HOUSING AUTHORITY OF TRAVIS COUNTY, TEXAS

Financial Statements & Independent Auditors' Report

For the Year Ended December 31, 2025

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Board of Commissioners
Housing Authority of Travis County, Texas
Austin, TX

Independent Auditors' Report

Report on the Financial Statements

Opinions
We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of the Housing Authority of Travis County, Texas, as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the Housing Authority of Travis County, Texas' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the Housing Authority of Travis County, Texas, as of December 31, 2025, 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.

We did not audit the financial statements of SEA RAD, L.P., which represent 100 percent, 100 percent, and 100 percent, respectively, of the assets, net position, and revenues of SEA RAD, L.P. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for organization, is based solely on the report of the other auditors.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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. The financial statements of the aggregate discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of the Housing Authority of Travis County, Texas 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. The financial statements of SEA RAD, L.P., were not audited in accordance with *Government Auditing Standards*.

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 Housing Authority of Travis County, Texas' 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 GAAS 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 GAAS 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 Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas' 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, the schedule of changes in net pension liability and related ratios, and the schedule of the pension plan's contributions, located at pages i-vii and 27-28, 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 Housing Authority of Travis County, Texas' basic financial statements. The supplemental information as shown in table of contents and the schedule of expenditures of federal awards, which is required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards,* are presented for purposes of additional analysis and are not a required part of the financial statements.

That 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion that information is 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 May 1, 2026, on our consideration of the Authority's internal control over financial reporting and 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 Housing Authority of Travis County, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of Travis County, Texas' internal control over financial reporting and compliance.

Smith Marion & Co

May 1, 2026

Housing Authority of Travis County, Texas

Management's Discussion & Analysis
Year Ended December 31, 2025

MANAGEMENT DISCUSSION ANALYSIS

Management of the Housing Authority of Travis County, Texas (interchangeably referred to as HATC or the "Authority") provides this narrative overview and analysis of the Authority's financial activities and operations for the year ended December 31, 2025.

- This discussion and analysis are designed to:
- assist in focusing on significant financial issues,
- provide an overview of the Authority's financial activity,
- identify changes in the Authority's financial position.

This information should be used in conjunction with the Authority's audited financial statements to obtain a full understanding of its financial position, result of operations, changes in net position, and cash flows.

This management's discussion and analysis is presented in accordance with the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments* ("GASB 34"). The Authority's basic financial statements include the financial information of its legally separate component units. The Authority presents both blended and discrete component units. Because the Authority's Board of Commissioners are the same as the Directors of its component units, the component unit's financial information is presented as blended within the Authority as required by GASB. The component units whose financial information is blended within the Authority's financial statements are the following:

- Travis County Development Corporation (TCDC)
- Travis County Facilities Corporation (TCFC)
- HATC Foundation (HATCF)
- SEA RAD GP, LLC (SEA RAD GP)

In accordance with GASB 34, this Management Discussion and Analysis focuses on the activities of the primary government (the Authority).

FINANCIAL HIGHLIGHTS

The Authority administers the Section 8 Housing Choice Vouchers (HCV) Program, Mainstream Program, and the Emergency Housing Voucher Program - all funded by the U.S. Department of Housing and Urban Development. In addition, the Authority renewed funding for the Continuum of Care grant to provide rental assistance and social support services to the homeless. The Authority operates a 30-unit multifamily housing that is funded by the U.S. Department of Housing & Urban Development (HUD) under the S8 RAD PBRA program. In addition, the Authority owns and operates 69 units of affordable housing that are non-HUD funded.

The Authority is designated a Moving to Work (MTW) agency. The MTW designation provides the Authority with opportunity to design and test innovative, and locally designed strategies that use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. The MTW program at the Authority administers the funds from the HCV program that is designated for regular vouchers.

- Assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $14,229,798. This amount, also referred to as Net Position, reduced over last year by $260,650.
- The Authority's unrestricted cash balance as of December 31, 2024, was $1,627,188. The Authority's investment in TexPool (local government investment pool in the State of Texas) consisted of U.S. government securities totaling $7.89 million.
- The Authority had total operating revenues of $17,910,502 and total operating expenses of $18,530,790 for the year ended December 31, 2025, resulting in a net operating loss of $620,288.
- The Authority through its subsidiary the Travis County Facilities Corporation (TCFC), closed on several affordable housing projects in 2025. TCFC received developer fees and on-going construction management fees and land lease payments during 2025. Revenues generated by TCFC through these ventures in 2025 totaled $2,279,771.
- The Authority incurred bad debt expense totaling $318,617 from creating an allowance for doubtful accounts for the accounts receivable from SEA RAD LP. The Authority is the General Partner and manages SEA OAKS Apartments for SEA RAD L.P. and has extended loans to the property to cover operating expenses. It is anticipated that this receivable will be uncollectible in the short term and as best practice has chosen to write down the receivable though it is not taken off the Authority's financial records.

REQUIRED FINANCIAL STATEMENTS
The Financial Statements of the Authority report information using accounting methods similar to those used by private sector companies (Enterprise Fund).

The Statement of Net Position (Balance Sheet) includes the Authority's assets and liabilities and provides information about the amounts and investments in assets and the obligations to Authority creditors. It also provides a basis for assessing the liquidity and financial flexibility of the Authority. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the Authority is improving or deteriorating.

The current year's revenues, expenses, and changes in net position are accounted for in the Statement of Revenues, Expenses, and Change in Net Position. This statement measures the success of the Authority's operations over the past fiscal year.

The Statement of Cash Flows provides information about the Authority's cash receipts and disbursements during the reporting period.

FINANCIAL ANALYSIS OF THE AUTHORITY

The Statement of Net Position and the Statement of Revenues, Expenses, and Change in Net Position report information about the Authority's activities and are summarized in the following sections.

To begin our analysis, a summary of the Authority's Statement of Net Position is presented below.

Analysis of Authority-Wide Net Position (Statement of Net Position)

	December 31, 2025	December 31, 2024	Change: Dollar	Change: Percentage
Cash & cash equivalents	1,627,188	602,908	1,024,280	170%
Restricted cash	576,082	503,953	72,129	14%
Investments	7,891,524	10,289,608	(2,398,084)	-23%
Other current assets	385,241	244,153	141,088	58%
Capital assets, net	12,438,367	12,211,319	227,048	2%
Net pension assets	191,730	73,613	118,117	160%
Deferred Outflow of Resources	131,032	144,314	(13,282)	-9%
Total Assets & deferred outflows	**$ 23,241,164**	**$ 24,069,868**	**$ (828,704)**	**-3%**
Current liabilites	789,534	1,222,103	(432,569)	-35%
Long Term liabilities (including Debt)	8,122,960	8,331,669	(208,709)	-3%
Deferred Inflow of Resources	98,872	28,648	70,224	245%
Total liabilities & deferred inflows	**$ 9,011,366**	**$ 9,582,420**	**$ (571,054)**	**-6%**
Net Investment in capital assets	5,207,974	4,678,125	529,849	11%
Restricted net position	268,858	115,420	153,438	133%
Unrestricted net position	8,752,966	9,696,903	(943,937)	-10%
Total net position	**$ 14,229,798**	**$ 14,490,448**	**$ (260,650)**	**-2%**

Major factors affecting the Statement of Net Position

The Authority's Net Position decreased by $260,650 in fiscal year 2025. Total Assets and Deferred Outflow of Resources decreased by $828,704. Total Liabilities and Deferred Inflow of Resources decreased by $571,054.

Restricted cash increased by $72,129 or 14% in 2025 compared to 2024, primarily due to the reflection of the maintenance reserve for Manor Town and Carson Creek as restricted cash.

Investments decreased by $2,398,084 or 23% compared to 2024, primarily due to the decrease in revenues and investable funds generated by ventures in affordable housing by TCFC. TCFC funds are used to support central administrative overhead and HATC properties, however the revenues generated by TCFC in 2025 was not adequate to fully replenish the investment withdrawals.

Capital Assets-Net increased by $227,048 or 2% in 2025 compared to 2024, primarily due to the rehabilitation of Carson Creek Duplexes which concluded in 2025. The rehabilitation costs were capitalized.

Net Pension Assets increased by $118,117 or 160% in 2025, is the result of actuarial computations reported by the Texas County and District Retirement system (TCDRS) as of the measurement date of December 31, 2024.

Deferred outflow of resources reported at $131,032 on December 31, 2024, a result reflecting the non-traditional defined benefit pension plan in accordance with GASB 68. This amount reflects items that are not yet recognized in the current period pension expenses – including employer contribution made subsequent to the measurement date (December 31, 2024) through the fiscal year-end (December 31, 2025) and includes changes in actuarial assumptions. See Note 7 to the basic financial statements for additional information

Current liabilities decreased by $432,569 or 35% in 2025 compared to 2024 primarily due to the completion of the construction at Manor Town II, and rehabilitation at Carson Creek. There was no accrual of construction contract payments at year-end 2025.

Long Term liabilities decreased by $208,709 or 3% in 2025 compared to 2024 primarily because the Wells Fargo loan for Manor Town was fully paid off in 2025.

The overall Net Position of the Authority decreased by $260,650. The Unrestricted Net Position decreased by $943,937. Net Investment in Capital Assets and Restricted Net Position increased by $529,849 and $153,438 respectively. The balance in unrestricted net position represents resources available to meet the Authority's ongoing obligations to tenants, citizens, and creditors.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION INFORMATION

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses, and Change in Net Position breaks down our revenues and expenses. Presented below is the statement of revenues, expenses, and changes in net position information for FY2023 compared to FY2022. The information reflects the results of operations for the Authority and displays the sources of revenue, the nature of expenses for the year and the resulting change in net position. All revenues and expenses are accounted for on an accrual basis.

Statement of Revenues, Expenses and Changes in Net Position

			Change	
	2025	**2024**	Dollar	Percentage
Dwelling rent	$ 468,760	$ 360,684	$ 108,076	30%
Government grants	13,914,869	12,481,002	1,433,867	11%
Other income	3,526,873	5,687,987	(2,161,114)	-38%
TOTAL REVENUES	$17,910,502	$18,529,673	$ (619,171)	-3%
Administration	2,648,582	2,148,956	499,626	23%
Tenant services	565,991	287,893	278,098	97%
Utilities	78,397	54,897	23,500	43%
Maintenance and operations	390,004	311,293	78,711	25%
Insurance	105,760	64,115	41,645	65%
General	360,383	584,337	(223,954)	-38%
Housing Assistance Payments	13,669,614	12,444,617	1,224,997	10%
Depreciation	712,059	407,741	304,318	75%
TOTAL EXPENSES	18,530,790	16,303,849	2,226,941	14%
Net Operating income (loss)	(620,288)	2,225,824	(2,846,112)	-128%
Non-Operating - Interest Income	411,153	503,477	(92,324)	-18%
Non Operating - Interest Expense	(51,515)	(67,459)	15,944	-24%
CHANGE IN NET POSITION	(260,650)	2,661,842	(2,922,492)	-110%

OPERATING REVENUES

Operating Revenues decreased by 3% or $619,171 in fiscal year 2025. The decrease is attributed to:

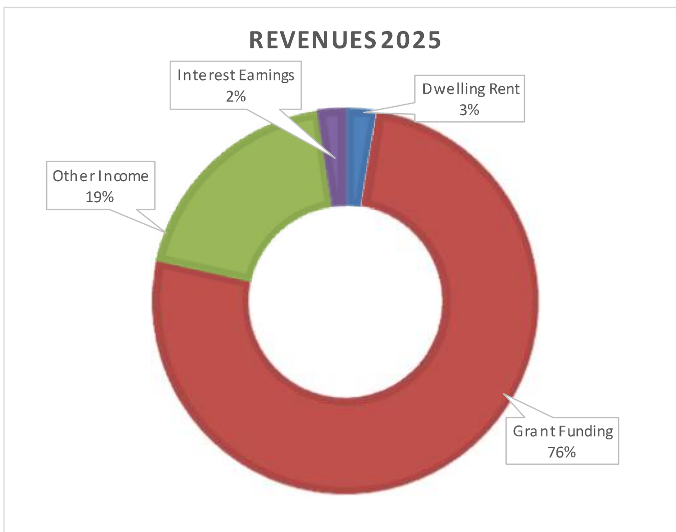
a) Significant reduction of revenues generated by TCFC in 2025 compared to 2024. Revenues from ventures with private developers on affordable housing projects drastically reduced due to market conditions, and fewer projects closed in 2025. This resulted in the reduction of developer & construction management fees that would have been earned by TCFC. In 2025 TCFC earned $2.1M or 35% less than 2024.

b) Housing Choice Voucher Program assistance payment increased by $1.4M or 11% compared to 2024 due to increases in voucher utilization in 2025.

Approximately 76% of the Authority's revenues are derived from federal grants programs and entirely from the U.S. Department of Housing and Urban Development (HUD). For the 12-month period ending December 31, 2025, the funds received from U.S. Department of HUD totaled approximately $13.91 million, of which $12.31 million related to the combined Housing Choice Voucher (HCV), Mainstream Vouchers and Emergency Housing Vouchers programs; and $1.4 million related to the Continuum of Care (COC) program; and the remaining were for the S8 RAD project based rental assistance program and ROSS Family Self Sufficiency grant program.

