying statement of cash flows, the Authority considers all of their cash, including restricted cash, to be cash and equivalents. The Authority considers all of their investments to be highly liquid and, therefore, to be cash equivalents.

Cash and cash equivalents include amounts in demand deposits, certificates of deposit, money market accounts, and savings accounts. All of the Authority's investments can be converted to cash in a relatively short amount of time and are therefore presented in the Statement of Cash Flows.

Investments
Investments are carried at fair value. Fair value is based on quoted market price, if applicable, otherwise the fair value hierarchy is as follows.

> Level 1 – Values are unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
>
> Level 2 – Inputs – other than quoted prices – included within Level 1 that are observable for the asset or liability, either directly or indirectly.
>
> Level 3 – Certain inputs are unobservable inputs (supported by little or no market activity), such as the Authority's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Additional cash and investment disclosures are presented in Note 2. All of the Authority's investments are considered Level 1.

2. Restricted Assets
Restricted cash, cash equivalents, and investments, represent deposits that are used for replacement reserves, security deposit payable amounts to tenants, amounts that are required by grants from HUD to be used only to provide housing assistance for individuals and families that meet various income, age, and employment standards.

3. Receivables
All receivables are reported at their gross value and are reduced by an allowance for doubtful accounts if such an amount is considered applicable.

4. Prepaid expenses
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items the financial statements.

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Capital Assets
Capital assets which include land, buildings, improvements, and furniture and equipment, are reported at historical cost. Contributed capital assets are recorded at fair value at the time received. Interest expense during any development periods is capitalized.

Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterments are charged to the property accounts.

Depreciation is charged to operations using the straight-line method based on the estimated useful life of the related asset. The estimated useful lives of the various asset categories are as follows:

Buildings	19-40 years
Improvements	15 years
Furniture and Equipment	5 years

6. Compensated Absences
It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred. A portion of unused sick leave is only payable to employees who have over 10 years of service upon termination of their employment.

7. Taxes
The Authority is exempt from federal income taxes. The Authority is also exempt from property taxes but makes payments in lieu of taxes on some of its owned housing units.

8. Net Position
Net position represents the differences between assets and liabilities. Net position consists of investment in capital assets, net of related debt; restricted net position; and unrestricted net position. Net position invested in capital assets, net of related debt, consists of capital assets, net of depreciation, reduced by the outstanding balances of borrowings used for the construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

9. Deferred Outflows/Inflows of Resources
In addition to assets and liabilities, the Statement of Net Position includes separate sections for deferred outflows and inflows of resources. These separate sections represent a consumption or acquisition of net position that applies to future periods and will not be recognized as outflows (revenues) or inflows (expenses) until that time.

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Pensions
For purposes of measuring the net pension liability (NPL) and deferred outflows/inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) of the Authority's Public Employees' Retirement System (PERS) Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by Nevada PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Operating Revenues and Expenses
Operating revenues are those revenues that are generated from the primary operations of the Authority. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the Authority. All other expenses are reported as nonoperating expenses.

E. Estimates

Management of the Authority has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare the financial statements. Actual results may differ from those estimates.

F. New GASB Pronouncements

Implemented New GASB Pronouncements

For the year ended June 30, 2022, the Authority implemented the following GASB pronouncements

GASB Statement No. 87, *Leases.* - The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model.

This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The implementation of this pronouncement did have an effect on the Authority's financial statements. See notes 4 and 5 for additional detail.

F. New GASB Pronouncements (continued)

Implemented New GASB Pronouncements (continued)

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a *Construction Period.* - The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

The requirements of this Statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The implementation of this pronouncement did not have a material effect on the Authority's financial statements.

GASB Statement No. 92, *Omnibus 2020.* - The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions. The topics include but are not limited to leases, intra-entity transfers between a primary government and a post-employment benefit plan component unit, accounting for pensions and OPEB related assets, measurement of liabilities related to asset retirement obligations, and nonrecurring fair value measurements of assets or liabilities. The implementation of this pronouncement did not have a material effect on the Authority's financial statements.

GASB Statement No. 93, ***Replacement of Interbank Offered Rates -*** The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offer Rate (IBOR). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap.
- Clarifying the definition of *reference rate,* as it is used in Statement 53, as amended.

F. New GASB Pronouncements (continued)

Implemented New GASB Pronouncements (continued)

The removal of London IBOR as an appropriate benchmark interest rate were originally effective for reporting periods ending after December 31, 2021 (fiscal year 2022-23). All other requirements of this

Statement were to be effective for reporting periods beginning after June 15, 2020 (fiscal year 2020-21). The effective date for all provisions of this Statement were postponed one year by GASBS No. 95. The implementation of this Statement did not have a material effect on the Authority's financial statements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.* - The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021 (fiscal year 2021-22). For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021 (fiscal year 2022).

GASB Statement No. 98, *The Annual Comprehensive Report*. – This Statement establishes the term annual comprehensive financial report, with the acronym ACFR as a replacement for the comprehensive annual financial report, whose acronym, when using the common pronunciation, was that of a "profoundly objectionable racial slur." This did not have a material effect on the financial statements of the Authority.

GASB Statement No. 91, *Conduit Debt Obligations.* - The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

F. New GASB Pronouncements (continued)

Upcoming New GASB Pronouncements

The requirements of this Statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is, in fact, a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity, thereby improving comparability in reporting by issuers. Revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. That information will inform users of the potential impact of such commitments on the financial resources of issuers and help users assess issuers' roles in conduit debt obligations.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2021 (fiscal 2023). Earlier application is encouraged. The Authority does not believe this statement will have a significant impact on the Authority's financial statements.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* - The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPP.

PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated).

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (fiscal year 2023), and all reporting periods thereafter. The Authority has not yet determined whether the implementation of this Pronouncement will have a material impact on the financial statements.

F. New GASB Pronouncements (continued)

Upcoming New GASB Pronouncements (continued)

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* - This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (fiscal year 2023), and all reporting periods thereafter. The Authority has not yet determined whether The implementation of this Pronouncement will have a material impact on the financial statements.

GASB Statement No. 99, *Omnibus 2022.* - The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

F. New GASB Pronouncements (continued)

Upcoming New GASB Pronouncements (continued)

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The Authority has not yet determined whether the implementation of this Pronouncement will have material impact on the financial statements.

GASB Statement No. 100, ***Accounting Changes and Error Corrections-An Amendment of GASB Statement No. 62.*** - The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 (fiscal year 2024). The Authority has not yet determined whether the implementation of this Pronouncement will have a material impact on the financial statements.

GASB Statement No. 101, ***Compensated Absences.*** - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

F. New GASB Pronouncements (continued)

Upcoming New GASB Pronouncements (continued)

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 (fiscal year 2025), and all reporting periods thereafter. The Authority has not yet determined whether the implementation of this Pronouncement will have a material impact on the financial statements.

G. Budgets and Budgetary Accounting

Each year the Authority's Board of Commissioners adopts an operating budget. This budget may be revised during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of the adoption of the annual budget.

Note 2 - CASH AND INVESTMENTS

Cash and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

	NRHA	Blue Bird
Unrestricted cash and investments	$ 4,718,373	$ 26,872
Restricted cash	621,395	-
Total cash and investments	5,339,768	26,872
Investments in other entities	629,347	-
Total	$ 5,969,115	$ 26,872

Note 2 - CASH AND INVESTMENTS (continued)

Combined unrestricted and restricted cash and investments as of June 30, 2022, consist of the following:

	NRHA	Blue Bird
Checking and savings deposits with financial institutions	$ 2,901,574	$ 26,872
Guaranteed fixed annuity contracts	897,409	-
Money market accounts	794,922	-
Mortgage-backed securities	745,226	-
Other investments	437	-
Petty cash on hand	200	-
Total cash and investments	$ 5,339,768	$ 26,872

Interest Rate *Risk* – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. To limit exposure to interest rate risk, the Nevada Revised Statutes limits banker's acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturity. At June 30, 2022, the Authority was not invested in any of these investments.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. In accordance with the Nevada Revised Statutes, the Authority limits its investment instruments by their credit risk. The Authority's investment in VALIC Guaranteed Fixed Deferred Annuity Contracts is rated by nationally recognized statistical rating organizations as "A".

