Board of Commissioners Meeting
Tuesday, September 8, 2026, at 12 pm
County Housing Headquarters
8865 Natural Bridge Road
St. Louis, Missouri 63121

AGENDA

Item	Individual	Action
1. Call to Order	Chair	Informational
2. Roll Call	Terri Acoff-States	Informational
3. Approval of Minutes Regular Meeting May 12, 2026	Chair	Motion, 2nd, Vote
4. Presentation of the County Housing Authority Draft Audit Report for year ending 2025	Jason Blumernstock, Prin. & CPA Novogradac & Co., LLP	Motion, 2nd, Vote
5. Public Hearing on the 2027 Annual PHA Plan and 2031 Capital Fund Action Plan	Chair	Informational
6. Public Comments	Chair	Informational
7. Executive Director's Report	Shannon Koenig	Informational
8. Reports of Officers and Employees		
A. Financial Reports for period ending June 30, 2026	Ben Washington	Motion, 2nd, Vote
B. County Housing Public Housing Write Offs 2026 Q2, Resolution No. 1467	Ben Washington	Motion, 2nd, Vote
C. Public Housing Performance Report	Kawanna Tate	Informational
D. Annual PHA Plan (2027)	Shannon Koenig	Motion, 2nd, Vote
E. Capital Fund Action Plan (2031)	William Barry	Motion, 2nd, Vote
F. Housing Choice Voucher Program Updates	Nicole Alexander	Informational
G. Real Estate Development Report	Shannon Koenig	Informational
9. Unfinished Business	Chair	Informational
10. New Business		
A. Election of Officers	Terri Acoff-States	Motion, 2nd, Vote
11. Executive Session	Chair	Motion, 2nd, Vote

Subject to an affirmative vote of the Board of Commissioners, an Executive Session may be held to discuss personnel issues, real estate, or litigation matters pursuant to RSMo Sections 610.021 to 610.022.

12. Announcements Next Meeting November 10, 2026	Chair	Informational
13. Adjournment	Chair	Motion, 2nd, Vote

COUNTY HOUSING
BOARD OF COMMISSIONERS REGULAR MEETING
TUESDAY, MAY 12, 2026
MEETING MINUTES

ATTENDANCE:

COMMISSIONERS:
David Nehrt-Flores, Chair
Lora Gulley, Vice Chair
Tiffany Charles, Commissioner

STAFF:
Shannon Koenig, Executive Director and CEO
Terri Acoff-States, Executive Assistant
Benjamin Washington, Chief Financial Officer
Nicole Alexander, Director, Housing Choice Voucher Program
Jennifer Wiegert, Director, Communications & Partnerships
Kawanna Tate, Director, Housing Administration
Kurt Schulte, Real Estate Development Officer

Guest:
Ms. Mita Biswas, live in aide to public housing resident

ABSENT:
Joan Kelly Horn, Commissioner
LaToya Scott, Commissioner

PUBLIC HEARING:

The board meeting opened with a public hearing on the proposed amendment to the 2026 Annual PHA Plan, Section B.2 – Modernization Activities. The purpose of this hearing was to allow the public an opportunity to comment on proposed amendment.

Chair David Nehrt-Flores called to order the public hearing and invited anyone from the public to comment. There were no public comments. The hearing was adjourned.

Approval of Minutes for the March 10, 2026 Regular Meeting:

Chair Nehrt-Flores asked for a motion to approve the minutes of the regular board meeting held March 10, 2026. Vice Chair Gulley motioned for approval, Commissioner Charles seconded the motion and upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

PUBLIC COMMENTS:

Ms. Biswas greeted the Board and expressed her appreciation for the opportunity to address the Board on behalf of her mother, for whom she holds power of attorney. Ms. Biswas raised concerns about HUD's calculation of her rent, as well as maintenance issues.

EXECUTIVE DIRECTOR'S REPORT:

Ms. Koenig greeted everyone and thanked them for attending the meeting.

Ms. Koenig reported that the President's proposed FY27 budget includes an approximate 13% reduction to HUD funding, with decreases recommended across several HUD programs.

Ms. Koenig presented a new performance report that provides information for all four housing authorities operating under the County Housing umbrella. She reported that the housing authorities share three key priorities: performing core functions effectively, increasing access to affordable housing, and strengthening resident services and engagement.

REPORTS OF OFFICERS AND EMPLOYEES:

A. Financial Reports for the period ending February 28, 2026:

Mr. Washington reviewed the Financial Reports for the period ending February 28, 2026. After discussion, Chair Nehrt-Flores asked for a motion to approve the February 28, 2026 Financial Reports as read. Vice Chair Gulley moved for approval, Commissioner Charles seconded the motion. Upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

B. County Housing Public Housing Write-Offs - Resolution No. 1463:

Mr. Washington presented the board with the quarterly write-offs of uncollectable rents.