The Authority receives revenue from tenants for dwelling rental charges and miscellaneous charges comprising 3% of total revenue.

Other Income on December 31, 2025, was $3.5M or 19% of total revenues. Other Income consisted of i) $2.2 million in fees earned by the Travis County Facilities Corporation (TCFC, a blended component unit of the Authority) for the development of affordable housing ii) $1.2 million in other income in the HCV program consisting primarily of port-in revenues.



OPERATING EXPENSES

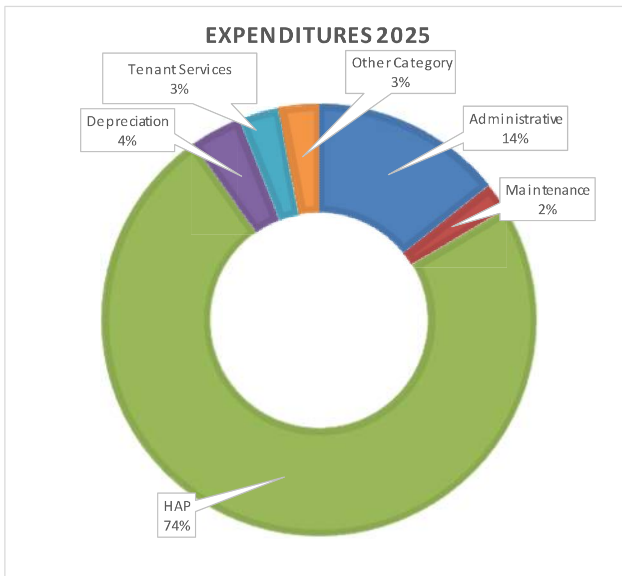
Approximately 74% of the total expenditures for the 12-month fiscal year ending December 31, 2025, consisted of federal rental assistance in the form of housing assistance payments (HAP). HAP payments consist of rental payments to owners of private property (for which the Authority has a HAP agreement with the tenant and the owner) for the difference between the tenant's rent and the applicable payment standard. The rental assistance is funded through U.S. Department of HUD federal housing voucher and the Continuum of Care (COC) programs.

$13.7 million was spent on housing assistance payments in the 12-month fiscal year ending December 31, 2025. There was an increase in the housing assistance payments compared to the prior year primarily due to additional issuance and leasing of housing vouchers.

Administrative – Administrative Expenses include all non-maintenance service personnel costs (including benefits and accrued leave), legal costs, auditing costs, travel and training costs and other administrative costs such as supplies, telephone expense, etc. $2.6 million was spent in administrative expenses for the 12-month period, and it constituted 14% of total expenditures. There was an increase of $499,626 or 23% of the total administrative expenditure in comparison to the prior year - primarily due to increased administrative costs incurred by the Central Office Cost Center and HATC Foundation.

Tenant Services – Tenant Services expenditures increased $278,098 or 97% in 2025 compared to 2024. The increase was primarily due to the resident relocation costs incurred for the rehabilitation and renovations at Carson Creek Duplexes. Additionally, the Service Coordinator position under the ROSS FSS grant was filled in 2025 and reported under tenant services.

Maintenance and Operations – Maintenance and Operations expenditures were 2% of total expenditures or approximately $390,004 for year-ending December 31, 2025. These costs consisted of salaries and benefits for maintenance staff, and costs related to maintenance contracts and materials. The maintenance costs are primarily expended at properties owned by the housing authority – Carson Creek and Manor Town and SEA RAD (formerly Eastern Oaks Apartments), a property that receives federal rental assistance under the S8 RAD PBRA program.



Other Category Expenses – includes expenditures in all other categories including Utilities, Protective Services, Insurance and General. These expenditures constituted 3% of total expenditure or approximately $0.5 million for year-ending December 31, 2025. There was slight decrease in this category in comparison to the prior year – primarily due to a smaller amount in bad debt expense related to anticipated un-collectible funds extended to SEA RAD L.P. The allowance for the write-off accounted for $318,617 in 2025 in comparison to $565,821 in 2023.

Depreciation Expenses – is a non-cash expenditure, constituted 3% of total expenditures.

NON-OPERATING REVENUES, EXPENSES/TRANSFERS AND CHANGES IN NET POSITION

In fiscal year-end December 31, 2025, the interest income earned from cash balances and investments was at $411,153. This was a slight reduction from the prior fiscal year, primarily due to the decrease in the interest rate, and a reduction in the investable funds generated by TCFC in 2025 compared to the prior year.

CAPITAL ASSETS
At the fiscal year-end December 31, 2025, the Authority's capital assets increased approximately $889,091 or almost 1% compared to the prior year. The increase was due to capital improvements at Carson Creek Duplexes.

			Change	
	2025	**2024**	**Dollar**	**Percentage**
Land	$ 1,271,478	$ 1,271,478	$ -	0%
Buildings and improvements	14,867,685	7,995,962	6,871,723	15%
Equipment	347,234	330,518	16,716	1%
Construction in progress	17,649	6,016,997	(5,999,348)	-50%
	16,504,046	15,614,955	889,091	1%
Accumulated depreciation	(4,065,679)	(3,403,636)	(662,043)	4%
Net capital assets	$12,438,367	$12,211,319	$ 227,048	0%

LONG-TERM DEBT OBLIGATIONS
At fiscal year-end December 31, 2025, the Authority had $7,223,257 in debt obligations.

See Note 6 long-term debt for additional information on long-term debt obligation.

ECONOMIC FACTORS AND EVENTS AFFECTING OPERATIONS
Several factors may affect the financial position of the authority in the subsequent fiscal year. These factors include:

- Inflation and interest rates will continue to have an economic impact in the coming years. Costs across all areas of operation have increased, and even as inflation moderates, the baseline of costs has risen and remains high. U.S. Department of Housing and Urban Development's response to inflation has never been adequate. It is highly unlikely that federal subsidies will rise at the rate necessary to fully address budgetary needs.
- Local labor supply and demand, which can affect salary and wage rates.

The Housing Authority of Travis County, Texas maintained a strong financial position. Management is committed to staying abreast of regulations and appropriations as well as maintain an ongoing analysis of all budgets and expenditures to ensure that the Authority continues to operate at the highest standards established by the Real Estate Assessment Center and the Department of Housing and Urban Development.

Contact
This financial report is designed to provide our residents, the citizens of Austin, Texas, all federal and state regulatory bodies, and any creditors with a general overview of the Authority's finances. Questions regarding these financial statements or supplemental information should be addressed to:

Patrick Howard
Chief Executive Officer
Housing Authority of Travis County
502 East Highland Mall Blvd,
Austin, TX 78752
512/854-4771

	Primary Government	Discretely Presented Component Units
ASSETS		
Current Assets		
Cash and cash equivalents		
Unrestricted	$ 1,627,188	$ 74,998
Restricted	576,082	1,523,463
Subtotal	**2,203,270**	**1,598,461**
Certificates of Deposit	7,891,524	-
Accounts receivable, net	228,318	40,578
Prepaid expenses	155,792	32,894
Total Current Assets	**10,478,904**	**1,671,933**
Non-Current Assets		
Net pension asset	191,730	-
Intangibles, net	-	17,912
Capital assets not being depreciated	1,289,127	-
Capital assets, net	10,704,105	7,726,685
Right to use leased assets, net	445,136	-
Total Non-Current Assets	**12,630,098**	**7,744,597**
TOTAL ASSETS	**23,109,002**	**9,416,530**
DEFERRED OUTFLOWS OF RESOURCES	**131,032**	**-**
LIABILITIES		
Current Liabilities		
Accounts payable	449,224	26,196
Accrued liabilities	62,054	508,410
Deposits held in trust	20,549	17,663
Compensated absences current	9,517	962
Unearned revenue	60,500	18,439
Other liabilities current	12,512	3,298
Financial agreements payable current	174,048	15,984
Total Current Liabilities	**788,404**	**590,952**
Non-Current Liabilities		
Compensated absences	133,535	-
Funds held in trust	452,343	4,968,425
Financial agreements payable	7,537,082	1,057,823
Total Non-Current Liabilities	**8,122,960**	**6,026,248**
TOTAL LIABILITIES	**8,911,364**	**6,617,200**
DEFERRED INFLOWS OF RESOURCES	**98,872**	**-**
NET POSITION		
Net investment in capital assets	5,207,975	6,652,629
Restricted	268,858	321,211
Unrestricted	8,752,965	(4,174,510)
TOTAL NET POSITION	**$ 14,229,798**	**$ 2,799,330**

	Primary Government	Discretely Presented Component Units
Operating Revenues		
Rental revenues, net	$ 468,760	$ 240,704
Government grants	13,914,869	241,117
Other income	3,526,873	-
Total Operating Revenues	**17,910,502**	**481,821**
Operating Expenses		
Administration	2,649,985	220,211
Tenant services	565,594	7,890
Utilities	78,397	62,195
Maintenance and operations	388,995	311,293
Insurance expense	105,760	89,039
General expense	360,386	1,496
Housing Assistance Payments	13,669,614	-
Depreciation and amortization	712,059	261,409
Total Operating Expenses	**18,530,790**	**953,533**
NET OPERATING INCOME (LOSS)	**(620,288)**	**(471,712)**
Non-Operating Revenues (Expenses)		
Interest income	411,153	14,496
Interest expense	(51,515)	(198,205)
Total Non-Operating Revenues (Expenses)	**359,638**	**(183,709)**
CHANGE IN NET POSITION	**(260,650)**	**(655,421)**
BEGINNING NET POSITION	**14,490,448**	**3,454,751**
ENDING NET POSITION	**$ 14,229,798**	**$ 2,799,330**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tenants and users	$ 404,993
Receipts from operating grants	13,960,728
Receipts from other sources	3,149,457
Payments for goods and services	(1,939,781)
Payments for Housing Assistance Payments	(13,657,102)
Payments to employees for services	(2,337,699)
NET CASH FLOW PROVIDED (USED) BY OPERATING ACTIVITIES	**(419,404)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital asset purchases	(939,108)
Payments on financial agreements	(551,410)
Proceeds from additional financial agreeemnts	197,094
Capital contributions and transfers	-
NET CASH FLOW PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	**(1,293,424)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from investment activities	2,809,237
Note receivable collected	-
Note receivable issued	-
NET CASH FLOW PROVIDED (USED) BY INVESTING ACTIVITIES	**2,809,237**
NET INCREASE (DECREASE) IN CASH	**1,096,409**
BEGINNING CASH	**1,106,861**
ENDING CASH	**$ 2,203,270**

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ (620,288)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	712,059
Pension	(104,835)
Change in Assets and Liabilities	
(Increase) decrease in accounts receivable	(98,650)
(Increase) decrease in prepaid	(38,307)
Increase (decrease) in accounts payable	108,722
Increase (decrease) in accrued liabilities	(479,941)
Increase (decrease) in compensated absences	14,751
Increase (decrease) in unearned revenue	76,580
Increase (decrease) in deposits held in trust	10,505
Total Adjustments	**200,884**
Net Cash Provided (Used) by Operating Activities	**$ (419,404)**
Interest Paid	**$ 51,515**

NOTE 01 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial statements of the Housing Authority of Travis County, Texas (HATC, the Authority), have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The Housing Authority of Travis County, Texas has previously implemented GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.* Certain significant changes in the statements are as follows: The financial statements will include a Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

The Housing Authority of Travis County, Texas is a special-purpose government engaged only in business-type activities and, therefore, presents only the financial statements required for enterprise funds, in accordance with GASB. For these governments, basic financial statements and required supplemental information consist of:

- Management's Discussion and Analysis (MD&A)
- Enterprise fund financial statements consisting of:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
- Notes to Financial Statements
- Required supplemental information other than MD&A and supplemental information

Reporting Entity

The Housing Authority of Travis County, Texas is a public body corporate and politic of the State of Texas (the State) created by the County of Travis (the County). HATC is responsible for operating certain low-rent housing programs in the County under programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

HATC administers a Section 8 Housing Choice Vouchers program consisting of six hundred seventy-two (672) tenant-based units and nineteen (19) project-based vouchers. HATC also administers forty-nine (49) Mainstream program vouchers and twenty (20) Emergency Housing Vouchers. HATC receives funding in the Continuum of Care grant to provide rental assistance to approximately seventy-four (74) homeless individuals and families in the Austin Travis County Metropolitan area. HATC also owns eight (8) duplexes at Carson Creek and thirty-three (33) units of senior affordable housing in its Manor Apartments project. HATC also owns and manages the thirty (30) unit SEA RAD apartments (previously known as Eastern Oaks) that receives HUD subsidy under the HUD Section 8 Project Based Rental Assistance (PBRA) program.

HATC is governed by a board of five members who serve two-year terms. The governing board is essentially autonomous but responsible to HUD. A chief executive officer is appointed by the HATC's board of commissioners to manage the day-to-day operations of HATC.