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or brokerage failure, the Authority's deposits may not be returned. The Authority's bank deposits are either covered by FDIC insurance or are collateralized. At June 30, 2022, $4,366,129 of the Authority's and none of Blue Bird's cash and investments were over the FDIC insurance limit.

Note 3 - MORTGAGE LOAN RECEIVABLE

The Authority has issued mortgage loans to assist in the construction of affordable housing. The notes are due at various times ranging from 2047 through 2071.

	June 30, 2021	Additions	Deletions	June 30, 2022
Mortgage Notes Receivable	$ 7,720,347	$ 705,627	$ -	$ 8,425,974

Note 4 - CAPITAL ASSETS

The following is a summary of the Authority's changes in capital assets for the fiscal year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Land	$ 3,540,441	$ 378,151	$ (310,000)	$ 3,608,592
Buildings and improvements	7,295,127	1,172,284	(1,012,385)	7,455,026
Furniture and Equipment	614,519	198,547	(94,621)	718,445
Intangible lease asset		150,586	-	150,586
Total capital assets	11,450,087	1,899,568	(1,417,006)	11,932,649
Less Accumulated depreciation:				
Buildings and Improvements	(2,922,523)	(226,571)	851,940	(2,297,154)
Furniture and Equipment	(403,215)	(78,996)	92,806	(389,405)
Intangible lease asset	-	(58,561)		(58,561)
Total accumulated depreciation	(3,325,738)	(364,128)	944,746	(2,745,120)
Total capital assets, net	$ 8,124,349	$ 1,535,440	$ (472,260)	$ 9,187,529

The following is a summary of Blue Bird' changes in capital assets for the fiscal year ended June 30, 2022.

	Balance July 1, 2021	Additions	Adjustments and Deletions	Balance June 30, 2022
Buildings	$ -	24,873	-	24,873
Total capital assets	-	24,873	-	24,873
Less Accumulated depreciation:				
Buildings	-	(810)	-	(810)
Total accumulated depreciation	-	(810)	-	(810)
Total capital assets, net	$ -	$ 24,063	$ -	$ 24,063

Note 5 - LONG TERM DEBT

The following is a summary of changes in debt for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Current
Mortgage notes	$ 1,441,909	$ 4,046	$ (486,175)	$ 959,780	$ 48,163
Lease payable	-	150,586	(55,181)	95,405	50,415
Compensated Absences (Note 6)	185,548	789,540	(788,898)	186,190	18,619
	$ 1,627,457	$ 944,172	$ (1,330,254)	$ 1,241,375	$ 117,197

Mortgage Notes

A description of the debt recorded at June 30, 2022, for the housing authority is as follows:

	Balance
Yerington Manor	
Installment note due February 1, 2029, secured by a deed of trust on real property and security agreement which includes an assignment of rents, interest at 8.25% per annum, required monthly principal and interest payments are $3,373.	$ 205,062
Installment note due March 1, 2029, secured by a deed of trust on real property and security agreement which includes an assignment of rents, interest at 8.75% per annum, required monthly principal and interest payments are $1,721.	104,018
Installment note due December 25, 2029, secured by a deed of trust on real property and security agreement which includes an assignment of rents, interest at 9.00% per annum, required monthly principal and interest payments are $323.	19,367
Installment note due March 2, 2039, secured by a deed of trust on real property and security agreement which includes an assignment of rents, interest at 9.00% per annum, monthly principal and interest payments amount to $4,416.	456,649
Installment note due March 2, 2039 secured by a deed of trust on real property and security agreement which includes an assignment of rents, interest at 9.5% per annum, monthly principal and interest payments amount to $630.	63,154

Note 5 - LONG TERM DEBT (continued)

NRHI - Nevada Rural Housing Inc. (NRHI) entered into a deferred loan agreement due on April 12, 2027, in the amount of $111,530 with an annual interest rate of 1.00%. The loan is being deferred for the period of affordability and repayment of the loan including principal and interest will be forgiven at the end of the period of affordability as long as the project meets all HUD HOME program requirements.	111,530
Total notes payable at June 30, 2022	$ 959,780

A schedule of debt payment requirements to maturity for mortgage debt obligations other than compensated absences follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total Payments
2023	$ 48,164	$ (2,835)	$ 45,329
2024	57,048	(7,598)	49,450
2025	62,160	(12,710)	49,450
2026	67,731	(18,281)	49,450
2027	185,332	(24,352)	160,980
2028 – 2032	234,417	(94,922)	139,495
2033 – 2037	207,222	(123,101)	84,121
2038 – 2041	97,706	(68,310)	29,397
	$ 959,780	$ (352,109)	$ 607,671

Winnemucca Manor was sold during the year ended June 30, 2022, and full balance of the related notes payable was transferred to the purchaser.

Lease Payable

The Authority entered into an office lease that expires in June 2024. The original cost of the office lease asset was $150,586 and the accumulated amortization on the office lease asset is $58,561 (see Note 4). The following is a schedule of future minimum principal and interest payments to be paid under the operating lease.

Year Ending June 30,	Principal Payments	Interest Payments	Total Payments
2023	$ 50,415	$ 5,446	$ 55,861
2024	44,990	1,561	46,551
	$ 95,405	$ 7,007	$ 102,412

Note 5 - LONG TERM DEBT (continued)

Blue Bird Properties

Blue Bird Properties entered into a revolving loan agreement with a maximum credit amount of $1,371,608 with the Authority. The Company has incurred start-up and administration costs which have been provided by the Authority. The loan account and loans are payable on demand. As of June 30, 2022, the Company's loan balance due to the Authority was $615,349.

Note 6 - COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave. This leave will be used in future periods or paid to employees upon separation from the Authority. Employees also are entitled to receive unused sick leave at separation of service up to a maximum of $8,000 based upon the number of years of service, after being with the Authority ten years or more. At June 30, 2022 accrued vacation and sick leave, $186,190, has been valued by the Authority and has been recorded as a short-term liability of $18,619 and a long-term liability of $167,571.

Note 7 – EMPLOYEE RETIREMENT PLAN

A. General Information about the Pension Plan

Plan Descriptions – Public Employee Retirement System of Nevada (PERS) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system. The system was established by the Nevada Legislature in 1947, effective July 1, 1948. The system is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Comprehensive Annual Financial Report (CAFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

Benefits Provided – Benefits, as required by the Nevada Revised Statutes (NRS or Statute), are determined by the number of years accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010, and July 1, 2015, as determined below in plan provisions. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on or after July 1, 2001, this factor is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% service time factor. For members entering the system on or after July 1, 2015, there is a 2.25% factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Vesting – Regular members become fully vested as to benefits upon completion of five years of service. Members entering the system on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, or at age 62 with ten years of service, or at age 55 with thirty years of service, or at any age with thirty-three and one third years of service. See the chart below for details regarding vesting prior to June 30, 2015.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit up to 90% of average compensation.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Prior to Jan 1, 2010	Jan 1, 2010 to June 30, 2015	On or after Jul 1, 2015
Retirement age based on years of service	60 after 10 years, 65 after 5 years, any after 30 years	62 after 10 years, 65 after 5 years, any after 30 years	55 after 30 years, 62 after 10 years, 65 after 5 years, any after 33 1/3 years

Contributions – The authority for establishing and amending the obligation to make employer and member contribution rates, is set by statute. New hires, in agencies, which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The system receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal year ended June 30, 2021, the Regular Statutory Employer/employee matching rate was 15.25%. The Regular Employer-pay contribution (EPC) rate was 29.25%.