After review and discussion, Chair Nehrt-Flores asked for a motion to approve Resolution No. 1463, County Housing Public Housing Write-Offs. Vice Chair Gulley motioned for approval, Commissioner Charles seconded the motion. Upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

C. Public Housing Program Performance:

Ms. Tate reviewed public housing activities within the framework of the Public Housing Assessment System. She presented an overview of the physical, management and financial assessment subsystems along with the progress of the capital fund program.

Ms. Tate updated the Board on the status of the occupancy alignment of public housing families being moved to appropriately sized units.

D. Housing Choice Voucher Program Updates:

Ms. Alexander presented the board with updates regarding the Section Eight Management Assessment Program (SEMAP) score for calendar year 2025, and on additional Veterans Affairs Supportive Housing (VASH) vouchers. She also provided an overview of County Housing's Homeownership Program.

E. Landlord Incentive Program Updates:

Ms. Wiegert presented the board with a first quarter update on the Landlord Incentives Program. She stated as of the end of Q1, the program has received a total of 10 requests, of which nine have been approved and one denied.

Ms. Wiegert summarized the program is performing as intended in its early stages, with strong approval rates and diverse utilization across eligible categories. She said staff will continue to monitor trends, promote program awareness, and ensure funds are deployed strategically to maximize landlord participation and housing stability outcomes.

F. Real Estate Development Report:

Mr. Schulte updated the Board on the Arbor Hill Apartments redevelopment. He stated that the firm commitment remains under MHDC review and that Maryland Heights has committed to funding the required off-site detention pond.

Mr. Schulte updated the Board on future development plans. He stated County Housing is planning for the resubmission of Peace Place and a revised version of the Rothwell Heights applications later this year.

UNFINISHED BUSINESS:

No unfinished business was discussed.

NEW BUSINESS:

A. Proposed Amendment to the 2026 Annual PHA Plan, Section B.2 – Modernization Activities, Resolution No. 1464:

Ms. Tate presented the board with the proposed amendment to the 2026 Annual PHA Plan, Section B.2 – Modernization Activities, Resolution No. 1464. She stated the proposed amendment outlines the Authority's intent to utilize a portion of its Operating Fund and Capital Fund subsidies in accordance with applicable U.S. Department of Housing and Urban Development (HUD) regulations.

After discussion, Chair Nehrt-Flores asked for a motion to approve Resolution No. 1464, Amendment to the 2026 Annual PHA Plan, Section B.2 – Modernization Activities. Commissioner Charles motioned for approval, Vice Chair Gulley seconded the motion. Upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

B. Finance Committee Charter

Ms. Koenig provided an update on the newly authorized Finance Committee and proposed a charter for adoption. She stated the newly adopted board bylaws require the Finance Committee to establish a charter. An organizing meeting was held in February, during which time the draft was discussed.

The charter establishes the Finance Committee as a standing committee of the Board of Commissioners responsible for overseeing the Housing Authority of St. Louis County's financial integrity, fiscal sustainability, and alignment of financial resources with strategic priorities.

After discussion, Chair Nehrt-Flores asked for a motion to approve Finance Committee Charter. Vice Chair Gulley motioned for approval, Commissioner Charles seconded the motion. Upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

EXECUTIVE SESSION:

An Executive Session was not held.

ANNOUNCEMENTS:

Chair David Nehrt-Flores announced this resignation effective this month. Commissioners and staff thanked Mr. Nehrt-Flores for his leadership and contributions to the organization.

The next meeting is scheduled for Tuesday September 8, 2026.

ADJOURNMENT OF MEETING:

There being no further business to come before the Board, Chair Nehrt-Flores asked for a motion to adjourn the meeting. Vice Chair Gulley moved for adjournment, which was seconded by Commissioner Charles. Upon roll call the "Ayes" and "Nays" were as follows:

AYES	NAYS
D. Nehrt-Flores	None
L. Gulley	
T. Charles	

The Chair declared the motion passed.

____
Chair

____
Secretary

____
Date

HOUSING AUTHORITY OF ST. LOUIS COUNTY

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2025

WITH REPORT OF INDEPENDENT AUDITORS

HOUSING AUTHORITY OF ST. LOUIS COUNTY
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FOR THE YEAR ENDED DECEMBER 31, 2025

REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Housing Authority of St. Louis County:

Unmodified and Disclaimer of Opinions

We have audited the accompanying financial statements of the business-type activities (primary government) and were engaged to audit the aggregate discretely presented component units of the Housing Authority of St. Louis County (the "Authority") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Unmodified Opinion on the Primary Government

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government as of December 31, 2025, and the respective changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on the Aggregate Discretely Presented Component Units

We do not express an opinion on the financial statements of the discretely presented component units of the Authority. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the Discretely Presented Component Units section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component units of the Authority.