GASB Statement No. 14 established criteria for determining the governmental reporting entity. Under provisions of this statement, the Housing Authority of Travis County, Texas is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB 14, fiscally independent means that the Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards* and Statement No. 14 and No. 61 of the *Government Accounting Standards Board, the Financial Reporting Entity*:

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

Based on the aforementioned criteria, and the control and relationship between the Housing Authority of Travis County, Texas and the component units, the Authority has determined that the following entities are considered component units of the Housing Authority of Travis County, Texas and are required to be blended within the Authority's financial statements:

Blended Component Units
Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority's Board of Commissioners or the component units provide services entirely to the Authority. These component units' funds are blended into those of the Authority's by appropriate activity type to compose the primary government presentation. They are all also on a December 31, 2025, presentation.

Travis County Facility Corporation (TCFC) - TCFC was formed pursuant to Chapter 303 of the Texas Local Government Code to finance or provide public facilities. Corporations formed under this law are deemed public corporations and instrumentalities authorized to issue bonds on behalf of the sponsor for purposes of Section 103 of the Internal Revenue Code (IRC). IRC 103 exempts interest from state and local bonds from U.S. federal income tax. Under Texas Local Government Code Chapter 303.072, bonds issued are only payable from revenues derived from public facilities or sponsor obligations. Bonds issued under this chapter are not an obligation or a pledge of the faith and credit of the state, a sponsor or other political subdivision of the state or agency of the state.

Travis County Development Corporation (TCDC) - TCDC is a non-governmental entity organized as a Texas nonprofit corporation and has been issued an IRS Tax-Exempt Letter of Determination dated March 30, 2004, designating it as tax-exempt under IRC Section 501(c)(3). TCDC was formed to provide decent and affordable housing for lower income residents within Travis County, acquire improved and unimproved real property and engage local industries in supporting the affordable housing needs of lower income residents.

HATC Foundation (the Foundation) - The Foundation is a nonprofit corporation operating under Section 501(c)(3) of the Internal Revenue Code. Corporations under this code section operate exclusively for charitable, educational, religious, or scientific purposes. The purpose of the Foundation is to provide decent, safe, and sanitary housing at affordable prices for low and moderate-income residents of the County, to preserve and develop affordable housing and vibrant communities which enhance the quality of life for all, and to take other actions to benefit, perform the functions of, or to carry out the purpose of HATC.

SEA RAD GP, L.L.C. (SEA RAD GP) - SEA RAD GP was organized on September 26, 2016, as a Texas limited liability company in which HATC is its sole member, to be the general partner of SEA RAD, L.P., (SEA RAD Partnership).

SEA RAD-Eastern Oaks LLC, Carson Creek Duplexes LLC, Manor Town LLC, Manor Town II LLC were all created in 2025 and have no activity.

There are no separate financial statements issued for any of the above blended component units.

Discretely Presented Component Unit

The discretely presented component unit is a separate legal entity that meets the component unit criteria described above but does not have a governing body that is the same or substantially the same as the Authority's Board of Commissioners. This component unit's activity is presented as a discretely presented component units on the same fiscal year of December 31, 2025.

SEA RAD, L.P. (SEA RAD Partnership) - SEA RAD GP, with its sole member being HATC, is the general partner of SEA RAD Partnership with 0.005% ownership interest. SEA RAD GP has made certain guarantees on behalf of SEA RAD Partnership. As a result, SEA RAD Partnership is a discretely presented component unit of the Authority. SEA RAD Partnership was originally formed as a Texas Limited Partnership on October 11, 2016, to construct and operate a rental housing project under the name of SEA RAD Oaks (SEA Oaks), in connection with the conversion of seventy-five (75) Public Housing units to Project Based Rental Assistance through HUD's Rental Assistance Demonstration Program, and tax credits under Section 42. Operating profits, losses and tax credits are allocated in accordance with the Limited Partnership Agreement dated October 11, 2016.

SEA RAD Partnership is a private for-profit entity that reports under Financial Accounting Standards Board standards. As such, certain expense recognition criteria and presentation features are different from GASB expense recognition criteria and presentation features. No modifications have been made to the SEA RAD Partnership's financial information in the Authority's financial reporting for these differences.

Separately audited financial statements for the SEA RAD Partnership can be obtained by writing to the CEO/Executive Director of the Authority.

Basis of Presentation, Basis of Accounting and Measurement Focus

Basis of Accounting - The Authority uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Basis of Presentation - The financial statements of the Authority are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions. The fund is a separate accounting entity with a self-balancing set of accounts. The accounting and financial reporting method applied by a fund is determined by the fund's measurement focus. The accounting objectives are determination of net income, financial position, and cash flows. All assets and liabilities associated with the Proprietary Fund's activities are included in the statement of net position. In the statement of net position, equity is classified as net position and displayed in three components:

- *Net investment in capital assets* - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any notes or other borrowings attributable to those capital assets.
- *Restricted net position* - Consists of assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
- *Unrestricted net position* - All other assets that do not meet the definition of "restricted" or "net investment in capital assets".

Government-Wide Financial Statements
The Authority's financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB 34) as amended. GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a statement of net position, a statement of revenues, expenses and changes in net position and statement of cash flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplemental Information.

The statement of net position, statement of revenues, expenses and changes in net position, and statement of cash flows are government-wide financial statements. They report information on all of the Authority's proprietary fund activities with the interfund activities eliminated. The Authority considers its proprietary fund as one major fund.

Fund Types and Major Funds
The Authority maintains its accounting records by program/project. The Authority has only a proprietary fund type and the Authority reports the following programs as one major enterprise fund:

<u>Moving to Work Program (MTW)</u> under the MTW Program is a demonstration program that provides the Authority with the opportunity to design and test innovative, locally designed strategies that use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. MTW gives the Authority exemptions from many of the voucher regulations and more flexibility with how the Authority uses its federal funds. The MTW program at the Authority uses funds from the Housing Choice Vouchers program that is designated for regular vouchers.

<u>Project-Based Rental Assistance Program (PBRA Program)</u> under the Rental Assistance Demonstration (RAD) has allowed the Authority to convert its units under Low Rent Public Housing program to project based Section 8 contracts. PBRA Program allows tenants to live in an affordable, decent, safe, and sanitary rental housing unit and pay rent based upon their income, through the provision of Housing Assistance Payments to participating owners on behalf of eligible tenants.

<u>Section 8 Housing Choice Vouchers (HCV Program)</u> provides Housing Assistance Payments to qualified low-income persons through the tenant-based vouchers issued by the Authority in accordance with the Annual Contribution Contract with HUD. The Authority also enters into Housing Assistance Payment contracts with local private housing providers who agree to accept the tenant-based vouchers issued by the Authority. In addition, the Authority earns administrative fees from HUD for facilitating and managing the HCV Program. The program provides payments covering the difference between the maximum rent on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

<u>Mainstream Vouchers (MSV Program)</u> assists non-elderly persons with disabilities. Aside from serving a special population, MSV Program is administered using the same rules as HCV Program.

<u>Continuum of Care Program (COC Program)</u> is designed to promote community-wide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly re-house homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

<u>Business Activities</u> consist of certain non-federal housing projects owned by the Authority as well as provides certain management and development services to other programs, projects and/or affiliate entities.

<u>Blended Component Units</u> are intended to diversify and to provide more affordable housing solutions.

Budgetary Data
The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its Governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD. These budgets are adopted using an HUD outline that is not consistent with generally accepted accounting principles and are used for HUD purposes only.

Inter-Program Receivables and Payables
Inter-program receivables and payables are all classified as either current assets or current liabilities and are the result of the use of a concentrated account depository as the common paymaster for most of the programs of the Authority. Cash settlements are made monthly. All inter-program balances are reconciled, and inter-program receivables and payables have been eliminated in the preparation of the basic financial statements.

Revenues and Expenses
Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Authority are operating activities including rental related income, interest income and other sources of revenues are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

In accordance with GASB standards dwelling income has been netted with bad debt expense of $27,888. Collection losses on accounts receivable are expended, in the appropriate fund, on the specific write-off method.

Operating Revenue
Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rent. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position below the non-operating revenue and expense.

When both restricted and unrestricted net positions are available for use, generally it is the Authority's policy to use restricted resources first.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles as applied to governmental units requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The most significant estimates relate to depreciation and useful lives, allowance for bad debt, and inventory valuation.

Cash and Investments
The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable
Accounts receivable consist of all amounts earned at year end and not yet received. Allowances for uncollectible accounts are based upon historical trends and periodic aging of accounts receivable.

Accounts for which no possibility of collection is anticipated are charged to bad debts expense which is netted against dwelling rent revenues on the statement of revenues, expenses, and changes in net position.

Amounts due from other housing authorities related to Housing Choice Voucher Port In vouchers are deemed by management as fully collectible until the amount is past 90 days then an allowance of 100% is established for those types of accounts receivable.

Capital Assets, Leased Assets, Depreciation and Amortization
Capital assets are stated at historical cost. Donated capital assets are stated at their fair value on the date donated. This includes site acquisition and improvement, structures, and equipment. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the statement of net position. If the initial cost of a piece of equipment and/or other personal property is three thousand dollars ($3,000) or more and the anticipated life or useful value of said equipment or property is more than one (1) year, the purchased property/equipment will be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.

Lease assets consists of office space leased from the County of Travis and other equipment. Subscription Based Information Technology Agreements (SBITA) consist of software subscription greater than one year. The assets are valued at the present value of the future lease payment in accordance with GASB.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Category	Useful Life
Buildings and improvements	15-40 Years
Improvements other than buildings	15 Years
Furniture and equipment	3-10 Years
Leased equipment and office space	3-7 Years
SBITA	3-7 Years

Deferred Inflows/Outflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources,* represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Authority had $131,032 related to the pension plan, see NOTE 07 for details.

Also, in addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Authority had $98,872 related to the pension plan, see NOTE 07 for details.

Compensated Absences
Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leaves. The Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Upon separation from the Authority, an employee shall be paid for all accumulated annual leave and a percentage of their sick leave based on tenure with the Authority, as of their final date of employment. Leave accrued, but not yet paid as of December 31, 2025, is shown as a liability between current and non-current.

Insurance
The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. As of the date of the report, the Authority had necessary insurance coverage in force.

Notes Receivable
The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous public housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with GAAP, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period as the full amount of the notes receivable resulting in a net zero balance.

Fair Market Value
Accounting pronouncements define fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. These pronouncements established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs that are observable or can be corroborated by observable market data.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The estimated fair value of the Authority's financial instruments has been determined by management using available market information. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the fair values are not necessarily indicative of the amounts that the Authority could realize in a current market exchange. The use of different market assumptions may have a material effect on the estimated fair value amounts.

The carrying amounts of cash and cash equivalents, receivables, payables, and accrued liabilities are a reasonable estimate of their fair value, due to their short-term nature and method of computation.

All financial assets that are measured at fair value on a recurring basis (at least annually) have been segregated into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date. All of the Authority's investments consist of Certificates of Deposit valued using Level 2 input.

NOTE 02 - CASH AND CASH EQUIVALENTS

All the deposits of the Authority are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the Federal Depository Insurance coverage level are collateralized with securities held by the Authority's agents in these units' names.

At December 31, 2025, the Authority's deposit amounted to $2,203,270. Of the bank balances held in various financial institutions, $250,000 was covered by Federal Depository Insurance at each financial institution and the remainder was covered by collateral held under the Dedicated Method.

All deposits of the Authority are with financial institutions meeting State and Federal deposit requirements.

Types of investment, which are authorized to be made with the Authority's funds, are controlled by State of Texas statutes and by contract with HUD. Investments are limited to issues having maturities of three years or less, and may include the following:

- Backed by the full faith and credit of the United States Government, or
- Backed by guarantee of principal and/or interest by the United States Government, or
- Backed by a Government-sponsored agency, or
- Covered by the Federal Deposit Insurance Corporation, or
- Backed by full collateralization with approved securities.

Credit Risk - Custodial credit risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned. State statute governs collateral requirements and forms of collateral under Texas State Statues. In summary, Texas law states all deposits in excess of Federal Depository Insurance shall be secured by collateral.

Authorized security for deposits enumerated under law includes direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such monies. The Authority does not have a custodial credit risk policy that is more restrictive than state statutes.

Custodial Credit Risk - For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no policy on custodial credit risk.

The Authority is authorized to purchase, sell, and invest its funds as well as funds under its control in accordance with the Texas Public Funds Investment Act and the board approved HATC and SHFC Investment Policy revised in January 2020. During the fiscal period, the Authority's investments consisted solely of the participation in TEXPOOL - the Texas state local government investment pool. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. TexPool's investment portfolio are U.S. Treasuries, federal agency obligations, time deposits, negotiable certificates of deposits, commercial paper, security loans. TexPool maintains a Net Asset Value of approximately $1 per share. TexPool is rated AAA by Standard & Poor's. The Authority's funds in TexPool are available for withdrawal upon demand.

Restricted Cash
Restricted cash represents amounts held under the terms of various agreements or HUD guideline by which the Authority is required to set aside specified amounts for future specific purposes. These restricted deposits are not available for operating purposes.