For the year ended June 30, 2022, the contributions recognized as part of pension expense were as follows:

Contributions – employer	$ 610,462
Contributions – employee	$ 336,260

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

Pension Liability - The following table shows the Plan's proportionate share of the regular risk pool collective net pension liability over the measurement period ended June 30, 2021:

	Proportionate Share of Net Pension Liability	Pool Percentage
Balance at 6/30/20 – Measurement date	$ 4,950,673	0.03554%
Balance at 6/30/21 – Measurement date	3,420,702	0.03751%
Total Net Change	$ (1,529,971)	0.00197%

The Authority's net pension liability (NPL) was measured as of June 30, 2021, and the total pension liability used to calculate the pension liability was determined by an actuarial valuation as of that date. The NPL of $3,420,702 is measured as the proportionate share of the net pension liability of $9,119,297,102 (or 0.03751%).

The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on the employer contributions relative to the total combined employer contributions for all employers for the period ended June 30, 2021.

Pension expense – As of June 30, 2022, the Authority recognized pension expense of $240,495.

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

Deferred inflows/outflows - At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 610,462	$ -
Differences between actual and expected experience	378,910	(24,074)
Changes in assumptions	1,135,732	-
Net differences between projected and actual earnings on pension plan investments	-	(2,791,184)
Adjustment due to differences between actual Contributions and proportionate share of contributions	715,253	(35,762)
Total	$ 2,840,357	$(2,851,020)

$610,462 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023 (measurement period ended June 30, 2022). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	Deferred Outflows/inflows of Resources
2023	$ (388,528)
2024	(382,162)
2025	(396,420)
2026	(424,888)
2027	255,640
2028	35,743
Thereafter	-

Actuarial Methods and Assumptions Used to Determine Total Pension Liability – The System's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions:	
Investment Rate of Return	7.25%
Inflation	2.50%
Productivity pay increase	0.50%
Projected Salary Increase	4.20% to 9.10% depends on service. Includes inflation and productivity increases

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

Other assumptions	Same as those used in the June 30, 2021 funding actuarial valuation

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

Discount Rate – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

The following was the Pension Board adopted policy target asset allocation as of June 30, 2021:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. Stocks	42.0%	5.50%
International Stocks	18.0%	5.50%
U.S. Bonds	28.0%	0.75%
Private Markets	12.0%	6.65%
Total	100.0%	

*As of June 30, 2021, PERS's long-term inflation assumption was 2.50%.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Authority's proportionate share of the net pension liability, calculated using the discount rate of 7.25 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current discount rate:

	Discount Rate - 1% (6.25%)	Current Discount Rate (7.25%)	Discount Rate +1% (8.25%)
Plan's Net Pension Liability	$ 6,810,508	$ 3,420,702	$ 624,389

Note 7 – EMPLOYEE RETIREMENT PLAN (continued)

Pension *Plan Fiduciary Net Position* – Detailed information about each pension plan's fiduciary net position is available in the separately issued PERS' Comprehensive Annual Financial Report, available on the PERS website at www.nvpers.org.

Note 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description **–** The Authority has established a Retiree Healthcare Plan (HC Plan), Nevada Rural Housing Authority Employee Health Benefit Plan (NVRHAEHBP), and administers a single-employer defined benefit retiree healthcare plan. Additionally, the Authority contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Each plan provides medical, vision, dental, and life insurance benefits to eligible retired Authority employees and beneficiaries. Benefit provisions for the NRHAEHBP are established pursuant to NRS 287.023 and amended through negotiations between the Authority and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Commissioners. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the Authority's group health insurance plan, which covers both active and retired members. The Authority implemented GASB No. 75 beginning with the fiscal year ending June 30, 2018.

Under NRS 287.023, eligible retirees are able to participate in the plan at the same premium rates as active employees. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2020, two retirees were using this plan. The NVRHAEHBP does not issue a publicly available financial report.

Authority employees who met the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for Authority employees who retired after December 29, 2008. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan.

While PEBP is generally closed to Authority retirees after September 1, 2008, former employees covered by PEBP at the time of their retirement (through a subsequent employer) may join the plan and the Authority is assessed a portion of their cost.

The Authority's annual cost for the two retirees is projected to be less than $1,000 in the fiscal year ending June 30, 2022, with an immaterial estimated long-term liability. This OPEB liability has not been recognized in these financial statements.

Note 9 – CONTINGENT LIABILITIES

Federal Grants

The Authority has received funds from various federal, state, and local grant programs. It is possible that at some future date it may be determined that the Authority was not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

Contingent Liability

For the following partnerships, the Nevada Rural Housing Authority (the Authority) has guaranteed performance regarding delivery of low-income housing tax credits, funding of operating deficits, and maintaining compliance with applicable provisions of Internal Revenue Code Section 42.

West Minor Street Associates, LLC	West Minor Street Associates II, LLC
Sunridge Fallon Associates, LLC	Southwood Associates, LLC
Desert Properties, LLC	Belmont Associates, LLC
Bristlecone Apartments Associates, LLC	Shadows Associates, LLC
Pinion Apartments, LLC	Jeanell Drive Associates, LLC
Mountain View Village, LLC	Winnemucca Village, LLC

In addition, the Authority has guaranteed performance regarding repayment of permanent loans and payment of development fees for Southwood Associates, LLC under provisions of the same code. Failure to maintain compliance or to correct noncompliance within a specified time period could result in a default and create financial costs to the Authority. There are no outstanding faults that are probable in which the loss is estimable, which would be required to be accrued in these financial statements.

Note 10 – DEFERRED REVENUES

At June 30, 2022, the Authority had a deferred revenue balance of $1,649,108. $1,500,000 of the deferred revenue balance was for funding of the Emergency Rental Assistance Program, which will be drawn upon as support is provided to families.

Note 11 – PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2021, The Authority received Emergency Housing Voucher funds in the amount of $18,800 and recorded the funds to deferred revenue because funds could be reclaimed by the Housing and Urban Development (HUD) and because the Authority had not earned the funds by the end of the year. HUD requires that these funds be recognized as revenue in the year received. Consequently, the Authority recorded a prior period adjustment to recognize the funds as revenue for the year ended June 30, 2021.

Note 12 – SUBSEQUENT EVENTS

Management evaluated all activity of the Authority through the date of the audit opinion, the date on which the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Other than the MD&A)

NEVADA RURAL HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Schedule of the Authority's Proportionate Share of the Net Pension Liability
Last 10 Years*

	Fiscal year ended June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Measurement date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Plan's Proportion of the Net Pension Liability/(Asset)	0.02218%	0.02364%	0.02968%	0.03199%	0.03123%	0.03257%	0.03554%	0.03751%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	$ 2,311,800	$ 2,709,403	$ 3,993,550	$ 4,254,861	$ 4,259,470	$ 4,441,488	$ 4,950,673	$ 3,420,702
Plan's Covered-Employee Payroll	$ 1,379,650	$ 1,319,436	$ 1,760,342	$ 2,003,011	$ 2,010,588	$ 2,173,079	$ 2,456,390	$ 2,605,438
Plan's Proportionate Share of the Net Pension Liability/(asset) as a Percentage of its Covered-Employee Payroll	168%	205%	227%	212%	212%	204%	202%	131%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	76.51%	75.13%	72.23%	74.40%	75.24%	76.46%	77.04%	86.51%
Plan's Proportionate Share of Aggregate Fiduciary Net Position	$ 7,446,953	$ 8,181,974	$ 10,388,602	$ 12,376,433	$ 12,940,341	$ 14,424,210	$ 16,611,480	$ 21,928,122

* Fiscal year ending June 30, 2015 was the 1st year of implementation, therefore only eight years of information is shown

NEVADA RURAL HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Schedule of the Authority's Pension Plan Contributions
Last 10 Years*

	Fiscal year ended June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Measurement date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Actuarially Determined Contributions	$ 181,479	$ 189,751	$ 189,128	$ 281,128	$ 362,009	$ 356,637	$ 436,133	$ 500,452
Contributions in Relation to the Actuarially Determined Contribution - Employer	(181,479)	(189,751)	(189,128)	(281,128)	(362,009)	(356,637)	(436,133)	(500,452)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 1,379,650	$ 1,319,436	$ 1,760,342	$ 2,003,011	$ 2,010,588	$ 2,173,079	$ 2,456,390	$ 2,605,438
Contributions as a Percentage of Covered-Employee Payroll	13.15%	14.38%	10.74%	14.04%	18.01%	16.41%	17.76%	19.21%

Notes to Schedule:

Valuation Date: June 30, 2021

Methods and assumptions used to determine contributions rates:

Actuarial Cost method	Entry Age Normal Actuarial Cost Method
Amortization Policy	Separate 30-year period amortization layers
Asset Valuation Method	Market Value of Assets less unrecognized returns in each of the last five years
Inflation rate	2.50%
Payroll growth	5.50%
Investment Rate of Return	7.25%
Projected salary increases	1.70 to 6.60%, depending on years of service
Retirement Age	Varies based on years of service
Mortality rates	See the PERS of Nevada Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021 for information on mortality rates.