Basis for Unmodified Opinion on the Primary Government

We conducted our audit of the financial statements of the primary government 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified audit opinion.

Basis for Disclaimer of Opinion on the Discretely Presented Component Units

The financial statements of Stratford Commons LP, Stratford Commons II LP and Stratford Manor LP have not been audited. Stratford Commons LP, Stratford Commons II LP, and Stratford Manor LP’s financial activities are included in the Authority's basic financial statements as a part of the aggregate discretely presented component units and represent 35.7%, -34.8%, and 52.4% of the assets, net position, and revenues, respectively, of the Authority's aggregate discretely presented component units. Therefore, we were not able to obtain sufficient audit evidence and perform the required audit procedures on the amounts reported in Stratford Commons LP, Stratford Commons II LP, and Stratford Manor LP as of and for the year ended December 31, 2025.

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Auditors' Responsibilities for the Audit of the Primary Government

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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.

Auditors' Responsibilities for the Audit of the Aggregate Discretely Presented Component Units

Our responsibility is to conduct an audit of the Authority's financial statements in accordance with auditing standards generally accepted in the United States of America and to issue and auditors' report. However, because of the matter described in the "Basis for Disclaimer of Opinion on the Discretely Presented Component Units" paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the discretely presented component units. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Supplementary Information (continued)

The financial data schedule, which is the responsibility of management, is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and is not a required part of the financial statements. Such information, except for that portion related to the aggregate discretely presented component units, was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole. The information related to the aggregate discretely presented component units has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

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

Toms River, New Jersey
REPORT DATE

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Housing Authority of St. Louis County (the "Authority") management discussion and analysis ("MD&A") is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns. The focus of this MD&A is on the Primary Government of the Authority which includes all the financial activity of the Authority with the exception of its discretely presented component unit.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Statement of Net Position – presents information about the Authority's assets, liabilities, and net position and is similar to a balance sheet. The Statement of Net Position reports all financial capital resources for the Authority. This statement is presented in the format where assets minus liabilities equals "Net Position", which is equivalent to equity in a commercial enterprise. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash or expected to be used up within one year), and "non-current". Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving.

- Statement of Revenues, Expenses, and Changes in Net Position – reports the Authority's revenues by source and type of its expenses by category to substantiate the change in net position for the fiscal year then ended.

- Statement of Cash Flows – discloses net cash provided by, or used for operating activities, investing activities, and non-capital financial activities, and capital and related financing activities.

Net Position is reported in three broad categories:

- Net Investment in Capital Assets: This component of net position consists of all capital assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted Net Position: This component of net position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

- Unrestricted Net Position: Consists of net position that does not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the Authority-wide financial statements.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than fund types. The Authority consists of exclusively enterprise funds. Enterprise funds utilize the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by business in the private sector. All of the activities of the Authority are reported in a single enterprise fund.

THE AUTHORITY'S PROGRAMS

To fully understand the financial statements of the Authority, one must start with an understanding of what the Authority actually does. The following is a brief description of the programs and services that the Authority provides for the residents of St. Louis County.

Public and Indian Housing
The Public and Indian Housing Program is designed to provide low-cost housing. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Section 8 Housing Choice Vouchers Program
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. 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.

Public Housing Capital Fund Program
The purpose of the Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

Business Activities
The Authority owns non-federal housing units and various interests in low income housing tax credit partnerships. Revenues earned from these activities are recorded in the Business Activities fund.

THE AUTHORITY'S PROGRAMS (continued)

PIH Family Self Sufficiency Program
The purpose of the FSS program is to enable HUD-assisted families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies.

EFA Family Self Sufficiency ("FSS") Forfeitures Program
The program requires that forfeited FSS escrow funds be used by the Authority for the benefit of any FSS participant(s) in good standing.

Mainstream Vouchers Program
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families whose head of household has a disability. 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 household.

Central Office Cost Center
The Central Office Cost Center ("COCC") is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

Emergency Housing Vouchers
The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

FINANCIAL HIGHLIGHTS

Total Assets for FY 2024 were $33,506,117 for FY 2025 the amount was $44,559,227. This represents an overall net increase of $11,053,110 or 33.0%, which was primarily due to the Authority purchasing the limited partner interest in Ventura Village Partners, LP and the inclusion of those assets for 2025.

Capital Assets (net) increased from $10,673,475 in FY 2024 to $27,779,380 in FY 2025, or by $17,105,905 or 160.3%. The increase is the net amount of depreciation expense in FY 2025 of $1,584,318 and capital asset additions of $1,646,027, as well as the inclusion of Ventura Village Partners, LP.