Cash and cash equivalents were comprised of the following as of December 31, 2025:

Unrestricted	
Checking & Money Market accounts	$ 1,626,694
Petty cash	494
Subtotal	1,627,188
Restricted	
Security deposits - tenants	20,549
Housing Assistance Payments	83,471
Other restricted funds	472,062
Subtotal	576,082
Total Cash & Equivalents	**$ 2,203,270**
Unrestricted	
TexPool	$ 7,891,524
Total Investments	**$ 7,891,524**

NOTE 03 - ACCOUNTS RECEIVABLE, NET

Accounts receivable at December 31, 2025, consisted of the following:

Tenant receivables	$ 25,474
Tenant fraud recovery receivables	33,906
Allowance for receivables	(33,906)
Net receivable	25,474
Due from other governments	64,088
Port in HAP from other authorities	135,551
Miscellaneous receivables	3,205
Accounts Receivable, Net	**$ 228,318**

NOTE 04 - CAPITAL ASSETS, LEASED ASSETS AND SBITA

A summary of changes in capital assets, leased assets or right to use assets and subscription based information technology agreements (SBITA) were as follows:

	Balance at 01/01/25	Additions	Deletions	Balance at 12/31/25
Capital assets not being depreciated				
Land	$ 1,271,478	$ -	$ -	$ 1,271,478
Construction in process	6,016,997	475,765	(6,475,113)	17,649
Capital assets not being depreciated	7,288,475	475,765	(6,475,113)	1,289,127
Capital assets being depreciated				
Buildings & improvements	7,218,146	6,871,723	-	14,089,869
Furniture & equipment	286,651	59,399	(35,486)	310,564
Total assets being depreciated	7,504,797	6,931,122	(35,486)	14,400,433
Accumulated depreciation	(3,183,942)	(545,740)	33,354	(3,696,328)
Net capital assets being depreciated	4,320,855	6,385,382	(2,132)	10,704,105
Capital Assets, Net	**$11,609,330**	**$ 6,861,147**	**$ (6,477,245)**	**$11,993,232**

Leased Assets	Balance at 01/01/25	Additions	Deletions	Balance at 12/31/25
Leased building	$ 777,816	$ -	$ -	$ 777,816
Leased equipment	43,867	2,065	(9,261)	36,671
Accumulated amortization	(219,694)	(166,319)	16,662	(369,351)
Leased Assets, Net	**$ 601,989**	**$ (164,254)**	**$ 7,401**	**$ 445,136**

For the year ended December 31, 2025, the Authority reported depreciation expense of $545,740 and amortization expense of $166,319.

NOTE 05 - OTHER NON-CURRENT LIABILITIES

The following is a summary of the activity for non-current liabilities for the year ended December 31, 2025:

	Balance at 01/01/25	Additions	Deletions	Balance at 12/31/25	Due within One Year
Compensated absences	$ 128,301	$ 14,751	$ -	$ 143,052	$ 9,517
Debt	7,377,197	188,947	(342,887)	7,223,257	8,668
Lease and SBITA payable	636,734	8,147	(157,008)	487,873	165,380
Total	$ 8,142,232	$ 211,845	$ (499,895)	$ 7,854,182	$ 183,565

NOTE 06 - FINANCIAL AGREEMENTS PAYABLE

The Authority's debt, leases payable and Subscription-Based Information Technology Agreements (SBITA) which are financial agreements payable as of December 31, 2025, consists of the following:

Strategic Housing Finance Corporation (SHFC)	Principal
Direct borrowing related party note payable to promissory note with Strategic Housing Finance Corporation (SHFC) in the amount of $480,737. The loan which bears no interest, and has no payment terms. The Authority as the GP used the funds to pay for additional construction costs and fund the Operating Deficit Account and Pledge Account for SEA OAKS Apartments (owned by SEA RAD LP).	$ 480,737
Texas Department of Housing and Community Affairs	
Direct borrowing note payable to the Texas Department of Housing and Community Affairs (TDHCA) in the amount of $346,720. The note is interest free and has monthly principal installments of $722 starting February 1, 2005. The note matures on January 1, 2045, and is secured by land and buildings of Manor Town Apartments.	165,307
Austin Housing Finance Corp	
Direct borrowing note payable to Austin Housing Finance Corp (AHFC) in the amount of $1,000,000. No repayment as long as the Authority remains in compliance with mortgage terms. The mortgage matures on August 31, 2119, bears no interest and is secured by land and buildings of Eastern Oaks Apartments.	1,000,000
Texas State Affordable Housing Corporation (TSAHC)	
Direct borrowing note payable to the Texas State Affordable Housing Corporation (TSAHC) in the amount of $225,000. No repayment as long as the Authority remains in compliance with loan terms. The mortgage matures on December 22, 2034, bears no interest and is secured by land and buildings of Manor Town II Apartments.	225,000
Texas Department of Housing and Community Affairs	
Direct borrowing note payable to the Texas Department of Housing and Community Affairs in the amount of $3,352,213. No repayment as long as the Authority remains in compliance with loan terms. The mortgage matures on November 1, 2064, bears no interest and is secured by land and buildings of Manor Town Phase II Apartments. Currently under construction.	3,352,213
Texas Department of Housing and Community Affairs	
Direct borrowing note payable to the Texas Department of Housing and Community Affairs in the amount of $2,000,000. No repayment as long as the Authority remains in compliance with loan terms. The mortgage matures on September 1, 2052, bears no interest and is secured by land and buildings of Eastern Oaks Apartments (aka SEA RAD Apartments).	2,000,000
Total Debt	**$ 7,223,257**

Aggregate annual maturities of the notes payable over each of the next five years and five-year increments thereafter are as follows:

Years Ended December 31,		**Principal**	**Interest**	**Total**
	2026	$ 8,668	$ -	$ 8,668
	2027	714,405	-	714,405
	2028	8,668	-	8,668
	2029	8,668	-	8,668
	2030	8,668	-	8,668
2031	2035	43,340	-	43,340
2036	2040	43,340	-	43,340
2041	2045	35,287	-	35,287
2046	2050	-	-	-
2051	2055	6,352,213	-	6,352,213
		$ 7,223,257	$ -	$ 7,223,257

Leases Payable and SBITA

Building Lease	
In October 2023, the Authority entered into a sixty (60) month office lease agreement with Travis County Facilities Management Department expiring on September 30, 2028. The effective interest rate on the lease is 8.5% with monthly lease payments due of $15,958.	$ 468,126
Equipment Lease - Copier	
The Authority leases a copier. The effective interest rate is 8.5% and has monthly lease payments required of $424. The leases expire May 2028.	11,080
Equipment Lease - Postage Meter	
The Authority leases postage meter. The effective interest rate is 4% and has quarterly lease payments required of $422. The leases expire March 2030.	6,959
Software SBITA	
The Authority leases software which is considered a Subscription Based Information Technology Agreement (SBITA). The effective interest rate is 8.5% and has monthly lease payments required of $234. The agreement expire June 2026.	1,708
Total SBITA	**$ 487,873**

Aggregate annual maturities of the lease payable over each of the next five years and five-year increments thereafter are as follows:

Years Ended December 31,	**Principal**	**Interest**	**Total**
2026	$ 165,380	$ 34,821	$ 200,201
2027	178,019	20,284	198,303
2028	142,386	5,043	147,429
2029	1,667	20	1,687
2030	421	1	422
	$ 487,873	$ 60,169	$ 548,042

NOTE 07 - PENSION PLAN (OTHER ASSETS)

Plan Description

The Authority provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS) effective July 2018.

The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over 700 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a Comprehensive Annual Financial Report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034, or may be obtained from the TCDRS website at http://www.tcdrs.org/pages/publications. The plan provisions are adopted by the governing body of the Authority, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 5 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 5 years of service but must leave their accumulated deposits in the plan to receive any District-financed benefit. Members who withdraw their personal deposits in a lump sum are not entitled to any amounts contributed by the Authority.

Benefits Provided

Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and Authority-financed monetary credits. The level of these monetary credits is adopted by the governing body of the Authority within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the Authority's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the Authority-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Contributions

The Authority has elected the annually determined contribution rate (variable rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the Authority based on the covered payroll of employee members.

Employees for the Authority were required to contribute 4% of their annual gross earnings during the year. The contribution rate for the Authority was 7.44% during the year. The Authority's contributions to TCDRS for the year ended December 31, 2025, were $114,371.

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Pension Plan Asset

At December 31, 2025, the Authority reported an asset of $191,730 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension asset was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. The following schedule shows the changes in the net pension liability for the year ended December 31, 2024, which is the most recent actuarial valuation available:

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at December 31, 2023	$ 1,079,381	$ 1,152,993	$ (73,612)
Changes for the year:			
Service cost	164,949	-	164,949
Interest on total pension liability	93,723	-	93,723
Effect of plan changes	-	-	-
Effect of economic/demographic gains or los	(100,639)	-	(100,639)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(9,354)	(9,354)	-
Benefit payment	(13,317)	(13,317)	-
Administrative expenses	-	(766)	766
Member contributions	-	52,928	(52,928)
Net investment income	-	120,213	(120,213)
Employer contributions	-	96,460	(96,460)
Other	-	7,316	(7,316)
Balance at December 31, 2024	$ 1,214,743	$ 1,406,473	$ (191,730)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2024, were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016, except where required to be different by GASB 68.

Valuation timing:	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method:	Entry age (level percentage of pay).
Amortization method/period:	Level percentage of payroll, closed.
Remaining amortization period:	16.5 years (based on contribution rate calculated in 12/31/24 valuation).
Asset valuation method:	5-year smoothed market.

Inflation:	2.50%
Salary increases:	Varies by age and service. 4.7% average over career including inflation.
Investment rate of return:	7.5% net of administrative and investment expenses, including inflation.
Retirement age:	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality:	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Long-Term Expected Rate of Return and Asset Allocation
The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater L.L.C. The numbers shown are based on January 2021, information for a 10-year time horizon.

Note that the valuation assumption for the long-term expected return is reassessed in detail at a minimum of every four years and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equity	13.00%	5.35%
Global equities	4.00%	5.15%
Int'l equities - developed markets	6.00%	4.75%
Int'l equities - emerging markets	0.00%	4.75%
Investment - grade bonds	3.00%	2.55%
Strategic credit	9.00%	3.70%
Direct lending	16.00%	6.85%
Distressed debt	4.00%	6.80%
REIT equities	2.00%	3.95%
Master limited partnerships	2.00%	4.95%
Commodities	2.00%	1.00%
Private real estate partnership	6.00%	5.75%
Private equity	25.00%	8.15%
Hedge funds	6.00%	3.60%
Cash equivalents	2.00%	1.10%
	100.00%	

Sensitivity Analysis

The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the Housing Authority of Travis County, Texas' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	$ 1,401,751	$ 1,214,743	$ 1,060,860
Fiduciary net position	1,406,473	1,406,473	1,406,473
Net pension liability (asset)	$ (4,722)	$ (191,730)	$ (345,613)

Pension Expense

	January 1, 2024 to December 31, 2024
Pension expense/(income):	
Service cost	$ 164,949
Interest on total pension liability	93,723
Effect of plan changes	-
Administrative expense	766
Member contributions	(52,928)
Expected investment return on net of investment expenses	(92,599)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	(29,510)
Recognition of assumption changes of inputs	3,770
Recognition of investment gains of losses	(1,095)
Other	(7,316)
Pension expense/(income)	$ 79,760

As of December 31, 2025, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 8,508	$ (94,597)
Changes in assumptions	8,153	(617)
Net differences between projected and actual earning on pension plan	-	(3,658)
Contributions subsequent to the measurement date of December 31, 2024	114,371	-
Totals	$ 131,032	$ (98,872)

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

2025	$	(27,117)
2026		(11,917)
2027		(37,655)
2028		(5,522)
2029		-
Thereafter		-
	$	(82,211)

NOTE 08 - RELATED PARTY TRANSACTION

Related Party Contributions

Up until April 1, 2024, the Authority had an inter-local agreement to provide administrative support to Strategic Housing Finance Corporation (SHFC), a related party organization. The inter-local agreement was terminated effective March 31, 2024.

Development Fee Receivable

The Authority is entitled to receive a development fee totaling $1,103,002 from the SEA RAD Partnership, in connection with the development of SEA Oaks, payable from the available proceeds of the capital contributions as defined by the SEA RAD Partnership Agreement. Any unpaid development fee (Deferred Development Fee) bears an annual interest rate of 5% and is payable from cash flow as defined in the SEA RAD Partnership Agreement. SEA RAD GP is required to make a special additional capital contribution to pay off the outstanding balance of the Deferred Development Fee. As of December 31, 2025, Deferred Development Fee receivable totals $356,537. Due to the uncertainty of collection, management has provided for an allowance for uncollectable amounts totaling $356,537.

Notes Receivable

On August 1, 2017, the Authority entered into a Promissory Note with SEA RAD Partnership in the amount of $1,000,000. The note bears interest at 3.00% per annum, matures on August 1, 2047, and is secured by real property. Due to the uncertainty of collection, management has provided for an allowance for uncollectible amounts totaling $1,000,000.

On June 30, 2020, the Authority entered into two unsecured Promissory Notes with SEA RAD Partnership totaling $378,737. During the year ended December 31, 2025, the balance increased to $480,737. The notes bear no interest, payable from the net cash flow available of SEA RAD Partnership. Due to the uncertainty of collection, management has provided for an allowance for uncollectable amounts totaling $480,737, which is included in provision for uncollectible related party receivable on the accompanying statement of revenues, expenses and changes in net position.

