

# Auditor's Summary

## Financial Audit of the Hawai'i Public Housing Authority

Financial Statements, Fiscal Year Ended June 30, 2021



**THE PRIMARY PURPOSE** of the audit was to form an opinion on the fairness of the presentation of the financial statements for the Hawai'i Public Housing Authority as of and for the fiscal year ended June 30, 2021. The audit was conducted by KMH LLP.

### About the Authority

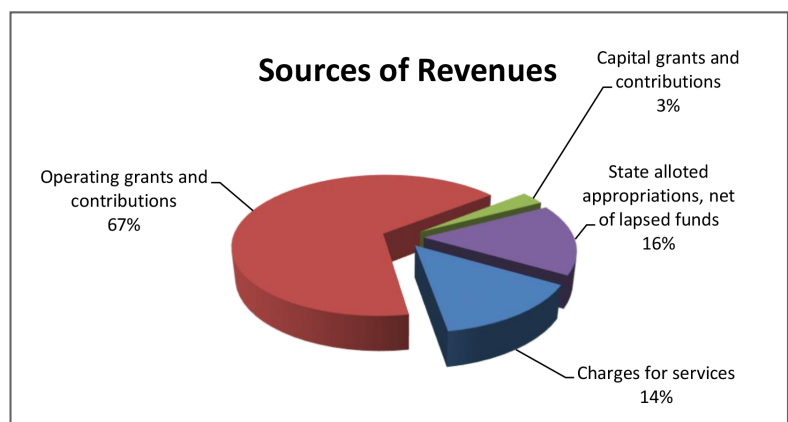
The mission of the Hawai'i Public Housing Authority (HPHA) is to provide safe, decent, and sanitary dwelling for low and moderate-income residents of Hawai'i and to operate its housing programs in accordance with federal and State laws and regulations. Some of HPHA's housing assistance programs are funded by the U.S. Department of Housing and Urban Development (HUD).

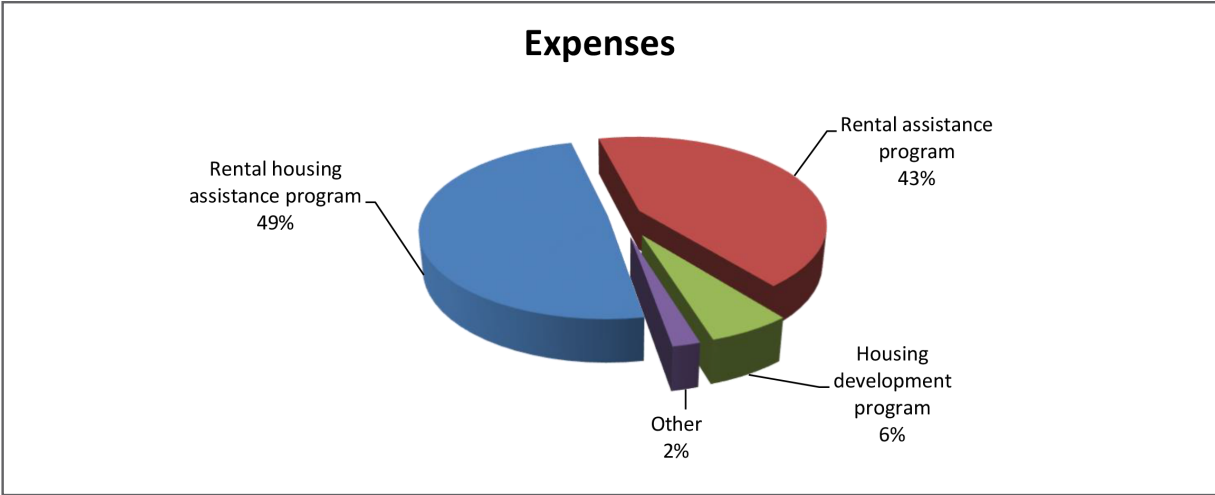
HPHA is administratively attached to the Hawai'i Department of Human Services (DHS). HPHA operates under the direction of its Executive Director and Board of Directors, which consists of eleven board members, nine of whom are appointed by the Governor. The Director of DHS and the Governor's designee are ex-officio members.

### Financial Highlights

**FOR THE FISCAL YEAR** ended June 30, 2021, HPHA reported total revenues of \$178 million and total expenses of \$187 million, resulting in a decrease in net position of \$9 million.

Total revenues of \$178 million consisted of (1) \$25 million in charges for services and other revenues, (2) \$119 million in operating grants and contributions, (3) \$6 million in capital grants and contributions, and (4) \$28 million in State allotted appropriations, net of lapsed funds.





Total expenses of \$187 million consisted of (1) \$91 million for the rental housing assistance program, (2) \$80 million for the rental assistance program, (3) \$11 million for the housing development program, and (4) \$5 million for other costs.

As of June 30, 2021, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$458 million. The agency reported total assets and deferred outflows of resources of \$558 million which were comprised of (1) cash of \$98 million, (2) amounts due from State of \$64 million, (3) notes and other receivables of \$10 million, (4) net capital assets of \$375 million, and (5) other assets and deferred outflows or resources of \$11 million. The agency also reported total liabilities and deferred inflows of resources of \$100 million which were comprised of (1) net pension liability of \$44 million, (2) net other postemployment benefits other than pensions of \$38 million, (3) accounts payable and accrued expenses of \$12 million, and (4) other liabilities and deferred inflows of resources of \$6 million.

### Auditor’s Opinions

**HPHA RECEIVED AN UNMODIFIED OPINION** that its financial statements were presented fairly, in all material respects, in accordance with generally accepted accounting principles.

### Findings

**THERE WERE NO MATERIAL WEAKNESSES** in internal control over financial reporting that were required to be reported under *Government Auditing Standards*.

For the complete report and financial statements visit our website at:  
[https://files.hawaii.gov/auditor/Reports/2021\\_Audit/HPHA2021.pdf](https://files.hawaii.gov/auditor/Reports/2021_Audit/HPHA2021.pdf)