* Fiscal year ending June 30, 2015 was the 1st year of implementation, therefore only eight years of information is shown

OTHER SUPPLEMENTARY INFORMATION

NEVADA RURAL HOUSING AUTHORITY
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Component Units Combining Statements of Net Position
June 30, 2022

	Nevada Rural Housing Authority	Nevada Rural Housing Inc.	Total
ASSETS			
Current Assets:			
Cash and investments (Note 2)	$ 4,454,988	$ 263,385	$ 4,718,373
Restricted Cash (Note 2)	621,395	-	621,395
Due from other agencies	415,204	-	415,204
Accounts receivable	2,890,980	8,733	2,899,713
Prepaid expenses	36,977	-	36,977
Investments in Other Entities (Note 2)	371,484	257,863	629,347
Total current assets	8,791,028	529,981	9,321,009
Noncurrent assets:			
Mortgage loan receivable (Note 3)	8,325,974	100,000	8,425,974
Mortgage interest receivable	420,884	1,246	422,130
Capital assets, net (Note 4)	9,077,263	110,266	9,187,529
Total noncurrent assets	17,824,121	211,512	18,035,633
Total Assets	26,615,149	741,493	27,356,642
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan (Note 7)	2,840,357	-	2,840,357
Total deferred outflows	2,840,357	-	2,840,357
Total assets and deferred outflows of resources	29,455,506	741,493	30,196,999
LIABILITIES			
Current Liabilities:			
Accounts payable	439,709	83	439,792
Tenant security deposits	18,703	-	18,703
Accrued liabilities	243,089	-	243,089
Compensated absences (Note 6)	18,619	-	18,619
Deferred revenues	1,644,591	4,517	1,649,108
Lease payable, current	50,415	-	50,415
Notes payable (Note 5)	48,163	-	48,163
Total current liabilities	2,463,289	4,600	2,467,889
Noncurrent liabilities:			
Compensated absences (Note 6)	167,571	-	167,571
Lease payable, noncurrent	44,990	-	44,990
Notes payable (Note 5)	800,087	111,530	911,617
Pension liability (Note 7)	3,420,702	-	3,420,702
Total noncurrent liabilities	4,433,350	111,530	4,544,880
Total liabilities	6,896,639	116,130	7,012,769
DEFERRED INFLOWS OF RESOURCES			
Pension Plan (Note 7)	2,851,020	-	2,851,020
Total liabilities and deferred inflows of resources	9,747,659	-	9,863,789
NET POSITION			-
Net investment in capital assets	8,229,013	(1,264)	8,227,749
Restricted	826,200	-	826,200
Unrestricted	10,652,634	626,627	11,279,261
Total Net Position	$ 19,707,847	$ 625,363	$ 20,333,210

NEVADA RURAL HOUSING AUTHORITY
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Combining Schedule of Revenue, Expenses, and Changes in Net Position
For the year ended June 30, 2022

	Nevada Rural Housing Authority	Nevada Rural Housing Inc.	Total
Operating Revenues			
Grants	$ 15,901,971	$ -	$ 15,901,971
Rents	244,077	15,690	259,767
Mortgage issuer and lender fees	3,755,357	-	3,755,357
Developer fees	566,000	-	566,000
Management fees	834,175	-	834,175
Other	763,462	145,463	908,925
Total operating revenues	22,065,042	161,153	22,226,195
Operating Expenses			
Administration	7,381,151	109,522	7,490,673
Utilities	91,233	991	92,224
Maintenance	1,140,198	842	1,141,040
General	184,826	4,171	188,997
Tenant services	3,040,289	-	3,040,289
Housing assistance payments	9,819,886	-	9,819,886
Depreciation and amortization	351,545	4,218	355,763
Total operating expenses	22,009,128	119,744	22,128,872
Operating income (loss)	55,914	41,409	97,323
Non-Operating Revenues (Expenses)			
Interest income - investments	165,993	1,029	167,022
Interest income - mortgage loans	191,226	-	191,226
Gain (loss) on disposition of capital asset	224,142	(260,364)	(36,222)
Interest expense	(10,781)	-	(10,781)
Net non-operating revenue	570,580	(259,335)	311,245
Change in net position	626,494	(217,926)	408,568
Total beginning net position, as previously stated	19,062,553	843,289	19,905,842
Prior Period Adjustment	18,800	-	18,800
Total beginning net position, as restated	19,081,353	843,289	19,924,642
Total ending net position	$ 19,707,847	$ 625,363	$ 20,333,210

NEVADA RURAL HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor	Federal CFDA Number	Pass-Through Identifying Number	Expenditures
Department of Housing and Urban Development (HUD):			
Direct Programs:			
Rent Supplements – Rental Housing for Lower Income Families	14.149		$ 90,503
Neighborhood Stabilization Program	14.256		72,222
Dollar Home Sales	14.313		9,446
Multifamily Housing Service Coordinators	14.191		74,181
Housing Voucher Cluster:			
Mainstream Vouchers	14.879		850,550
Emergency Housing Voucher	14.EHV		18,446
Section 8 Housing Choice Vouchers	14.871		10,202,791
HCV CARES Act Funding	14.HCC		12,327
Total U.S. Department of Housing and Urban Development			12,330,466
U.S. Department of Agriculture (USDA):			
Direct Programs:			
Rural Rental Assistance Programs	10.427		1,265,918
Total U.S. Department of Agriculture			1,265,918
Department of Energy (DOE):			
Passed through from State of Nevada Housing Division:			
Weatherization Assistance for Low-Income Persons	81.042	DOE/2016/02	311,730
Total Department of Energy			311,730
Department of Health and Human Services (HH&S):			
Passed through from State of Nevada Housing Division:			
Low Income Home Energy Assistance	93.568	LIHEA/2016/02	213,769
Total Department of Health and Human Services			213,769
Department of the Treasury			
Direct Programs:			
Emergency Rental Assistance (ERAP)	21.023		3,063,911
Total Department of the Treasury			3,063,911
Total Federal Expenditures			$ 16,185,794

See Notes to the Schedule of Expenditures of Federal Awards

NEVADA RURAL HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

1. The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by the Nevada Rural Housing Authority (the "Authority"). The Authority's reporting entity is defined in Note 1 to the financial statements.

2. The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

3. The Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. This is the same method of accounting as was used in the preparation of the Authority's basic financial statements.

4. The Authority did not pass-through any federal awards to subrecipients during the fiscal year ended June 30, 2022.

5. Per compliance requirements, the $1,265,918 of Rural Rental Assistance Program (CFDA #10.427) expenditures include the balance of the debt ($848,250) outstanding at June 30, 2022.