Current liabilities increased from $4,311,220 in FY 2024 to $5,941,224 in FY 2025 or by $1,630,004 or 37.8%.

Non-current liabilities increased from $6,246,221 in FY 2024 to $23,209,615 in FY 2025 or by $16,963,394 or 271.6%.

ANALYSIS OF ENTITY-WIDE ASSETS & LIABILITIES (STATEMENT OF NET POSITION)

The table below illustrates our analysis:

	2025	2024	Net Change	Percent Variance
Cash & Cash Equivalents	$ 4,903,026	$ 4,189,569	$ 713,457	17.0%
Other Current Assets	3,459,918	4,442,430	(982,512)	-22.1%
Other Non-Current Assets	8,416,903	14,200,643	(5,783,740)	-40.7%
Net Capital Assets	27,779,380	10,673,475	17,105,905	160.3%
Total Assets	**$ 44,559,227**	**$ 33,506,117**	**$ 11,053,110**	**33.0%**
Current Liabilities	$ 5,941,224	$ 4,311,220	$ 1,630,004	37.8%
Non Current Liabilities	23,209,615	6,246,221	16,963,394	271.6%
Total Liabilities and Deferred Inflows	**29,150,839**	**10,557,441**	**18,593,398**	**176.1%**
Net Investment in Capital Assets	9,857,912	3,485,011	6,372,901	182.9%
Restricted Net Position	1,650,344	2,867,269	(1,216,925)	-42.4%
Unrestricted Net Position	3,900,132	16,596,396	(12,696,264)	76.5%
Total Net Position/Liabilities/Equity	**$ 44,559,227**	**$ 33,506,117**	**$ 11,053,110**	**33.0%**

ANALYSIS OF CAPITAL ASSET ACTIVITY

The table below illustrates the changes in Capital Assets throughout the fiscal year:

	2025	2024	Net Change	Percent Variances
Land	$ 1,953,029	$ 1,153,029	$ 800,000	69.4%
Buildings	64,562,167	36,972,314	27,589,853	74.6%
Furniture, Equip., & Mach.	3,309,176	2,045,415	1,263,761	61.8%
Construction in Process	528,679	-	528,679	100.0%
Total Fixed Assets	70,353,051	40,170,758	30,182,293	75.1%
Accumulated Depreciation	(42,573,671)	(29,497,283)	(13,076,388)	44.3%
Net Fixed Assets	$ 27,779,380	$ 10,673,475	$17,105,905	160.3%

In fiscal year 2025, the Authority acquired capital assets in the amount of $1,646,027 from outside vendors which in total, were offset by annual depreciation of $1,584,318. The Authority also purchased the remaining limited partner interest in Ventura Village Partners, LP and those fixed assets are now included yielding an increase in net capital assets of $17,105,905 or 160.3%. Note 6 summarizes the activity of all of capital assets.

ANALYSIS OF LONG-TERM DEBT

The Authority's long-term debt at December 31, 2025 and 2024 amounted to $17.9 million and $7.2 million, respectively, an increase of approximately 148.6%. The increase was due primarily to the inclusion of Ventura Village Partners, LP debt, as well as the Authority entering into a new $575 thousand loan.

ANALYSIS OF ENTITY-WIDE REVENUES

The Authority administers the following programs and the revenues generated from these programs during Fiscal Year Ended 2025 were as follows:

Program		Revenues
Section 8 Housing Choice Vouchers (HCV)	$	77,070,691
Emergency Housing Vouchers		1,709,007
Public and Indian Housing Program		2,116,806
Public Housing Capital Fund Program (CFP)		455,744
Mainstream Vouchers (MV)		2,630,010
Blended component unit		4,994,441
PIH Family Self-Sufficiency Program		289,698
Central Office Cost Center (COCC)		10,204
Business Activities		842,653
Total Revenue	**$**	**90,119,254**

Total revenues for FY 2024 were $81,359,708 as compared to $90,119,254 of total revenues for FY 2025. Comparatively, FY 2025 revenues increased in relation to FY 2024 revenues by $8,759,546.

ANALYSIS OF ENTITY-WIDE EXPENSES

The table below illustrates our analysis:

	2025	2024	Net Change	Percent Variances
Administrative	$ 7,907,309	$ 7,328,371	$ 578,938	7.9%
Tenant Services	372,626	257,956	114,670	44.5%
Utilities	1,638,090	893,926	744,164	83.2%
Maintenance	3,830,891	2,049,442	1,781,449	86.9%
Protective Services	87,953	106,651	(18,698)	-17.5%
Insurance and General Expense	3,188,388	1,169,508	2,018,880	172.6%
Housing Assistance Payments	75,723,213	67,910,645	7,812,568	11.5%
Depreciation Expense	1,584,318	816,677	767,641	94.0%
Total Expenses	$ 94,332,788	$ 80,533,176	$ 13,799,612	17.1%

ANALYSIS OF ENTITY-WIDE EXPENSES (continued)

Administrative expenditures for FY 2024 were $7,328,371 as compared to $7,907,309 in FY 2025. This represents an increase of $578,938 or 7.9%. The increase was due to hiring new full-time employees during 2025.