Property Management Fee

Carleton Real Estate Management Services manages the operations of Sea Oaks/SEA RAD L.P., Apartments, SEA RAD/Eastern Oaks, Manor Town Apartments, Carson Creek Duplexes. A monthly management fee is paid to Carleton Real Estate based on an agreed-upon rate that is approved by U.S. Department of HUD for the HUD rental subsidized properties - SEA Oaks/SEA RAD L.P., Apartments and SEA RAD/Eastern Oaks Apartments.

Incentive Management Fee
The Authority is entitled to receive a non-cumulative Incentive Management Fee (IMF) from the SEA RAD Partnership, payable from cash flow as defined by the SEA RAD Partnership Agreement. The Authority did not earn any IMF during the year ended December 31, 2025.

Related Party Receivable
The Authority uses a concentrated account depository as the common paymaster for most of the programs of the Authority as well as SEA RAD Partnership. Cash settlements are made monthly and are made upon available cash flow with SEA RAD Partnership. At December 31, 2025, the Authority has receivables from SEA RAD Partnership totaling $1,474,634.

Ground Lease Agreements
Travis County Facilities Corporation (TCFC) is engaged with private developers to create affordable housing in Travis County. In many of the projects, TCFC enters into a ground lease agreement with the partnerships, however the partnership retains the right of use, right to sale and mineral rights to operate the affordable housing development on the land. There is no feasible method to allocate the value of the land to the various rights associated with the land. Based on those facts and guidance from GASB, the land value on these projects will be recognized if and when the full rights are available to TCFC.

Related Party Payable
The Authority has several notes payable to SHFC, see Note 06 for details about those loans.

NOTE 09 - COMMITMENTS AND CONTINGENCIES

Legal: The Authority is party to no pending or threatened legal actions arising from the normal course of its operations.

Grants and Contracts: The Authority participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of December 31, 2025.

NOTE 10 - NET POSITION

The Authority has the following net positions as December 31, 2025:

Capital assets not being depreciated	$ 1,289,127
Capital assets, net	10,704,105
Right to use leased assets, net	445,136
Related debt	(6,742,520)
Related lease and SBITA payable	(487,873)
Net Investment in Capital Assets	**$ 5,207,975**
Restricted cash	$ 576,082
Net pension asset	191,730
Security deposit liability	(20,549)
Less replacement reserve cash balances	(472,062)
FSS escrow liability	(6,343)
Restricted Net Position	**$ 268,858**

NOTE 11 - FINANCIAL DATA SCHEDULE

The Housing Authority of Travis County, Texas prepares its financial data schedule in accordance with HUD requirements in a prescribed format. The schedule's format excludes depreciation expense from operating activities, includes investment revenue in operating activities, and tenant bad debt as an operating expense, which differs from the presentation of the basic financial statements.

NOTE 12 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

Concentration of Market

The Authority's operations are concentrated in the heavily regulated public housing real estate market. The Authority's operations are subject to administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an Act of Congress or administrative changes mandated by HUD. Such changes may occur with little or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Concentration of Revenue

The Authority receives approximately seventy-five percent (75%) of its revenue from HUD from its PBRA Program, HCV Program, MSV Program, and COC Program by HUD. The Authority is also required to meet certain physical conditions standards and inspection requirements, and financial reporting standards as required by HUD.

NOTE 13 - SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through May 1, 2026, the date on which the financial statements were issued. Other than as discussed above, during this period no material subsequent events occurred which would require recognition or disclosure.

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NOTE 14 - CONDENSED FINANCIAL STATEMENTS

As required by GASB the condensed financial statements with elimination, for additional information see the detail supplementary information schedules.

	Housing Authority	Total Blended Component Units	Eliminations	Primary Government Totals
Condensed Statement of Net Position				
Current assets	$ 3,564,550	$ 7,408,728	$ (494,374)	$ 10,478,904
Capital assets	12,438,368	-	-	12,438,368
Other assets	191,730	-	-	191,730
Total Assets	**16,194,648**	**7,408,728**	**(494,374)**	**23,109,002**
Deferred outflow of resources	131,032	-	-	131,032
Current liabilities	1,045,460	220,577	(477,633)	788,404
Noncurrent liabilities	7,657,016	482,685	(16,741)	8,122,960
Total Liabilities	**8,702,476**	**703,262**	**(494,374)**	**8,911,364**
Deferred inflow of resources	98,872	-	-	98,872
Net investment in capital assets	5,207,975	-	-	5,207,975
Restricted net position	268,858	-	-	268,858
Unrestricted net position	2,047,499	6,705,466	-	8,752,965
Net Position	**$ 7,524,332**	**$ 6,705,466**	**$ -**	**$ 14,229,798**
Condensed Statement of Revenues, Expenses and Change in Net Position				
Operating revenues	$ 15,917,613	$ 2,300,794	$ (307,905)	$ 17,910,502
Depreciation expense	(712,059)	-	-	(712,059)
Other operating expenses	(17,874,774)	(251,862)	307,905	(17,818,731)
Operating Income (Loss)	**(2,669,220)**	**2,048,932**	**-**	**(620,288)**
Nonoperating revenues	85,616	325,537	-	411,153
Nonoperating expenses	(51,515)	-	-	(51,515)
Nonoperating Revenue (Expense)	**34,101**	**325,537**	**-**	**359,638**
Income (Loss) Before Transfers and Capital Contributions	**(2,635,119)**	**2,374,469**	**-**	**(260,650)**
Transfers	3,656,835	(3,656,835)	-	-
Capital contributions	-	-	-	-
Change in Net Position	**1,021,716**	**(1,282,366)**	**-**	**(260,650)**
Beginning net position	6,502,616	7,987,832	-	14,490,448
Corrections of errors	-	-	-	-
Changes in accounting principles	-	-	-	-
Changes in accounting estimates	-	-	-	-
Beginning net position, restated	6,502,616	7,987,832	-	14,490,448
Net position, end of year	$ 7,524,332	$ 6,705,466	$ -	$ 14,229,798
Condensed Statement of Cash Flows				
Net cash flows provided/(used) by operating activities	$ (1,800,082)	$ 1,380,678	$ -	$ (419,404)
Net cash flows provided/(used) by capital and related financing activities	2,363,411	(3,656,835)	-	(1,293,424)
Net cash flows provided/(used) by investing activities	314,625	2,494,612	-	2,809,237
Net increase/(decrease) in cash and cash equivalents	877,954	218,455	-	1,096,409
Cash, beginning of year	1,012,420	94,441	-	1,106,861
Cash, end of year	$ 1,890,374	$ 312,896	$ -	$ 2,203,270

	Year Ended December 31,						
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Total Pension Liability							
Service cost	$ 164,949	$ 180,008	$ 186,337	$ 174,205	$ 166,247	$ 122,843	$ 62,767
Interest on total pension liability	93,723	77,552	60,415	45,140	32,387	15,038	5,084
Effect of plan changes	-	-	-	-	-	-	-
Effect of assumptions changes or inputs	-	-	-	(1,849)	28,543	-	-
Effect of economic/demographic (gains) or losses	(100,639)	(8,667)	(1,074)	(12,536)	(28,305)	34,032	(5,036)
Benefit payments/refunds or contributions	(22,671)	(19,494)	(8,428)	(2,258)	(2,322)	-	-
Refund of contributions	-	-	-	(21,248)	-	-	-
Net change in total pension liability	135,362	229,399	237,250	181,454	196,550	171,913	62,815
Total pension liability, beginning	1,079,381	849,982	612,732	431,278	234,728	62,815	-
Total pension liability, ending (a)	$ 1,214,743	$ 1,079,381	$ 849,982	$ 612,732	$ 431,278	$ 234,728	$ 62,815
Fiduciary Net Position							
Employer contributions	$ 96,460	$ 116,888	$ 134,382	$ 110,111	$ 112,302	$ 101,001	$ 40,295
Member contributions	52,928	63,957	70,634	64,962	65,721	58,778	23,461
Investment income net of investment expenses	120,213	98,855	(58,946)	115,849	25,375	10,729	713
Benefit payments/refunds or contributions	(22,671)	(19,494)	(8,428)	(23,506)	(2,322)	-	-
Administrative expenses	(766)	(603)	(519)	(389)	(328)	(185)	(53)
Other	7,316	8,432	28,279	4,417	5,223	5,504	1,899
Net change in fiduciary net position	253,480	268,035	165,402	271,444	205,971	175,827	66,315
Fiduciary net position, beginning	1,152,994	884,959	719,557	448,113	242,142	66,315	-
Fiduciary net position, ending (b)	$ 1,406,474	$ 1,152,994	$ 884,959	$ 719,557	$ 448,113	$ 242,142	$ 66,315
Net pension liability/(asset) ending = (a)-(b)	$ (191,731)	$ (73,613)	$ (34,977)	$ (106,825)	$ (16,835)	$ (7,414)	$ (3,500)
Fiduciary net position as a % of total pension liability	115.78%	106.82%	104.12%	117.43%	103.90%	103.16%	105.57%
Pensionable covered payroll	$ 1,323,194	$ 1,598,915	$ 1,765,846	$ 1,624,053	$ 1,643,030	$ 1,469,447	$ 586,537
Net pension liability/(asset) as % of covered payroll	-14.49%	-4.60%	-1.98%	-6.58%	-1.02%	-0.50%	-0.60%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contribution as a Percentage Covered-Employee Payroll
2018	$ 40,295	$ 40,295	$ -	$ 586,537	6.9%
2019	$ 100,951	$ 101,001	$ (50)	$ 1,469,447	6.9%
2020	$ 112,219	$ 112,302	$ (83)	$ 1,643,030	6.8%
2021	$ 110,111	$ 110,111	$ -	$ 1,624,053	6.8%
2022	$ 134,382	$ 134,382	$ -	$ 1,765,846	7.6%
2023	$ 116,721	$ 116,888	$ (167)	$ 1,598,915	7.3%
2024	$ 96,460	$ 96,460	$ -	$ 1,323,194	7.3%

Notes to Required Supplementary Information Schedules:

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Changes in assumptions and methods reflected in the Schedule of Employer Contributions:	2015	New inflation, mortality and other assumptions were reflected.
	2017	New mortality assumptions were reflected.
	2019	New inflation, mortality and other assumptions were reflected.
	2022	New investment return and inflation assumptions were reflected.
Changes in plan provisions reflected in the Schedule of Employer Contributions:	2016-2022	No changes in plan provisions were reflected in the Schedule.

ASSETS	Housing Authority	Blended Component Units: Travis County Facility Corp	HATC Foundation	Travis County Development Corp	SEA RAD, GP	Eliminations	Primary Government Total
Current Assets							
Cash and cash equivalents							
Unrestricted	$ 1,314,292	$ 309,036	$ 3,860	$ -	$ -	$ -	$ 1,627,188
Restricted	576,082	-	-	-	-	-	576,082
Subtotal	1,890,374	309,036	3,860	-	-	-	2,203,270
Certificates of Deposit	883,506	7,008,018	-	-	-	-	7,891,524
Accounts receivable, net	245,059	-	-	-	-	(16,741)	228,318
Prepaid expenses	155,792	-	-	-	-	-	155,792
Interfund receivable	389,819	-	87,814	-	-	(477,633)	-
Total Current Assets	3,564,550	7,317,054	91,674	-	-	(494,374)	10,478,904
Non-Current Assets							
Net pension asset	191,730	-	-	-	-	-	191,730
Intangibles, net	-	-	-	-	-	-	-
Capital assets not being depreciated	1,289,127	-	-	-	-	-	1,289,127
Capital assets, net	10,704,105	-	-	-	-	-	10,704,105
Right to use leased assets, net	445,136	-	-	-	-	-	445,136
Total Non-Current Assets	12,630,098	-	-	-	-	-	12,630,098
TOTAL ASSETS	16,194,648	7,317,054	91,674	-	-	(494,374)	23,109,002
DEFERRED OUTFLOWS OF RESOURCES	131,032	-	-	-	-	-	131,032

LIABILITIES	Housing Authority	Blended Component Units: Travis County Facility Corp	HATC Foundation	Travis County Development Corp	SEA RAD, GP	Eliminations	Primary Government Total
Current Liabilities							
Accounts payable	435,122	2,890	11,212	-	-	-	449,224
Accrued liabilities	59,390	-	2,664	-	-	-	62,054
Deposits held in trust	20,549	-	-	-	-	-	20,549
Compensated absences current	9,393	-	124	-	-	-	9,517
Unearned revenue	60,500	-	-	-	-	-	60,500
Other liabilities current	12,512	-	-	-	-	-	12,512
Financial agreements payable current	174,048	-	-	-	-	-	174,048
Interfund payable	273,946	202,637	-	-	1,050	(477,633)	-
Total Current Liabilities	1,045,460	205,527	14,000	-	1,050	(477,633)	788,404
Non-Current Liabilities							
Compensated absences	131,587	-	1,948	-	-	-	133,535
Funds held in trust	469,084	-	-	-	-	(16,741)	452,343
Financial agreements payable	7,056,345	-	-	-	480,737	-	7,537,082
Total Non-Current Liabilities	7,657,016	-	1,948	-	480,737	(16,741)	8,122,960
TOTAL LIABILITIES	8,702,476	205,527	15,948	-	481,787	(494,374)	8,911,364
DEFERRED INFLOWS OF RESOURCES	98,872	-	-	-	-	-	98,872
NET POSITION							
Net investment in capital assets	5,207,975	-	-	-	-	-	5,207,975
Restricted	268,858	-	-	-	-	-	268,858
Unrestricted	2,047,499	7,111,527	75,726	-	(481,787)	-	8,752,965
TOTAL NET POSITION	$ 7,524,332	$ 7,111,527	$ 75,726	$ -	$ (481,787)	$ -	$ 14,229,798