NEVADA RURAL HOUSING AUTHORITY(NV905)
Entity Wide Balance Sheet Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.149 Rent Supplements_Rental Housing for Lower Income Families	14.313 Dollar Home Sales	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	93.568 Low-Income Home Energy Assistance	14.HCC HCV CARES Act Funding	81.042 Weatherization Assistance for Low-Income Persons
111 Cash - Unrestricted	$3,397	$0	$0	$6,915	$0	$0	$0
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$18,783	$0	$0	$0	$0	$0	$0
114 Cash - Tenant Security Deposits	$0	$0	$0	$4,915	$0	$0	$0
115 Cash - Restricted for Payment of Current Liabilities	$0	$0	$0	$0	$0	$0	$0
100 Total Cash	$22,180	$0	$0	$11,830	$0	$0	$0
121 Accounts Receivable - PHA Projects	$0	$0	$0	$0	$0	$0	$0
122 Accounts Receivable - HUD Other Projects	$0	$0	$0	$0	$0	$0	$0
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$46,552	$0	$41,039
125 Accounts Receivable - Miscellaneous	$29,445	$0	$100	$0	$0	$0	$0
126 Accounts Receivable - Tenants	$0	$0	$0	$0	$0	$0	$0
126.1 Allowance for Doubtful Accounts -Tenants	$0	$0	$0	$0	$0	$0	$0
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0	$0	$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current	$0	$0	$0	$0	$0	$0	$0
128 Fraud Recovery	$763	$0	$0	$0	$0	$0	$0
128.1 Allowance for Doubtful Accounts - Fraud	-$763	$0	$0	$0	$0	$0	$0
129 Accrued Interest Receivable	$0	$0	$0	$0	$0	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$29,445	$0	$100	$0	$46,552	$0	$41,039
131 Investments - Unrestricted	$0	$0	$0	$0	$0	$0	$0
132 Investments - Restricted	$0	$0	$0	$0	$0	$0	$0
135 Investments - Restricted for Payment of Current Liability	$0	$0	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$0	$0	$0	$0	$0	$0	$0
143 Inventories	$0	$0	$0	$0	$0	$0	$0
143.1 Allowance for Obsolete Inventories	$0	$0	$0	$0	$0	$0	$0
144 Inter Program Due From	$0	$0	$100,972	$0	$0	$0	$0
145 Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0
150 Total Current Assets	$51,625	$0	$101,072	$11,830	$46,552	$0	$41,039
161 Land	$0	$0	$19,800	$226,260	$0	$0	$0
162 Buildings	$0	$0	$66,581	$446,585	$0	$0	$0
163 Furniture, Equipment & Machinery - Dwellings	$14,005	$0	$14,947	$0	$0	$0	$0
164 Furniture, Equipment & Machinery - Administration	$0	$0	$0	$0	$0	$0	$0
165 Leasehold Improvements	$0	$0	$0	$0	$0	$0	$0
166 Accumulated Depreciation	-$9,761	$0	-$37,547	-$195,009	$0	$0	$0
167 Construction in Progress	$0	$0	$0	$0	$0	$0	$0
168 Infrastructure	$0	$0	$0	$0	$0	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$4,244	$0	$63,781	$477,836	$0	$0	$0
171 Notes, Loans and Mortgages Receivable - Non-Current	$0	$0	$0	$0	$0	$0	$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	$0	$0	$0	$0	$0	$0	$0
173 Grants Receivable - Non Current	$0	$0	$0	$0	$0	$0	$0
174 Other Assets	$0	$0	$0	$0	$0	$0	$0
176 Investments in Joint Ventures	$0	$0	$0	$0	$0	$0	$0
180 Total Non-Current Assets	$4,244	$0	$63,781	$477,836	$0	$0	$0
200 Deferred Outflow of Resources	$0	$0	$0	$0	$0	$0	$0
290 Total Assets and Deferred Outflow of Resources	$55,869	$0	$164,853	$489,666	$46,552	$0	$41,039
311 Bank Overdraft	$0	$0	$0	$0	$0	$0	$0
312 Accounts Payable <= 90 Days	$101	$0	$0	$0	$227	$0	$23,629
313 Accounts Payable >90 Days Past Due	$0	$0	$0	$0	$0	$0	$0
321 Accrued Wage/Payroll Taxes Payable	$2,791	$0	$0	$0	$0	$0	$0
322 Accrued Compensated Absences - Current Portion	$436	$0	$0	$0	$0	$0	$0
324 Accrued Contingency Liability	$0	$0	$0	$0	$0	$0	$0
325 Accrued Interest Payable	$0	$0	$0	$0	$0	$0	$0
331 Accounts Payable - HUD PHA Programs	$0	$0	$0	$0	$0	$0	$0
332 Account Payable - PHA Projects	$0	$0	$0	$0	$0	$0	$0
333 Accounts Payable - Other Government	$0	$0	$0	$0	$0	$0	$0
341 Tenant Security Deposits	$0	$0	$0	$4,761	$0	$0	$0
342 Unearned Revenue	$0	$0	$0	$844	$0	$0	$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$0	$0	$0	$0	$0	$0	$0
344 Current Portion of Long-term Debt - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0
345 Other Current Liabilities	$45	$0	$0	$0	$0	$0	$0
346 Accrued Liabilities - Other	$25	$0	$0	$0	$0	$0	$0
347 Inter Program - Due To	$0	$0	$0	$0	$46,328	$0	$24,016
348 Loan Liability - Current	$0	$0	$0	$0	$0	$0	$0
310 Total Current Liabilities	$3,398	$0	$0	$5,605	$46,555	$0	$47,645
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$0	$0	$0	$0	$0	$0	$0
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$0	$0	$0	$0
354 Accrued Compensated Absences - Non Current	$3,925	$0	$0	$0	$0	$0	$0
355 Loan Liability - Non Current	$0	$0	$0	$0	$0	$0	$0
356 FASB 5 Liabilities	$0	$0	$0	$0	$0	$0	$0
357 Accrued Pension and OPEB Liabilities	$0	$0	$0	$0	$0	$0	$0
350 Total Non-Current Liabilities	$3,925	$0	$0	$0	$0	$0	$0
300 Total Liabilities	$7,323	$0	$0	$5,605	$46,555	$0	$47,645
400 Deferred Inflow of Resources	$0	$0	$0	$0	$0	$0	$0
508.4 Net Investment in Capital Assets	$4,244	$0	$63,781	$477,836	$0	$0	$0
511.4 Restricted Net Position	$18,783		$0	$4,915	$0	$0	$0
512.4 Unrestricted Net Position	$25,519	$0	$101,072	$1,310	-$3	$0	-$6,606
513 Total Equity - Net Assets / Position	$48,546	$0	$164,853	$484,061	-$3	$0	-$6,606
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$55,869	$0	$164,853	$489,666	$46,552	$0	$41,039

NEVADA RURAL HOUSING AUTHORITY(NV905)
Entity Wide Balance Sheet Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