Housing assistance payments for FY 2025 were $75,723,213 as compared to $67,910,645 in FY 2024, an increase of $7,812,568 or 11.5%. This is primarily due to an increase in unit months leased during 2025.

Maintenance expenditures for FY 2025 were $3,830,891 as compared to $2,049,442 in FY 2024, an increase of $1,781,449or 86.9%. This is primarily due to an increase in maintenance contracts in the Authority's blended component units in the amount of $1,064,263.

Depreciation Expense for FY 2025 was $1,584,318 as compared to $816,677 in FY 2024, an increase of $767,641 or 94.0%.

FINANCIAL CONTACT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional information should be addressed to Shannon Koenig, Executive Director of the Housing Authority of St. Louis County.

FINANCIAL STATEMENTS

HOUSING AUTHORITY OF ST. LOUIS COUNTY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

ASSETS

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current assets:			
Cash and cash equivalents	$ 4,903,026	$ 29,321	$ 4,932,347
Tenant security deposits	438,515	152,312	590,827
Accounts receivable, net	1,979,914	204,024	2,183,938
Prepaid expenses	884,571	166,654	1,051,225
Current portion of notes receivable, net	134,492	-	134,492
Inventory	22,426	-	22,426
Total current assets	8,362,944	552,311	8,915,255
Non-current assets:			
Restricted cash	1,999,909	1,368,000	3,367,909
Notes receivable, net	5,379,943	-	5,379,943
Accrued interest on notes receivable, net	501,908	-	501,908
Investments - restricted	-	102,591	102,591
Other assets	535,143	-	535,143
Capital assets, net	27,779,380	19,612,754	47,392,134
Total non-current assets	36,196,283	21,083,345	57,279,628
Total assets	$ 44,559,227	$ 21,635,656	$ 66,194,883

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
STATEMENT OF NET POSITION (continued)
AS OF DECEMBER 31, 2025

LIABILITIES

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current liabilities:			
Bank overdraft	$ 140,723	$ 41,526	$ 182,249
Accounts payable	1,935,481	1,198,103	3,133,584
Accrued expenses	134,407	410,207	544,614
Tenant security deposits	394,191	115,922	510,113
Prepaid rent	155,815	29,575	185,390
Accrued compensated absences, current	38,059	-	38,059
Current portion of long-term debt	1,609,829	7,273,382	8,883,211
Accrued interest payable	1,274,183	70,673	1,344,856
Other current liabilities	258,536	-	258,536
Total current liabilities	5,941,224	9,139,388	15,080,612
Non-current liabilities:			
Accrued compensated absences, non-current	342,560	-	342,560
Long-term debt, excluding current portion	16,311,639	3,973,304	20,284,943
Other non-current liabilities	6,555,416	1,871,710	8,427,126
Total non-current liabilities	23,209,615	5,845,014	29,054,629
Total liabilities	29,150,839	14,984,402	44,135,241

NET POSITION

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Net position:			
Net investment in capital assets	9,857,912	15,050,252	24,908,164
Restricted	1,650,344	1,368,000	3,018,344
Unrestricted	3,900,132	(9,766,998)	(5,866,866)
Total net position	15,408,388	6,651,254	22,059,642
Total liabilities and net position	$ 44,559,227	$ 21,635,656	$ 66,194,883

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Operating revenues:			
Tenant revenue	$ 5,859,290	$ 2,024,448	$ 7,883,738
HUD operating grants	82,909,187	-	82,909,187
Other government grants	186,262	100,000	286,262
Other revenues	705,892	106,181	812,073
Total operating revenues	89,660,631	2,230,629	91,891,260
Operating expenses:			
Administrative	7,907,309	651,702	8,559,011
Tenant services	372,626	-	372,626
Utilities	1,638,090	451,908	2,089,998
Ordinary repairs and maintenance	3,830,891	1,010,842	4,841,733
Protective services	87,953	-	87,953
Insurance	2,212,012	647,762	2,859,774
General expenses	976,376	278,433	1,254,809
Housing assistance payments	75,723,213	-	75,723,213
Depreciation	1,584,318	1,190,125	2,774,443
Total operating expenses	94,332,788	4,230,772	98,563,560
Operating loss	(4,672,157)	(2,000,143)	(6,672,300)
Non-operating revenues (expenses):			
Investment income	64,536	16,030	80,566
Mortgage interest income	112,931	-	112,931
Interest expense	(658,147)	(173,937)	(832,084)
Net non-operating revenues (expenses)	(480,680)	(157,907)	(638,587)
Loss before capital grants	(5,152,837)	(2,158,050)	(7,310,887)
Capital grants	281,156	-	281,156
Change in net position	(4,871,681)	(2,158,050)	(7,029,731)
Net position, beginning of year	22,948,676	6,140,697	29,089,373
Transfer of net position	(2,668,607)	2,668,607	-
Net position, end of year	$ 15,408,388	$ 6,651,254	$ 22,059,642