See auditors' report on supplementary information

	Housing Authority	Blended Component Units: Travis County Facility Corp	HATC Foundation	Travis County Development Corp	SEA RAD, GP	Eliminations	Primary Government Total
Operating Revenues							
Rental revenues, net	$ 468,760	$ -	$ -	$ -	$ -	$ -	$ 468,760
Government grants	13,914,869	-	-	-	-	-	13,914,869
Other income	1,533,984	2,279,770	21,024	-	-	(307,905)	3,526,873
Total Operating Revenues	15,917,613	2,279,770	21,024	-	-	(307,905)	17,910,502
Operating Expenses							
Administration	2,785,564	10,734	160,542	-	1,050	(307,905)	2,649,985
Tenant services	488,423	-	77,171	-	-	-	565,594
Utilities	78,397	-	-	-	-	-	78,397
Maintenance and operations	388,995	-	-	-	-	-	388,995
Insurance expense	105,467	293	-	-	-	-	105,760
General expense	358,314	-	2,072	-	-	-	360,386
Housing Assistance Payments	13,669,614	-	-	-	-	-	13,669,614
Depreciation and amortization	712,059	-	-	-	-	-	712,059
Total Operating Expenses	18,586,833	11,027	239,785	-	1,050	(307,905)	18,530,790
OPERATING INCOME (LOSS)	(2,669,220)	2,268,743	(218,761)	-	(1,050)	-	(620,288)
Non-Operating Revenues (Expenses)							
Interest income	85,616	325,517	20	-	-	-	411,153
Interest expense	(51,515)	-	-	-	-	-	(51,515)
Total Non-Operating Revenues (Expenses)	34,101	325,517	20	-	-	-	359,638
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(2,635,119)	2,594,260	(218,741)	-	(1,050)	-	(260,650)
Transfers							
Transfers	3,656,835	(3,855,887)	199,052	-	-	-	-
Total Transfers	3,656,835	(3,855,887)	199,052	-	-	-	-
CHANGE IN NET POSITION	1,021,716	(1,261,627)	(19,689)	-	(1,050)	-	(260,650)
BEGINNING NET POSITION	6,502,616	8,373,154	95,415	-	(480,737)	-	14,490,448
ENDING NET POSITION	$ 7,524,332	$ 7,111,527	$ 75,726	$ -	$ (481,787)	$ -	$ 14,229,798

		Blended Component Units					
	Housing Authority	Travis County Facility Corp	HATC Foundation	Travis County Development Corp	SEA RAD, GP	Eliminations	Primary Government Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from tenants and users	$ 404,993	$ -	$ -	$ -	$ -	$ -	$ 404,993
Receipts from operating grants	13,960,728	-	-	-	-	-	13,960,728
Receipts from other sources	1,540,327	1,588,106	21,024	-	-	-	3,149,457
Payments for goods and services	(1,809,667)	(8,377)	(121,737)	-	-	-	(1,939,781)
Payments for Housing Assistance Payments	(13,657,102)	-	-	-	-	-	(13,657,102)
Payments to employees for services	(2,239,361)	-	(98,338)	-	-	-	(2,337,699)
NET CASH FLOW PROVIDED (USED) BY OPERATING ACTIVITIES	(1,800,082)	1,579,729	(199,051)	-	-	-	(419,404)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital asset purchases	(939,108)	-	-	-	-	-	(939,108)
Payments on financial agreements	(551,410)	-	-	-	-	-	(551,410)
Proceeds from additional financial agreements	197,094	-	-	-	-	-	197,094
Capital contributions and transfers	3,656,835	(3,855,887)	199,052	-	-	-	-
NET CASH FLOW PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	2,363,411	(3,855,887)	199,052	-	-	-	(1,293,424)
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from investment activities	314,625	2,494,592	20	-	-	-	2,809,237
Note receivable issued	-	-	-	-	-	-	-
NET CASH FLOW PROVIDED (USED) BY INVESTING ACTIVITIES	314,625	2,494,592	20	-	-	-	2,809,237
NET INCREASE (DECREASE) IN CASH	877,954	218,434	21	-	-	-	1,096,409
BEGINNING CASH	1,012,420	90,602	3,839	-	-	-	1,106,861
ENDING CASH	$ 1,890,374	$ 309,036	$ 3,860	$ -	$ -	$ -	$ 2,203,270

See auditors' report on supplementary information

	Housing Authority	Blended Component Units: Travis County Facility Corp	HATC Foundation	Travis County Development Corp	SEA RAD, GP	Eliminations	Primary Government Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income (loss)	$ (2,669,220)	$ 2,268,743	$ (218,761)	$ -	$ (1,050)	$ -	$ (620,288)
Non-Cash Adjustments:							
Depreciation	712,059	-	-	-	-	-	712,059
Pension	(104,835)	-	-	-	-	-	(104,835)
Change in Asset & Liabilities							
(Increase) decrease in accounts receivable	(98,650)	-	-	-	-	-	(98,650)
(Increase) decrease in prepaid	(38,307)	-	-	-	-	-	(38,307)
Increase (decrease) in accounts payable	98,779	2,650	7,293	-	-	-	108,722
Increase (decrease) in accrued liabilities	(482,605)	-	2,664	-	-	-	(479,941)
Increase (decrease) in compensated absences	12,679	-	2,072	-	-	-	14,751
Increase (decrease) in unearned revenue	76,580	-	-	-	-	-	76,580
Increase (decrease) in deposits held in trust	10,505	-	-	-	-	-	10,505
Net interfunds	682,933	(691,664)	7,681	-	1,050	-	-
Total Adjustments	869,138	(689,014)	19,710	-	1,050	-	200,884
Net Cash Provided (Used) by Operating Activities	$ (1,800,082)	$ 1,579,729	$ (199,051)	$ -	$ -	$ -	$ (419,404)

See auditors' report on supplementary information

ASSETS	SEA RAD Partnership	DPCU Total
Current Assets		
Cash and cash equivalents		
Unrestricted	$ 74,998	$ 74,998
Restricted	1,523,463	1,523,463
Subtotal	**1,598,461**	**1,598,461**
Certificates of Deposit	-	-
Accounts receivable, net	40,578	40,578
Prepaid expenses	32,894	32,894
Interfund receivable	-	-
Total Current Assets	**1,671,933**	**1,671,933**
Non-Current Assets		
Net pension asset	-	-
Intangibles, net	17,912	17,912
Capital assets not being depreciated	-	-
Capital assets, net	7,726,685	7,726,685
Right to use leased assets, net	-	-
Total Non-Current Assets	**7,744,597**	**7,744,597**
TOTAL ASSETS	**9,416,530**	**9,416,530**
DEFERRED OUTFLOWS OF RESOURCES	**-**	**-**

LIABILITIES	SEA RAD Partnership	DPCU Total
Current Liabilities		
Accounts payable	26,196	26,196
Accrued liabilities	508,410	508,410
Deposits held in trust	17,663	17,663
Compensated absences current	962	962
Unearned revenue	18,439	18,439
Other liabilities current	3,298	3,298
Financial agreements payable current	15,984	15,984
Interfund payable	-	-
Total Current Liabilities	**590,952**	**590,952**
Non-Current Liabilities		
Compensated absences	-	-
Funds held in trust	4,968,425	4,968,425
Financial agreements payable	1,057,823	1,057,823
Total Non-Current Liabilities	**6,026,248**	**6,026,248**
TOTAL LIABILITIES	**6,617,200**	**6,617,200**
DEFERRED INFLOWS OF RESOURCES	**-**	**-**
NET POSITION		
Net investment in capital assets	6,652,629	6,652,629
Restricted	321,211	321,211
Unrestricted	(4,174,510)	(4,174,510)
TOTAL NET POSITION	**$ 2,799,330**	**$ 2,799,330**

	SEA RAD Partnership	DPCU Total
Operating Revenues		
Rental revenues, net	$ 240,704	$ 240,704
Government grants	241,117	241,117
Other income	-	-
Total Operating Revenues	**481,821**	**481,821**
Operating Expenses		
Administration	220,211	220,211
Tenant services	7,890	7,890
Utilities	62,195	62,195
Maintenance and operations	311,293	311,293
Insurance expense	89,039	89,039
General expense	1,496	1,496
Housing Assistance Payments	-	-
Depreciation and amortization	261,409	261,409
Total Operating Expenses	**953,533**	**953,533**
OPERATING INCOME (LOSS)	**(471,712)**	**(471,712)**
Non-Operating Revenues (Expenses)		
Interest income	14,496	14,496
Interest expense	(198,205)	(198,205)
Total Non-Operating Revenues (Expenses)	**(183,709)**	**(183,709)**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	**(655,421)**	**(655,421)**
Transfers		
Transfers	-	-
Total Transfers	**-**	**-**
CHANGE IN NET POSITION	**(655,421)**	**(655,421)**
BEGINNING NET POSITION	**3,454,751**	**3,454,751**
ENDING NET POSITION	$ 2,799,330	**$ 2,799,330**

	Assistance Listing Number(s)	Award Type		Expenditures
U.S. Department of HUD				
Section 8 Housing Choice Vouchers	14.871	Direct	$	2,202,435
Section 8 Housing Choice Vouchers (Emergency Housing Vouchers)	14.871	Direct		455,897
Mainstream Vouchers	14.879	Direct		634,573
Total Housing Voucher Cluster				**3,292,905**
Project Based Rental Assistance	14.195	Direct		135,579
Total Section 8 Project-Based Cluster				**135,579**
Family Self-Sufficiency Program	14.896	Direct		69,542
Continuum of Care Program	14.267	Direct		1,401,364
Moving to Work Demonstration Program	14.881	Direct		9,015,479
Totals U.S. Department of HUD				**13,914,869**
Total Expenditures of Federal Awards			**$**	**13,914,869**

Award Type		
Direct	$	13,914,869
Indirect	$	-

NOTE 01 - SCOPE OF PRESENTATION

The accompanying schedule presents the expenditures incurred (and related awards received) by the Housing Authority of Travis County, Texas (the Authority) that are reimbursable under federal programs of federal agencies providing financial assistance and state awards. For the purposes of this schedule, only the portion of program expenditures reimbursable with such federal or state funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal or state reimbursement authorized or the portion of the program expenditures that were funded with local or other nonfederal funds are excluded from the accompanying schedule.

NOTE 02 - BASIS OF ACCOUNTING

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Expenditures are recognized in the accounting period in which the related liability is incurred. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Audit of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 03 - INDIRECT COST RATE

The Authority elected not to use the 15% de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

TX480		14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.195 Section 8 HAP - Special Allocations	14.267 Continuum of Care Program	1 Business Activities	14.EHV Emergency Housing Vouchers	14.881 Moving to Work Demonstration Program	14.HCV MTW Demonstration Program for HCV Program
111	Cash - Unrestricted	52,168	10,821	95,402	-	934,630	9,582	211,689	-
112	Cash - Restricted - Modernization and Development	-	-	418,870	-	53,192	-	-	-
113	Cash - Other Restricted	-	-	-	-	-	-	-	-
113	Cash - Other Restricted - HAP Funds	296	991	-	-	-	76,137	6,047	-
114	Cash - Tenant Security Deposits	-	-	11,303	-	9,246	-	-	-
100	Total Cash	52,464	11,812	525,575	-	997,068	85,719	217,736	-
121	Accounts Receivable - PHA Projects	-	5,873	-	44,725	-	-	131,191	-
122	Accounts Receivable - HUD Other Projects	-	-	30,912	-	-	-	33,176	-
125	Accounts Receivable - Miscellaneous	-	-	3,000	-	3,032,402	-	-	-
126	Accounts Receivable - Tenants	-	-	8,697	-	16,777	-	-	-
126.1	Allowance for Doubtful Accounts -Tenants	-	-	-	-	-	-	-	-
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	(3,015,456)	-	(60,584)	-
128	Fraud Recovery	-	-	-	-	-	-	33,906	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	(33,906)	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	-	5,873	42,609	44,725	33,723	-	103,783	-
131	Investments - Unrestricted	-	-	-	-	619,372	-	264,134	-
142	Prepaid Expenses and Other Assets	-	-	18,963	-	136,829	-	-	-
144	Inter Program Due From	-	-	-	-	389,819	-	-	-
150	Total Current Assets	52,464	17,685	587,147	44,725	2,176,811	85,719	585,653	-
161	Land	-	-	221,791	-	1,049,687	-	-	-
162	Buildings	-	-	4,577,200	-	10,290,485	-	-	-
163	Furniture, Equipment & Machinery - Dwellings	-	-	32,488	-	14,999	-	-	-
164	Furniture, Equipment & Machinery - Administration	-	-	41,918	-	226,534	-	18,904	-
166	Accumulated Depreciation	-	-	(1,554,580)	-	(2,483,084)	-	(15,623)	-
167	Construction in Progress	-	-	-	-	17,649	-	-	-
160	Total Capital Assets, Net	-	-	3,318,817	-	9,116,270	-	3,281	-
174	Other Assets	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	-	-	3,318,817	-	9,116,270	-	3,281	-
200	Deferred Outflow of Resources	-	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	52,464	17,685	3,905,964	44,725	11,293,081	85,719	588,934	-