1 Business Activities	14.191 Multifamily Housing Service Coordinators	2 State/Local	21.023 Emergency Rental Assistance Program	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
$1,887,002	$0	$0	$0	$299,262	$5,465	$28,155	$8,282	$2,238,478		$2,238,478
$0	$0	$0	$0	$0	$0			$0		$0
$0	$0	$0	$1,431,776	$0	$602,535	$44,344	$239,932	$2,337,370		$2,337,370
$0	$0	$0	$0	$0	$13,944			$18,859		$18,859
$0	$0	$0	$34,237	$0	$0	$0	$1,036	$35,273		$35,273
$1,887,002	$0	$0	$1,466,013	$299,262	$621,944	$72,499	$249,250	$4,629,980	$0	$4,629,980
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$66,308	$36,885	$104,277	$119,949	$0	$196	$0		$415,206		$415,206
$2,833,868	$0	$0	$0	$44,823	$3	$24,183		$2,932,422		$2,932,422
$0	$0	$0	$0	$0	$3,381	$0		$3,381		$3,381
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$7,577		$8,340		$8,340
$0	$0	$0	$0	$0	$0	-$7,577		-$8,340		-$8,340
$96,905	$0	$0	$0	$0	$0	$0		$96,905		$96,905
$2,997,081	$36,885	$104,277	$119,949	$44,823	$3,580	$24,183	$0	$3,447,914	$0	$3,447,914
$745,660	$0	$0	$0	$188,538	$0	$0		$934,198		$934,198
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$8,451	$0	$0	$0	$0	$23,902	$4,627		$36,980		$36,980
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$20,969,758	$0	$0	$0	$0	$0	$0		$21,070,730	-$21,070,730	$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$26,607,952	$36,885	$104,277	$1,585,962	$532,623	$649,426	$101,309	$249,250	$30,119,802	-$21,070,730	$9,049,072
$2,115,058	$0	$0	$0	$43,274	$1,204,200	$0		$3,608,592		$3,608,592
$2,951,409	$0	$0	$0	$98,443	$3,799,523	$92,482		$7,455,023		$7,455,023
$629,681	$0	$6,649	$0	$164,978	$17,550	$139,116		$986,926		$986,926
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
-$433,620	$0	-$6,649	$0	-$37,983	-$1,875,562	-$96,958		-$2,693,089		-$2,693,089
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$5,262,528	$0	$0	$0	$268,712	$3,145,711	$134,640	$0	$9,357,452	$0	$9,357,452
$8,649,953	$0	$0	$0	$101,246	$0	$0		$8,751,199		$8,751,199
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$371,484	$0	$0	$0	$69,325	$0	$0		$440,809		$440,809
$14,283,965	$0	$0	$0	$439,283	$3,145,711	$134,640	$0	$18,549,460	$0	$18,549,460
$2,065,409	$31,826	$0	$0	$0	$0	$743,122		$2,840,357	$0	$2,840,357
$42,957,326	$68,711	$104,277	$1,585,962	$971,906	$3,795,137	$979,071	$249,250	$51,509,619	-$21,070,730	$30,438,889
$0	$0	$0	$0	$0	$0	$0		$0		$0
$305,203	$50	$68,051	$29,917	$66,050	$10,533	$1,001	$997	$505,759		$505,759
$0	$0	$0	$0	$0	$0	$0		$0		$0
$115,580	$2,541	$0	$4,320	$15,639	$4,032	$27,723		$172,626		$172,626
$13,161	$689	$0	$0	$0	$0	$4,332		$18,618		$18,618
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$5,634	$0	$0		$5,634		$5,634
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$13,942	$0		$18,703		$18,703
$58,677	$0	$0	$1,500,000	$4,517	$2,819	$0	$82,250	$1,649,107		$1,649,107
$49,250	$0	$0	$0	$0	$48,164	$0		$97,414		$97,414
$0	$0	$0	$0	$0	$0	$0		$0		$0
$3,559	$0	$0	$0	$0	$7,500	$436		$11,540		$11,540
$70,993	$0	$0	$0	$18,938	$3,259	$252	$39	$93,506		$93,506
$20,921,978	$26,527	$51,881	$0	$0	$0	$0		$21,070,730	-$21,070,730	$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$21,538,401	$29,807	$119,932	$1,534,237	$110,778	$90,249	$33,744	$83,286	$23,643,637	-$21,070,730	$2,572,907
$54,252	$0	$0	$0	$111,530	$800,086	$0		$965,868		$965,868
$0	$0	$0	$0	$431,512	$0	$0		$431,512		$431,512
$0	$0	$0	$0	$0	$0	$0		$0		$0
$118,449	$6,204	$0	$0	$0	$0	$38,992		$167,570		$167,570
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$2,392,745	$100,154	$0	$0	$0	$0	$927,803		$3,420,702		$3,420,702
$2,565,446	$106,358	$0	$0	$543,042	$800,086	$966,795	$0	$4,985,652	$0	$4,985,652
$24,103,847	$136,165	$119,932	$1,534,237	$653,820	$890,335	$1,000,539	$83,286	$28,629,289	-$21,070,730	$7,558,559
$2,123,988	$6,533	$0	$0	$0	$0	$720,499		$2,851,020	$0	$2,851,020
$5,159,026	$0	$0	$0	-$1,264	$2,297,460	$134,640		$8,135,723		$8,135,723
$0	$0	$0	$0	$0	$616,480	$44,344	$141,678	$826,200		$826,200
$11,570,465	-$73,987	-$15,655	$51,725	$319,350	-$9,138	-$920,951	$24,286	$11,067,387		$11,067,387
$16,729,491	-$73,987	-$15,655	$51,725	$318,086	$2,904,802	-$741,967	$165,964	$20,029,310	$0	$20,029,310
$42,957,326	$68,711	$104,277	$1,585,962	$971,906	$3,795,137	$979,071	$249,250	$51,509,619	-$21,070,730	$30,438,889