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

Cash Flows from Operating Activities:	
Cash received from tenants and others	$ 7,110,043
Cash received from grantors	84,985,396
Cash paid to employees	(7,906,994)
Cash paid to vendors and suppliers	(83,389,165)
Net cash provided by operating activities	799,280
Cash Flows from Capital and Related Financing Activities:	
Issuance of bonds/notes	575,000
Principal payments of bonds/notes	(389,845)
Interest paid on long term debt	(857,533)
Proceeds from capital grants	281,156
Purchase of capital assets	(1,646,027)
Net cash used in capital and related financing activities	(2,037,249)
Cash Flows from Investing Activities:	
Investment income	2,057,102
Cash acquired with acquisition of component unit	1,529,636
Issuance of notes receivable	(765,884)
Collection of notes receivable	46,912
Net cash provided by investing activities	2,867,766
Net increase in cash, cash equivalents, and restricted cash	1,629,797
Cash, cash equivalents, and restricted cash, beginning of year	5,570,930
Cash, cash equivalents, and restricted cash, end of year	$ 7,200,727

Reconciliation of cash, cash equivalents, and restricted cash to the Statement of Net Position is as follows:

Cash and cash equivalents	$ 4,903,026
Tenant security deposits	438,515
Restricted cash	1,999,909
Bank overdraft	(140,723)
Total cash, cash equivalents, and restricted cash	$ 7,200,727

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025

Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(4,672,157)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		1,584,318
Bad debt expense - tenants		322,215
Changes in operating asset and liabilities:		
Accounts receivable, net		1,832,767
Prepaid expenses		(197,037)
Inventory, net		(3,168)
Other assets		178,337
Accounts payable		870,839
Accrued expenses		315
Tenant security deposits liability		20,090
Unearned revenue		94,300
Accrued compensated absences		24,520
Other current liabilities		130,582
Other non-current liabilities		613,359
Net cash provided by operating activities	$	799,280

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
AS OF DECEMBER 31, 2025

ASSETS

	Springwood LP	Springwood II LP	Stratford Commons LP	Stratford Commons II LP	Stratford Manor LP	Ventura Village LP	Total
Current assets:							
Cash and cash equivalents	$ 600	$ 6,973	$ 4,684	$ 13,788	$ 3,276	$ -	$ 29,321
Tenant security deposits	34,247	51,558	26,531	17,335	22,641	-	152,312
Accounts receivable, net	12,800	16,537	62,710	110,946	1,031	-	204,024
Prepaid expenses	55,434	33,434	50,447	27,339	-	-	166,654
Total current assets	103,081	108,502	144,372	169,408	26,948	-	552,311
Non-current assets:							
Restricted cash	617,205	353,163	126,605	178,569	92,458	-	1,368,000
Other assets	892	14,730	50,049	2,217	34,703	-	102,591
Capital assets, net	6,543,299	6,175,722	1,847,439	1,673,091	3,373,203	-	19,612,754
Total non-current assets	7,161,396	6,543,615	2,024,093	1,853,877	3,500,364	-	21,083,345
Total assets	7,264,477	6,652,117	2,168,465	2,023,285	3,527,312	-	21,635,656

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
COMBINING STATEMENT OF NET POSITION (continued)
DISCRETELY PRESENTED COMPONENT UNITS
AS OF DECEMBER 31, 2025

LIABILITIES

	Springwood LP	Springwood LP	Stratford Commons LP	Stratford Commons II LP	Stratford Manor LP	Ventura Village LP	Total
Current liabilities:							
Bank overdraft	$ 41,526	$ -	$ -	$ -	$ -	$ -	$ 41,526
Accounts payable	26,322	17,835	511,942	313,466	328,538	-	1,198,103
Accrued expenses	37,597	15,076	140,136	189,189	28,209	-	410,207
Tenant security deposits	25,702	23,713	26,531	17,335	22,641	-	115,922
Prepaid rent	14,848	10,979	1,205	2,543	-	-	29,575
Note payable, current	-	-	4,713,511	2,149,111	410,760	-	7,273,382
Accrued interest payable	6,671	64,002	-	-	-	-	70,673
Total current liabilities	152,666	131,605	5,393,325	2,671,644	790,148	-	9,139,388
Non-current liabilities:							
Note payable, non-current	1,524,559	1,555,197	-	-	893,548	-	3,973,304
Other non-current liabilities	370,534	1,214,005	-	-	287,171	-	1,871,710
Total non-current liabilities	1,895,093	2,769,202	-	-	1,180,719	-	5,845,014
Total liabilities	2,047,759	2,900,807	5,393,325	2,671,644	1,970,867	-	14,984,402