TX480		14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.195 Section 8 HAP - Special Allocations	14.267 Continuum of Care Program	1 Business Activities	14.EHV Emergency Housing Vouchers	14.881 Moving to Work Demonstration Program	14.HCV MTW Demonstration Program for HCV Program
312	Accounts Payable <= 90 Days	5,774	-	5,492	1,088	76,496	1,313	24,318	-
321	Accrued Wage/Payroll Taxes Payable	4,261	1,431	-	2,860	246	2,020	13,033	-
322	Accrued Compensated Absences - Current Portion	525	217	403	157	626	375	2,627	-
325	Accrued Interest Payable	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	-	-	-	-	-	-	301,686	-
341	Tenant Security Deposits	-	-	11,303	-	9,246	-	-	-
342	Unearned Revenues - Other, Prepaid Rent	-	-	9,317	-	3,539	47,644	-	-
343	Current Portion of Long-Term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	174,048	-	-	-
345	Other Current Liabilities - Miscellaneous	-	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	4,257	-	-	-	-	-	8,255	-
347	Inter Program - Due To	-	-	-	37,621	140,279	-	86,934	-
310	Total Current Liabilities	14,817	1,648	26,515	41,726	404,480	51,352	436,853	-
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	3,000,000	-	4,056,345	-	-	-
353	Non-Current Liabilities - Other	296	-	462,741	-	-	-	6,047	-
354	Accrued Compensated Absences - Non-Current	8,227	3,400	-	2,999	-	5,873	41,161	-
355	Loan Liability - Non-Current	-	-	-	-	-	-	-	-
350	Total Non-Current Liabilities	8,523	3,400	3,462,741	2,999	4,056,345	5,873	47,208	-
300	Total Liabilities	23,340	5,048	3,489,256	44,725	4,460,825	57,225	484,061	-
400	Deferred Inflow of Resources	-	-	-	-	-	-	-	-
508.4	Net Investment in Capital Assets	-	-	318,817	-	4,885,877	-	3,281	-
511.4	Restricted Net Position	-	991	-	-	-	76,137	-	-
512.4	Unrestricted Net Position	29,124	11,646	97,891	-	1,946,379	(47,643)	101,592	-
513	Total Equity - Net Assets / Position	29,124	12,637	416,708	-	6,832,256	28,494	104,873	-
600	Total Liabilities, Deferred Inflows of Resources and Net Position	52,464	17,685	3,905,964	44,725	11,293,081	85,719	588,934	-

Housing Authority of Travis County, Texas

Financial Data Schedule

12/31/2025

TX480		COCC	14.896 PIH Family Self-Sufficiency Program	6.2 Component Unit - Blended	Subtotal	ELIM	Primary Government	6.1 Component Unit - Discretely Presented	Total
111	Cash - Unrestricted	-	-	312,896	1,627,188	-	1,627,188	74,998	1,702,186
112	Cash - Restricted - Modernization and Development	-	-	-	472,062	-	472,062	1,184,590	1,656,652
113	Cash - Other Restricted	-	-	-	-	-	-	321,210	321,210
113	Cash - Other Restricted - HAP Funds	-	-	-	83,471	-	83,471	-	83,471
114	Cash - Tenant Security Deposits	-	-	-	20,549	-	20,549	17,663	38,212
100	Total Cash	-	-	312,896	2,203,270	-	2,203,270	1,598,461	3,801,731
121	Accounts Receivable - PHA Projects	-	14,346	-	196,135	-	196,135	-	196,135
122	Accounts Receivable - HUD Other Projects	-	-	-	64,088	-	64,088	15,926	80,014
125	Accounts Receivable - Miscellaneous	-	-	-	3,035,402	(16,741)	3,018,661	-	3,018,661
126	Accounts Receivable - Tenants	-	-	-	25,474	-	25,474	36,988	62,462
126.1	Allowance for Doubtful Accounts -Tenants	-	-	-	-	-	-	(12,336)	(12,336)
126.2	Allowance for Doubtful Accounts - Other	-	-	-	(3,076,040)	-	(3,076,040)	-	(3,076,040)
128	Fraud Recovery	-	-	-	33,906	-	33,906	-	33,906
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	(33,906)	-	(33,906)	-	(33,906)
120	Total Receivables, Net of Allowances for Doubtful Accounts	-	14,346	-	245,059	(16,741)	228,318	40,578	268,896
131	Investments - Unrestricted	-	-	7,008,018	7,891,524	-	7,891,524	-	7,891,524
142	Prepaid Expenses and Other Assets	-	-	-	155,792	-	155,792	32,894	188,686
144	Inter Program Due From	-	-	87,814	477,633	(477,633)	-	-	-
150	Total Current Assets	-	14,346	7,408,728	10,973,278	(494,374)	10,478,904	1,671,933	12,150,837
161	Land	-	-	-	1,271,478	-	1,271,478	-	1,271,478
162	Buildings	-	-	-	14,867,685	-	14,867,685	9,514,434	24,382,119
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	47,487	-	47,487	717,514	765,001
164	Furniture, Equipment & Machinery - Administration	-	-	12,392	299,748	-	299,748	-	299,748
166	Accumulated Depreciation	-	-	(12,392)	(4,065,679)	-	(4,065,679)	(2,505,263)	(6,570,942)
167	Construction in Progress	-	-	-	17,649	-	17,649	-	17,649
160	Total Capital Assets, Net	-	-	-	12,438,368	-	12,438,368	7,726,685	20,165,053
174	Other Assets	191,730	-	-	191,730	-	191,730	17,912	209,642
180	Total Non-Current Assets	191,730	-	-	12,630,098	-	12,630,098	7,744,597	20,374,695
200	Deferred Outflow of Resources	131,032	-	-	131,032	-	131,032	-	131,032
290	Total Assets and Deferred Outflow of Resources	322,762	14,346	7,408,728	23,734,408	(494,374)	23,240,034	9,416,530	32,656,564

TX480		COCC	14.896 PIH Family Self-Sufficiency Program	6.2 Component Unit - Blended	Subtotal	ELIM	Primary Government	6.1 Component Unit - Discretely Presented	Total
312	Accounts Payable <= 90 Days	18,955	-	14,102	147,538	-	147,538	26,196	173,734
321	Accrued Wage/Payroll Taxes Payable	32,872	2,667	2,664	62,054	-	62,054	-	62,054
322	Accrued Compensated Absences - Current Portion	4,309	154	124	9,517	-	9,517	962	10,479
325	Accrued Interest Payable	-	-	-	-	-	-	508,410	508,410
333	Accounts Payable - Other Government	-	-	-	301,686	-	301,686	-	301,686
341	Tenant Security Deposits	-	-	-	20,549	-	20,549	17,663	38,212
342	Unearned Revenues - Other, Prepaid Rent	-	-	-	60,500	-	60,500	18,439	78,939
343	Current Portion of Long-Term Debt - Capital Projects/Mortgage Revenue	-	-	-	174,048	-	174,048	15,984	190,032
345	Other Current Liabilities - Miscellaneous	-	-	-	-	-	-	3,298	3,298
346	Accrued Liabilities - Other	-	-	-	12,512	-	12,512	-	12,512
347	Inter Program - Due To	-	9,112	203,687	477,633	(477,633)	-	-	-
310	Total Current Liabilities	56,136	11,933	220,577	1,266,037	(477,633)	788,404	590,952	1,379,356
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	7,056,345	-	7,056,345	1,057,823	8,114,168
353	Non-Current Liabilities - Other	-	-	-	469,084	(16,741)	452,343	4,968,425	5,420,768
354	Accrued Compensated Absences - Non-Current	67,514	2,413	1,948	133,535	-	133,535	-	133,535
355	Loan Liability - Non-Current	-	-	480,737	480,737	-	480,737	-	480,737
350	Total Non-Current Liabilities	67,514	2,413	482,685	8,139,701	(16,741)	8,122,960	6,026,248	14,149,208
300	Total Liabilities	123,650	14,346	703,262	9,405,738	(494,374)	8,911,364	6,617,200	15,528,564
400	Deferred Inflow of Resources	98,872	-	-	98,872	-	98,872	-	98,872
508.4	Net Investment in Capital Assets	-	-	-	5,207,975	-	5,207,975	6,652,629	11,860,604
511.4	Restricted Net Position	191,730	-	-	268,858	-	268,858	321,211	590,069
512.4	Unrestricted Net Position	(91,490)	-	6,705,466	8,752,965	-	8,752,965	(4,174,510)	4,578,455
513	Total Equity - Net Assets / Position	100,240	-	6,705,466	14,229,798	-	14,229,798	2,799,330	17,029,128
600	Total Liabilities, Deferred Inflows of Resources and Net Position	322,762	14,346	7,408,728	23,734,408	(494,374)	23,240,034	9,416,530	32,656,564

TX480		14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.195 Section 8 HAP - Special Allocations	14.267 Continuum of Care Program	1 Business Activities	14.EHV Emergency Housing Vouchers	14.881 Moving to Work Demonstration Program	14.HCV MTW Demonstration Program for HCV Program
70300	Net Tenant Rental Revenue	-	-	66,773	-	424,103	-	-	-
70400	Tenant Revenue - Other	-	-	3,104	-	2,668	-	-	-
70500	Total Tenant Revenue	-	-	69,877	-	426,771	-	-	-
70600	HUD PHA Operating Grants	-	-	-	1,401,364	-	-	-	-
70600	Housing Assistance Payments	2,037,765	583,404	135,579	-	-	420,346	-	8,356,799
70600	Ongoing Administrative Fees Earned	164,670	51,169	-	-	-	34,801	-	658,680
70600	Hard to House	-	-	-	-	-	750	-	-
70710	Management Fee	-	-	-	-	-	-	-	-
70730	Book Keeping Fee	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-
71100	Unrestricted Investment Income - Other	245	-	5,862	-	66,152	163	13,194	-
71400	Fraud Recovery - Other	-	-	-	-	-	-	15,124	-
71500	Other Revenue	-	-	-	-	215,746	-	1,196,107	-
72000	Restricted Investment Income - Other	-	-	-	-	-	-	-	-
70000	Total Revenue	2,202,680	634,573	211,318	1,401,364	708,669	456,060	1,224,425	9,015,479
91100	Administrative Salaries	63,913	33,051	58,996	84,008	74,912	13,686	316,393	-
91200	Auditing Fees	3,262	-	-	2,140	-	-	18,488	-
91300	Management Fees - Internal	16,468	8,116	-	-	-	6,109	69,705	-
91310	Book-Keeping Fee	-	3,532	-	-	-	2,177	-	-
91400	Advertising and Marketing	-	-	594	-	5,004	-	249	-
91500	Employee Benefit Contributions - Administrative	32,587	12,324	6,917	14,102	11,196	8,517	111,987	-
91600	Office Expenses	24,168	-	33,391	15,741	47,818	-	153,595	-
91700	Legal Expense	-	-	4,004	-	852	-	-	-
91800	Travel	-	-	4,380	-	9,655	-	4,297	-
91900	Other	-	-	12,667	-	60,055	-	-	-
91000	Total Operating - Administrative	140,398	57,023	120,949	115,991	209,492	30,489	674,714	-
92100	Tenant Services - Salaries	-	-	-	62,098	-	-	-	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	24,015	-	-	-	-
92400	Tenant Services - Other	-	-	3,463	36,409	282,955	750	-	-
92500	Total Tenant Services	-	-	3,463	122,522	282,955	750	-	-
93100	Water	-	-	23,414	-	29,995	-	-	-
93200	Electricity	-	-	4,644	-	17,418	-	-	-
93300	Gas	-	-	2,463	-	463	-	-	-
93000	Total Utilities	-	-	30,521	-	47,876	-	-	-