NEVADA RURAL HOUSING AUTHORITY (NV905)
Entity Wide Revenue and Expense Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.149 Rent Supplements_Rental Housing for Lower Income Families	14.313 Dollar Home Sales	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	93.568 Low-Income Home Energy Assistance	14.HCC HCV CARES Act Funding	81.042 Weatherization Assistance for Low-Income Persons
70300 Net Tenant Rental Revenue	$0	$0	$14,132	$52,618	$0	$0	$0
70400 Tenant Revenue - Other	$0	$0	$0	$0	$0	$0	$0
70500 Total Tenant Revenue	$0	$0	$14,132	$52,618	$0	$0	$0
70600 HUD PHA Operating Grants	$841,130	$90,503	$0	$0	$0	$12,327	$0
70610 Capital Grants	$0	$0	$0	$0	$0	$0	$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	$0	$0	$0	$213,769	$0	$311,730
71100 Investment Income - Unrestricted	$0	$0	$0	$4	$0	$0	$0
71200 Mortgage Interest Income	$0	$0	$0	$0	$0	$0	$0
71300 Proceeds from Disposition of Assets Held for Sale	$0	$0	$0	$0	$0	$0	$0
71310 Cost of Sale of Assets	$0	$0	$0	$0	$0	$0	$0
71400 Fraud Recovery	$22	$0	$0	$0	$0	$0	$0
71500 Other Revenue	$0	$0	$0	$0	$0	$0	$0
71600 Gain or Loss on Sale of Capital Assets	$0	$0	$0	$0	$0	$0	$0
72000 Investment Income - Restricted	$0	$0	$0	$0	$0	$0	$0
70000 Total Revenue	$841,152	$90,503	$14,132	$52,622	$213,769	$12,327	$311,730
91100 Administrative Salaries	$55,891	$0	$0	$0	$51,277	$0	$57,837
91200 Auditing Fees	$2,324	$2,117	$62	$308	$0	$0	$0
91300 Management Fee	$0	$18,582	$1,366	$7,869	$0	$0	$0
91310 Book-keeping Fee	$0	$0	$0	$0	$0	$0	$0
91400 Advertising and Marketing	$152	$627	$0	$0	$0	$0	$68
91500 Employee Benefit contributions - Administrative	$15,536	$0	$0	$0	$18,641	$0	$21,714
91600 Office Expenses	$8,154	$10,226	$70	$305	$8,362	$0	$19,610
91700 Legal Expense	$22	$0	$0	$0	$0	$0	$0
91800 Travel	$345	$0	$0	$0	$0	$0	$18,641
91810 Allocated Overhead	$28,663	$0	$0	$0	$11,260	$0	$31,170
91900 Other	$3,486	$0	$0	-$1,148	$86	$12,327	$117
91000 Total Operating - Administrative	$114,573	$31,552	$1,498	$7,334	$89,626	$12,327	$149,157
92000 Asset Management Fee	$0	$0	$0	$0	$0	$0	$0
92100 Tenant Services - Salaries	$0	$0	$0	$0	$0	$0	$0
92200 Relocation Costs	$0	$0	$0	$0	$0	$0	$0
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$0	$0	$0	$0	$0
92400 Tenant Services - Other	$0	$0	$0	$0	$0	$0	$0
92500 Total Tenant Services	$0	$0	$0	$0	$0	$0	$0
93100 Water	$61	$3,263	$12	$304	$0	$0	$0
93200 Electricity	$434	$3,638	$0	$420	$0	$0	$0
93300 Gas	$84	$933	$0	$157	$0	$0	$0
93400 Fuel	$0	$0	$0	$0	$0	$0	$0
93500 Labor	$0	$0	$0	$0	$0	$0	$0
93600 Sewer	$48	$17,875	$0	$2,414	$0	$0	$0
93700 Employee Benefit Contributions - Utilities	$0	$0	$0	$0	$0	$0	$0
93800 Other Utilities Expense	$60	$5,565	$0	$349	$0	$0	$0
93000 Total Utilities	$687	$31,274	$12	$3,644	$0	$0	$0
94100 Ordinary Maintenance and Operations - Labor	$0	$0	$0	$0	$0	$0	$0
94200 Ordinary Maintenance and Operations - Materials and Other	$136	$15,393	$0	$3,002	$2,401	$0	$2,630
94300 Ordinary Maintenance and Operations Contracts	$1,441	$4,405	$528	$37,856	$120,302	$0	$156,651
94500 Employee Benefit Contributions - Ordinary Maintenance	$0	$0	$0	$0	$0	$0	$0
94000 Total Maintenance	$1,577	$19,798	$528	$40,858	$122,703	$0	$159,281
95100 Protective Services - Labor	$0	$0	$0	$0	$0	$0	$0
95200 Protective Services - Other Contract Costs	$0	$0	$0	$0	$0	$0	$0
95300 Protective Services - Other	$0	$0	$0	$0	$0	$0	$0
95500 Employee Benefit Contributions - Protective Services	$0	$0	$0	$0	$0	$0	$0
95000 Total Protective Services	$0	$0	$0	$0	$0	$0	$0
96110 Property Insurance	$263	$4,350	$300	$2,500	$0	$0	$0
96120 Liability Insurance	$200	$633	$0	$0	$0	$0	$2,164
96130 Workmen's Compensation	$1,839	$1,939	$0	$0	$1,440	$0	$1,128
96140 All Other Insurance	$0	$0	$0	$0	$0	$0	$0
96100 Total insurance Premiums	$2,302	$6,922	$300	$2,500	$1,440	$0	$3,292
96200 Other General Expenses	$2,638	$0	$0	$0	$0	$0	$0
96210 Compensated Absences	$0	$0	$0	$0	$0	$0	$0
96300 Payments in Lieu of Taxes	$0	$957	$0	$23	$0	$0	$0
96400 Bad debt - Tenant Rents	$0	$0	$0	$0	$0	$0	$0
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0	$0	$0
96600 Bad debt - Other	$0	$0	$0	$0	$0	$0	$0
96800 Severance Expense	$0	$0	$0	$0	$0	$0	$0
96000 Total Other General Expenses	$2,638	$957	$0	$23	$0	$0	$0
96710 Interest of Mortgage (or Bonds) Payable	$0	$0	$0	$0	$0	$0	$0
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0	$0	$0	$0	$0
96730 Amortization of Bond Issue Costs	$0	$0	$0	$0	$0	$0	$0
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0	$0	$0	$0
96900 Total Operating Expenses	$121,777	$90,503	$2,338	$54,359	$213,769	$12,327	$311,730
97000 Excess of Operating Revenue over Operating Expenses	$719,375	$0	$11,794	-$1,737	$0	$0	$0
97100 Extraordinary Maintenance	$0	$0	$0	$0	$0	$0	$0
97200 Casualty Losses - Non-capitalized	$0	$0	$0	$0	$0	$0	$0

NEVADA RURAL HOUSING AUTHORITY (NV905)
Entity Wide Revenue and Expense Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

1 Business Activities	14.191 Multifamily Housing Service Coordinators	2 State/Local	21.023 Emergency Rental Assistance Program	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
$0	$0	$0	$0	$15,690	$173,990	$0		$256,430		$256,430
$3,600	$0	$0	$0	$0	$0	$0		$3,600		$3,600
$3,600	$0	$0	$0	$15,690	$173,990	$0	$0	$260,030	$0	$260,030
$0	$74,181	$0	$0	$0	$0	$9,955,858	$165,610	$11,139,609		$11,139,609
$0	$0	$0	$0	$0	$0	$0		$0		$0
$2,074,220								$2,074,220		$2,074,220
								$0	$0	$0
$497,189	$0	$812,151	$2,848,955	$0	$78,306	$0		$4,762,100		$4,762,100
$165,311	$0	$0	$0	$1,029	$678	$0		$167,022		$167,022
$191,226	$0	$0	$0	$0	$0	$0		$191,226		$191,226
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$456		$478		$478
$3,429,454	$0	$0	$286,167	$97,085	$2,768	$124,508		$3,939,982		$3,939,982
$23,800	$0	$0	$0	$0	$200,345	$0		$224,145		$224,145
$0	$0	$0	$0	$0	$0	$0		$0		$0
$6,384,800	$74,181	$812,151	$3,135,122	$113,804	$456,087	$10,080,822	$165,610	$22,758,812	$0	$22,758,812
$2,162,026	$48,121	$146,834	$82,026	$0	$0	$555,183		$3,159,195		$3,159,195
$7,723	$0	$0	$0	$5,250	$1,533	$23,086		$42,403		$42,403
$0	$0	$0	$0	$104,152	$14,518	$0		$146,487		$146,487
$0	$0	$0	$0	$0	$0	$0		$0		$0
$247,374	$0	$147	$8,135	$7,475	$454	$1,509		$265,941		$265,941
$566,099	$14,076	$51,916	$32,709	$0	$0	$154,322		$875,013		$875,013
$245,388	$304	$28,624	$54	$74,816	$8,736	$80,997		$485,646		$485,646
$30,531	$0	$0	$0	$17,980	$51	$220		$48,804		$48,804
$71,773	$0	$6,036	$0	$0	$0	$3,424		$100,219		$100,219
$1,453,606	$6,744	$74,777	$88,139	$0	$14,553	$284,715	$10,674	$2,004,301		$2,004,301
$408,978	$3,615	$273	$0	$796,439	$54,928	$34,653		$1,313,754		$1,313,754
$5,193,498	$72,860	$308,607	$211,063	$1,006,112	$94,773	$1,138,109	$10,674	$8,441,763	$0	$8,441,763
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$191,335	$0	$0	$2,848,955	$0	$0	$0		$3,040,290		$3,040,290
$191,335	$0	$0	$2,848,955	$0	$0	$0	$0	$3,040,290	$0	$3,040,290
$1,135	$0	$0	$0	$480	$3,762	$606		$9,623		$9,623
$11,661	$0	$0	$0	$0	$2,847	$4,308		$23,308		$23,308
$2,257	$0	$0	$0	$0	$846	$830		$5,107		$5,107
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$899	$0	$0	$0	$525	$14,691	$481		$36,933		$36,933
$0	$0	$0	$0	$0	$0	$0		$0		$0
$1,176	$0	$0	$0	-$14	$9,661	$603		$17,400		$17,400
$17,128	$0	$0	$0	$991	$31,807	$6,828	$0	$92,371	$0	$92,371
$0	$0	$0	$0	$0	$0	$0		$0		$0
$3,182	$0	$2,244	$0	$7	$11,146	$1,355		$41,496		$41,496
$139,103	$0	$498,966	$0	$9,533	$125,143	$14,313		$1,108,241		$1,108,241
$0	$0	$0	$0	$0	$0	$0		$0		$0
$142,285	$0	$501,210	$0	$9,540	$136,289	$15,668	$0	$1,149,737	$0	$1,149,737
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$4,880	$0	$0	$0	$0	$3,150	$2,608		$18,051		$18,051
$39,244	$0	$0	$0	$14,934	$2,868	$1,982		$62,025		$62,025
$47,063	$1,321	$2,334	$3,893	$3,678	$1,404	$18,267		$84,306		$84,306
$0	$0	$0	$0	$0	$0	$0		$0		$0
$91,187	$1,321	$2,334	$3,893	$18,612	$7,422	$22,857	$0	$164,382	$0	$164,382
$3,295	$0	$0	$0	$3,587	$0	$26,209		$35,729		$35,729
$0	$0	$0	$0	$0	$0	$0		$0		$0
$2,935	$0	$0	$0	$0	$2,853	$0		$6,768		$6,768
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$6,230	$0	$0	$0	$3,587	$2,853	$26,209	$0	$42,497	$0	$42,497
$0	$0	$0	$0	$11,817	$1,703	$0		$13,520		$13,520
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$11,817	$1,703	$0	$0	$13,520	$0	$13,520
$5,641,663	$74,181	$812,151	$3,063,911	$1,050,659	$274,847	$1,209,671	$10,674	$12,944,560	$0	$12,944,560
$743,137	$0	$0	$71,211	-$936,855	$181,240	$8,871,151	$154,936	$9,814,252	$0	$9,814,252
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0