NET POSITION

	Springwood LP	Springwood LP	Stratford Commons LP	Stratford Commons II LP	Stratford Manor LP	Ventura Village LP	Total
Net position:							
Net investment in capital assets	5,018,740	4,620,525	2,866,072	476,020	2,068,895	-	15,050,252
Restricted	617,205	353,163	126,605	178,569	92,458	-	1,368,000
Unrestricted	(419,227)	(1,222,378)	(6,217,537)	(1,302,948)	(604,908)	-	(9,766,998)
Total net position	5,216,718	3,751,310	(3,224,860)	(648,359)	1,556,445	-	6,651,254
Total liabilities and net position	$ 7,264,477	$ 6,652,117	$ 2,168,465	$ 2,023,285	$ 3,527,312	$ -	$ 21,635,656

See accompanying notes to financial statements

HOUSING AUTHORITY OF ST. LOUIS COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Springwood LP	Springwood II LP	Stratford Commons LP	Stratford Commons II LP	Stratford Manor LP	Ventura Village LP	Total
Operating revenues:							
Tenant revenue	$ 527,402	$ 530,934	$ 399,697	$ 280,027	$ 286,388	$ -	$ 2,024,448
Other government grants	-	-	50,000	50,000	-	-	100,000
Other revenues	-	-	7,606	16,466	82,109	-	106,181
Total operating revenues	527,402	530,934	457,303	346,493	368,497	-	2,230,629
Operating expenses:							
Administrative	125,460	131,261	207,835	65,418	121,728	-	651,702
Utilities	55,819	53,173	108,479	167,904	66,533	-	451,908
Ordinary repairs and maintenance	133,410	168,044	306,335	202,443	200,610	-	1,010,842
Insurance	186,252	170,146	119,398	72,860	99,106	-	647,762
General expenses	45,170	69,155	27,826	117,009	19,273	-	278,433
Depreciation	415,608	235,026	281,015	209,586	48,890	-	1,190,125
Total operating expenses	961,719	826,805	1,050,888	835,220	556,140	-	4,230,772
Operating loss	(434,317)	(295,871)	(593,585)	(488,727)	(187,643)	-	(2,000,143)
Non-operating revenues (expenses):							
Investment income	7,002	4,789	2,171	2,068	-	-	16,030
Interest expense	(77,809)	(46,243)	(5,628)	(200)	(44,057)	-	(173,937)
Net non-operating (expenses)	(70,807)	(41,454)	(3,457)	1,868	(44,057)	-	(157,907)
Change in net position	(505,124)	(337,325)	(597,042)	(486,859)	(231,700)	-	(2,158,050)
Net position, beginning of year	5,721,842	4,088,635	(2,627,818)	(161,500)	1,788,145	(2,668,607)	6,140,697
Transfer of net position	-	-	-	-	-	2,668,607	2,668,607
Net position, end of year	$ 5,216,718	$ 3,751,310	$ (3,224,860)	$ (648,359)	$ 1,556,445	$ -	$ 6,651,254

See accompanying notes to financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Housing Authority of St. Louis County (the "Authority") is a governmental, public corporation created under federal and state housing laws for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate income families residing in St. Louis County (the "County"). The Authority 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.

The Authority is governed by a board of commissioners appointed by the chief elected official in the jurisdiction and confirmed by the County. The governing board is essentially autonomous but responsible to HUD. An executive director is appointed by the Authority's board of commissioners to manage the day-to-day operations of the Authority.

B. Basis of Accounting / Financial Statement Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The programs of the Authority are organized on a fund basis. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 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 Supplementary Information.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting / Financial Statement Presentation (continued)

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions*, ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

On January 30, 2008, HUD issued *PIH Notice 2008-9* which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported on HUD's Financial Data Schedule ("FDS") as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the FDS as unrestricted.

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions, as defined by GASB 33, are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to $500 on these funds may be retained by the Authority. Amounts in excess of $500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The Authority is legally entitled to or can otherwise access the organization's resources.

2. The Authority is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.

3. The Authority is obligated in some manner for the debt of the organization.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

Based upon the application of these criteria, this report includes the following blended and discretely presented component units.