TX480		14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.195 Section 8 HAP - Special Allocations	14.267 Continuum of Care Program	1 Business Activities	14.EHV Emergency Housing Vouchers	14.881 Moving to Work Demonstration Program	14.HCV MTW Demonstration Program for HCV Program
94100	Ordinary Maintenance and Operations - Labor	-	-	25,071	-	53,993	-	-	-
94200	Ordinary Maintenance and Operations - Materials and Other	-	-	18,301	-	64,304	-	-	-
94300	Ordinary Maint. & Operations - Garbage & Trash	-	-	24,346	-	8,817	-	-	-
94300	Ordinary Maint. & Operations - HVAC	-	-	-	-	793	-	-	-
94300	Ordinary Maint. & Operations - Elevator	-	-	-	-	12,518	-	-	-
94300	Ordinary Maint. & Operations - Landscape & Grounds	-	-	14,200	-	23,128	-	-	-
94300	Ordinary Maint. & Operations - Unit Turnaround	-	-	15,139	-	35,541	-	-	-
94300	Ordinary Maint. & Operations - Electrical Contracts	-	-	-	-	15	-	-	-
94300	Ordinary Maint. & Operations - Plumbing Contracts	-	-	1,950	-	19,976	-	-	-
94300	Ordinary Maint. & Operations - Extermination	-	-	54	-	3,370	-	-	-
94300	Ordinary Maint. & Operations - Janitorial Contracts	-	-	-	-	4,700	-	-	-
94300	Ordinary Maint. & Operations - Routine Maintenance	-	-	4,565	-	16,364	-	-	-
94300	Ordinary Maint. & Operations - Misc. Contracts	-	-	-	-	30,486	-	-	-
94300	Ordinary Maint. & Operations - Contracts	-	-	60,254	-	155,708	-	-	-
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	2,964	-	8,400	-	-	-
94000	Total Ordinary Maint. and Op.	-	-	106,590	-	282,405	-	-	-
96110	Property Insurance	-	-	16,726	-	65,606	-	-	-
96120	Liability Insurance	-	-	3,725	-	7,315	-	2,796	-
96130	Workmen's Compensation	369	-	53	-	102	-	2,067	-
96100	Total Insurance Premiums	369	-	20,504	-	73,023	-	4,863	-
96200	Other General Expenses	1,684	-	-	-	-	-	21,220	-
96210	Compensated Absences	1,386	709	61	3,155	296	4,475	4,144	-
96400	Bad Debt - Tenant Rents	-	-	1,097	-	26,791	-	-	-
96600	Bad Debt - Other	-	-	-	-	318,617	-	-	-
96000	Total Other General Expenses	3,070	709	1,158	3,155	345,704	4,475	25,364	-
96710	Interest of Mortgage (or Bonds) Payable	-	-	-	-	51,515	-	-	-
96700	Total Interest Expense and Amortization Cost	-	-	-	-	51,515	-	-	-
96900	Total Operating Expenses	143,837	57,732	283,185	241,668	1,292,970	35,714	704,941	-
97000	Excess of Op. Revenue Over Op. Expenses	2,058,843	576,841	(71,867)	1,159,696	(584,301)	420,346	519,484	9,015,479
97300	Housing Assistance Payments	2,068,528	588,997	-	1,159,696	-	396,313	8,336,945	-
97350	HAP Portability-In	-	-	-	-	-	-	1,119,135	-
97400	Depreciation Expense	-	-	97,950	-	610,829	-	3,280	-
90000	Total Expenses	2,212,365	646,729	381,135	1,401,364	1,903,799	432,027	10,164,301	-
10010	Operating Transfer In	-	-	160,262	-	2,475,865	-	9,015,479	-
10020	Operating Transfer Out	-	-	-	-	(349,817)	-	-	(9,015,479)
10100	Total Other Financing Sources (Uses)	-	-	160,262	-	2,126,048	-	9,015,479	(9,015,479)
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(9,685)	(12,156)	(9,555)	-	930,918	24,033	75,603	-
11030	Beginning Equity	38,809	24,793	426,263	-	5,901,338	4,461	29,270	-
11040	Prior Period Adjustments	-	-	-	-	-	-	-	-
11040	Equity Transfers	-	-	-	-	-	-	-	-

TX480		COCC	14.896 PIH Family Self-Sufficiency Program	6.2 Component Unit - Blended	Subtotal	ELIM	Primary Government	6.1 Component Unit - Discretely Presented	Total
70300	Net Tenant Rental Revenue	-	-	-	490,876	-	490,876	227,455	718,331
70400	Tenant Revenue - Other	-	-	-	5,772	-	5,772	13,249	19,021
70500	Total Tenant Revenue	-	-	-	496,648	-	496,648	240,704	737,352
70600	HUD PHA Operating Grants	-	69,542	-	1,470,906	-	1,470,906	-	1,470,906
70600	Housing Assistance Payments	-	-	-	11,533,893	-	11,533,893	241,117	11,775,010
70600	Ongoing Administrative Fees Earned	-	-	-	909,320	-	909,320	-	909,320
70600	Hard to House	-	-	-	750	-	750	-	750
70710	Management Fee	100,398	-	-	100,398	(100,398)	-	-	-
70730	Book Keeping Fee	5,709	-	-	5,709	(5,709)	-	-	-
70700	Total Fee Revenue	106,107	-	-	106,107	(106,107)	-	-	-
71100	Unrestricted Investment Income - Other	-	-	325,537	411,153	-	411,153	5,152	416,305
71400	Fraud Recovery - Other	-	-	-	15,124	-	15,124	-	15,124
71500	Other Revenue	900	-	2,300,794	3,713,547	(201,798)	3,511,749	-	3,511,749
72000	Restricted Investment Income - Other	-	-	-	-	-	-	9,344	9,344
70000	Total Revenue	107,007	69,542	2,626,331	18,657,448	(307,905)	18,349,543	496,317	18,845,860
91100	Administrative Salaries	871,154	-	72,898	1,589,011	-	1,589,011	85,003	1,674,014
91200	Auditing Fees	3,360	-	-	27,250	-	27,250	10,279	37,529
91300	Management Fees - Internal	-	-	-	100,398	(100,398)	-	-	-
91310	Book-Keeping Fee	-	-	-	5,709	(5,709)	-	-	-
91400	Advertising and Marketing	-	-	57,052	62,899	-	62,899	2,658	65,557
91500	Employee Benefit Contributions - Administrative	188,609	-	27,512	413,751	-	413,751	14,007	427,758
91600	Office Expenses	321,697	450	14,864	611,724	(201,798)	409,926	43,032	452,958
91700	Legal Expense	28,094	-	-	32,950	-	32,950	9,869	42,819
91800	Travel	23,144	-	-	41,476	-	41,476	10,185	51,661
91900	Other	-	-	-	72,722	-	72,722	45,178	117,900
91000	Total Operating - Administrative	1,436,058	450	172,326	2,957,890	(307,905)	2,649,985	220,211	2,870,196
92100	Tenant Services - Salaries	1,264	48,083	-	111,445	-	111,445	-	111,445
92300	Employee Benefit Contributions - Tenant Services	523	18,442	-	42,980	-	42,980	-	42,980
92400	Tenant Services - Other	10,421	-	77,171	411,169	-	411,169	7,890	419,059
92500	Total Tenant Services	12,208	66,525	77,171	565,594	-	565,594	7,890	573,484
93100	Water	-	-	-	53,409	-	53,409	41,348	94,757
93200	Electricity	-	-	-	22,062	-	22,062	17,582	39,644
93300	Gas	-	-	-	2,926	-	2,926	3,265	6,191
93000	Total Utilities	-	-	-	78,397	-	78,397	62,195	140,592

TX480		COCC	14.896 PIH Family Self-Sufficiency Program	6.2 Component Unit - Blended	Subtotal	ELIM	Primary Government	6.1 Component Unit - Discretely Presented	Total
94100	Ordinary Maintenance and Operations - Labor	-	-	-	79,064	-	79,064	59,821	138,885
94200	Ordinary Maintenance and Operations - Materials and Other	-	-	-	82,605	-	82,605	40,070	122,675
94300	Ordinary Maint. & Operations - Garbage & Trash	-	-	-	33,163	-	33,163	98,650	131,813
94300	Ordinary Maint. & Operations - HVAC	-	-	-	793	-	793	2,747	3,540
94300	Ordinary Maint. & Operations - Elevator	-	-	-	12,518	-	12,518	-	12,518
94300	Ordinary Maint. & Operations - Landscape & Grounds	-	-	-	37,328	-	37,328	22,478	59,806
94300	Ordinary Maint. & Operations - Unit Turnaround	-	-	-	50,680	-	50,680	19,958	70,638
94300	Ordinary Maint. & Operations - Electrical Contracts	-	-	-	15	-	15	968	983
94300	Ordinary Maint. & Operations - Plumbing Contracts	-	-	-	21,926	-	21,926	1,048	22,974
94300	Ordinary Maint. & Operations - Extermination	-	-	-	3,424	-	3,424	4,153	7,577
94300	Ordinary Maint. & Operations - Janitorial Contracts	-	-	-	4,700	-	4,700	2,745	7,445
94300	Ordinary Maint. & Operations - Routine Maintenance	-	-	-	20,929	-	20,929	48,922	69,851
94300	Ordinary Maint. & Operations - Misc. Contracts	-	-	-	30,486	-	30,486	-	30,486
94300	Ordinary Maint. & Operations - Contracts	-	-	-	215,962	-	215,962	201,669	417,631
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	11,364	-	11,364	9,733	21,097
94000	Total Ordinary Maint. and Op.	-	-	-	388,995	-	388,995	311,293	700,288
96110	Property Insurance	-	-	-	82,332	-	82,332	74,277	156,609
96120	Liability Insurance	3,815	-	293	17,944	-	17,944	14,641	32,585
96130	Workmen's Compensation	2,893	-	-	5,484	-	5,484	121	5,605
96100	Total Insurance Premiums	6,708	-	293	105,760	-	105,760	89,039	194,799
96200	Other General Expenses	-	-	-	22,904	-	22,904	-	22,904
96210	Compensated Absences	-	2,567	2,072	18,865	-	18,865	80	18,945
96400	Bad Debt - Tenant Rents	-	-	-	27,888	-	27,888	-	27,888
96600	Bad Debt - Other	-	-	-	318,617	-	318,617	1,416	320,033
96000	Total Other General Expenses	-	2,567	2,072	388,274	-	388,274	1,496	389,770
96710	Interest of Mortgage (or Bonds) Payable	-	-	-	51,515	-	51,515	198,205	249,720
96700	Total Interest Expense and Amortization Cost	-	-	-	51,515	-	51,515	198,205	249,720
96900	Total Operating Expenses	1,454,974	69,542	251,862	4,536,425	(307,905)	4,228,520	890,329	5,118,849
97000	Excess of Op. Revenue Over Op. Expenses	(1,347,967)	-	2,374,469	14,121,023	-	14,121,023	(394,012)	13,727,011
97300	Housing Assistance Payments	-	-	-	12,550,479	-	12,550,479	-	12,550,479
97350	HAP Portability-In	-	-	-	1,119,135	-	1,119,135	-	1,119,135
97400	Depreciation Expense	-	-	-	712,059	-	712,059	261,409	973,468
90000	Total Expenses	1,454,974	69,542	251,862	18,918,098	(307,905)	18,610,193	1,151,738	19,761,931
10010	Operating Transfer In	2,498,772	-	1,338,938	15,489,316	(15,489,316)	-	-	-
10020	Operating Transfer Out	(1,128,247)	-	(4,995,773)	(15,489,316)	15,489,316	-	-	-
10100	Total Other Financing Sources (Uses)	1,370,525	-	(3,656,835)	-	-	-	-	-
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	22,558	-	(1,282,366)	(260,650)	-	(260,650)	(655,421)	(916,071)
11030	Beginning Equity	77,682	-	7,987,832	14,490,448	-	14,490,448	3,454,751	17,945,199
11040	Prior Period Adjustments	-	-	-	-	-	-	-	-
11040	Equity Transfers	-	-	-	-	-	-	-	-

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Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

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 unit of the Housing Authority of Travis County, Texas as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of Travis County, Texas' basic financial statements, and have issued our report thereon dated May 1, 2026. The financial statements of SEA RAD, L.P., were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with SEA RAD, L.P.

Report on Internal Control over Financial Reporting
In planning and performing our audit, we considered the Housing Authority of Travis County, Texas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of Travis County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Travis County, Texas' 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Housing Authority of Travis County, Texas' financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Smith Marion & Co

May 1, 2026

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Housing Authority of Travis County, Texas
Austin, TX

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Independent Auditors' Report

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited the Housing Authority of Travis County, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of Travis County, Texas' major federal programs for the year ended December 31, 2025. The Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Housing Authority of Travis County, Texas 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 Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas' 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 GAAS, *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 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 Housing Authority of Travis County, Texas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas' 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 Housing Authority of Travis County, Texas' 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.

Smith Marion & Co

May 1, 2026

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	Unmodified
Internal controls over financial reporting:	
Material weakness(es) identified	No
Significant deficiency(ies) identified	None Reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major federal programs	
Material weakness(es) identified	No
Significant deficiency(ies) identified	None Reported
Type of auditors' report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	No

Identification of major federal programs:

ALN(s)	Name of Federal Program or Cluster
14.871	**Section 8 Housing Choice Vouchers**
14.879	**Mainstream Vouchers**
14.881	**Moving to Work Demonstration Program**

Dollar threshold used to distinguish between type A and type B programs:	$ 1,000,000
Auditee qualified as a low-risk auditee	Yes

Section II Financial Statement Findings

No findings.

Section III Federal Awards Findings

No findings to reported under 2CFR200 Section 516(a) of the Uniform Guidance.

Financial Statement Findings

Prior Year Findings Number	Findings Title	Status/ Current Year Findings Number
N/A	There were no prior findings reported	N/A

Federal Award Findings and Questioned Costs

Prior Year Findings Number	Findings Title	Status/ Current Year Findings Number
N/A	There were no prior findings reported	N/A