NEVADA RURAL HOUSING AUTHORITY (NV905)
Entity Wide Revenue and Expense Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.149 Rent Supplements_Rental Housing for Lower Income Families	14.313 Dollar Home Sales	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	93.568 Low-Income Home Energy Assistance	14.HCC HCV CARES Act Funding	81.042 Weatherization Assistance for Low-Income Persons
97300 Housing Assistance Payments	$724,382	$0	$1,456	$0	$0	$0	$0
97350 HAP Portability-In	$0	$0	$0	$0	$0	$0	$0
97400 Depreciation Expense	$4,389	$0	$5,653	$17,863	$0	$0	$0
97500 Fraud Losses	$0	$0	$0	$0	$0	$0	$0
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense	$0	$0	$0	$0	$0	$0	$0
90000 Total Expenses	$850,548	$90,503	$9,447	$72,222	$213,769	$12,327	$311,730
10010 Operating Transfer In	$0	$0	$0	$30,000	$0	$0	$0
10020 Operating transfer Out	$0	$0	$0	-$31,750	$0	$0	$0
10030 Operating Transfers from/to Primary Government	$0	$0	$0	$0	$0	$0	$0
10040 Operating Transfers from/to Component Unit	$0	$0	$0	$0	$0	$0	$0
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss	$0	$0	$0	$0	$0	$0	$0
10080 Special Items (Net Gain/Loss)	$0	$0	$0	$0	$0	$0	$0
10091 Inter Project Excess Cash Transfer In							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In	$0	$0	$0	$0	$0	$0	$0
10094 Transfers between Project and Program - Out	$0	$0	$0	$0	$0	$0	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	-$1,750	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expen	-$9,396	$0	$4,685	-$21,350	$0	$0	$0
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0	$0	$0
11030 Beginning Equity	$57,942	$0	$160,168	$505,411	-$3	$0	-$6,606
11040 Prior Period Adjustments, Equity Transfers and Correction of Err	$0	$0	$0	$0	$0	$0	$0
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity							
11180 Housing Assistance Payments Equity							
11190 Unit Months Available	1800	360	12	60	0	0	0
11210 Number of Unit Months Leased	1366	342	12	50	0	0	0
11270 Excess Cash							
11610 Land Purchases							
11620 Building Purchases							
11630 Furniture & Equipment - Dwelling Purchases							
11640 Furniture & Equipment - Administrative Purchases							
11650 Leasehold Improvements Purchases							
11660 Infrastructure Purchases							
13510 CFFP Debt Service Payments							
13901 Replacement Housing Factor Funds							

NEVADA RURAL HOUSING AUTHORITY (NV905)
Entity Wide Revenue and Expense Summary
Submission Type: Unaudited/Single Audit
Fiscal Year End: 06/30/2022

1 Business Activities	14.191 Multifamily Housing Service Coordinators	2 State/Local	21.023 Emergency Rental Assistance Program	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
$136,751	$0	$0	$0	$791	$0	$8,949,525	$7,772	$9,820,677		$9,820,677
$0	$0	$0	$0	$0	$0	$0		$0		$0
$87,026	$0	$0	$0	$4,566	$142,821	$43,598		$305,916		$305,916
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$5,865,440	$74,181	$812,151	$3,063,911	$1,056,016	$417,668	$10,202,794	$18,446	$23,071,153	$0	$23,071,153
$31,750	$0	$0	$0	$0	$0	$0		$61,750	-$61,750	$0
-$30,000	$0	$0	$0	$0	$0	$0		-$61,750	$61,750	$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$0	$0	$0	$0	$0	$0	$0		$0		$0
$1,750	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$521,110	$0	$0	$71,211	-$942,212	$38,419	-$121,972	$147,164	-$312,341	$0	-$312,341
$0	$0	$0	$0	$0	$48,164	$0	$0	$48,164		$48,164
$16,264,777	-$73,987	-$15,655	-$19,486	$843,289	$2,866,383	-$676,391	$18,800	$19,924,642		$19,924,642
-$56,396	$0	$0	$0	$417,009	$0	$56,396	$0	$417,009		$417,009
						-$786,311		-$786,311		-$786,311
						$44,344		$44,344		$44,344
0	0	0	0	12	304	17880	564	20992		20992
0	0	0	0	12	282	14286	8	16358		16358

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

To the Board of Commissioners
Nevada Rural Housing Authority
Carson City, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, and the aggregate discretely presented component units of Nevada Rural Housing Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 30, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 that we consider to be material weaknesses. We identified certain deficiencies in internal control at the discretely presented Component Unit (Blue Bird Properties, LLC), described in the accompanying schedule of findings and questioned costs as items Finding 2022-01 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

The Authority's Response to Findings

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

Purpose of This Report

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

Cropper Rowe, LLP

CROPPER ROWE, LLP
Walnut Creek, California
December 30, 2022

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

To the Board of Commissioners
Nevada Rural Housing Authority
Carson City, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Nevada Rural Housing Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2022. the Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Cropper Rowe, LLP

CROPPER ROWE, LLP
Walnut Creek, California
December 30, 2022

NEVADA RURAL HOUSING AUTHORITY
STATUS OF PRIOR AUDIT FINDINGS
JUNE 30, 2022

The audit disclosed no findings or questioned costs that related to the financial statements for the year ended June 30, 2021.

NEVADA RURAL HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

Section I - Summary of Auditors' Results

<u>Financial Statements</u>

Type of auditors' report issued:	unmodified
Internal control over financial reporting:	
Material weaknesses identified?	no
Reportable conditions identified not considered material weaknesses?	yes
Noncompliance material to financial statements?	no

<u>Federal Awards</u>

Internal control over major programs:	
Material weaknesses identified?	no
Reportable conditions identified not considered material weaknesses?	none reported
Type of auditors' report issued on compliance for major programs:	unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516?	no
Identification of major programs:	
Housing Voucher Cluster:	
Section 8 Housing Choice Vouchers	14.871
HCV CARES Act Funding	14.HCC
Mainstream Vouchers	14.879
Emergency Housing Voucher	14.EHV
Dollar threshold to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low risk auditee?	no

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with Generally Accepted Government Auditing Standards

<u>Component Unit (Blue Bird Properties, LLC) Finding 2022-01</u>: Under FASB ASC 720-15-25, Costs of start-up activities, including organization costs, shall be expensed as incurred. For the year ended June 30, 2022, organizational costs related to the discretely presented component unit, Blue Bird Properties, LLC, were capitalized. This resulted in an audit adjustment to move those costs to expense.

We recommend that the Authority follow generally accepted accounting principles during the creation of new entities.

Section III - Federal Award Findings

Our audit disclosed no findings or questioned costs that related to federal awards.