The Authority's blended component units are, although legally separate entities, in substance part of the Authority's operations and so data from these units are combined with data of the primary government and reflected in the "Primary Government" column on the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. As of December 31, 2025, the Authority's blended component units consisted of the following:

- Paradigm Properties, Inc.
- Paradigm Properties II through XV, Inc
- Paradigm Stratford Special I-II, Inc.
- Operation Excel, Inc.
- West County Properties, Inc.
- Meacham Park Partners, LP
- Primm Place Partners, LP
- Bentwood 2019, Inc.
- Meacham Park 2018, Inc
- Ventura Village Partners, LP

There are separate financial statements issued for Meacham Park Partners, LP, Primm Place Partners, LP and Ventura Village, LP.

Discretely presented component units:

Springwood Limited Partners, LP ("Springwood")
Springwood was organized as a limited partnership under the laws of the State of Missouri on January 27, 2011, to construct, operate, and lease a 46-unit multi-family housing development located in Jennings, Missouri and is currently operating under the name of Windfall Trace I. On January 27, 2011, Paradigm Properties XII, the General Partner, Boston Capital Corporate Tax Credit Fund XXXIII, the Investment Limited Partner, BCCC, Inc, the Special Limited Partner, and Springwood State Partners, LP, the STC Limited Partner, entered into an amended and restated limited partnership agreement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

Discretely presented component units: (continued)

Springwood Limited Partners, II LP ("Springwood II")
Springwood II was organized as a limited partnership under the laws of the State of Missouri on January 22, 2014, to acquire, construct, rehabilitate, and operate a 47-unit multi-family housing development located in St. Louis, Missouri, operating under the name Windfall Trace II. On January 22, 2014, Paradigm Properties XII, the general partner, Boston Capital Corporate Tax Credit Fund XXXVIII, the investment limited partner, BCCC, Inc., the special limited partner, and Springwood State Partners, LP, the STC limited partner, entered into an amended and restated limited partnership agreement.

Stratford Commons, LP ("Stratford Commons")
Stratford Commons was organized as a limited partnership under the laws of the State of Missouri on July 15, 2002, to acquire, construct, rehabilitate, and operate a 66-unit property known as Stratford Commons Apartments. Stratford Commons entered into a second amended and restated partnership agreement on March 27, 2023 with Stratford GP, LLC, the general partner, Paradigm Stratford Inc., the limited partner, Paradigm Stratford Special Inc., the special limited partner, and Beyond Housing Stratford Investor, LLC, the incoming limited partner.

Stratford Commons II, LP ("Stratford Commons II")
Stratford Commons II was organized as a limited partnership under the laws of the State of Missouri on September 18, 2023, to acquire, construct, rehabilitate, and operate a 48-unit property known as Stratford Commons Apartments, Phase II. Stratford Commons II entered into a second amended and restated partnership agreement on March 27, 2023 with Stratford GP, LLC, the general partner, Paradigm Stratford Inc., the limited partner, Paradigm Stratford Special Inc., the special limited partner, and Beyond Housing Stratford Investor, LLC, the incoming limited partner.

Stratford Manor, LP ("Stratford Manor")
Stratford Manor was organized as a limited partnership under the laws of the State of Missouri on September 7, 2007, to acquire, rehabilitate, own, manage, and operate a 52-unit property known as Stratford Manor. Stratford Manor entered into a partnership agreement with Stratford GP II, LLC, the general partner, Centerline Corporate Partners XXIX, LP, the investment limited partner, Related Corporate Partners XXIX SLP, LP, the special limited partner, Guntax Partners II, LP the Class Z limited partner, and G.H.L. Properties, LLC, the new limited partner.

D. Description of Programs

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Public and Indian Housing Program
The Public and Indian Housing Program is designed to provide low-cost housing within the County. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Mainstream Vouchers
The purpose of the Mainstream Vouchers program is to aid persons with disabilities (elderly and non-elderly) in obtaining decent, safe, and sanitary rental housing.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

Section 8 Housing Choice Vouchers Program
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income households under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating household.

Family Self-Sufficiency Program ("FSS")
The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of assistance under the Section 8 Housing Choice Vouchers and Public and Indian Housing programs with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

EFA Family Self Sufficiency (“FSS”) Forfeitures Program
The program requires that forfeited FSS escrow funds be used by the Authority for the benefit of any FSS participant(s) in good standing.

Emergency Housing Vouchers
The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability.

Public Housing Capital Fund Program
The purpose of the Public Housing Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

Central Office Cost Center
The Central Office Cost Center ("COCC") is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

Business Activities
The Authority owns non-federal housing units and various interests in low income housing tax credit partnerships. Revenues earned from these activities are recorded in the Business Activities fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, amortization of leasehold improvements and contingencies. Actual results could differ significantly from these estimates.

F. Cash and Cash Equivalents

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

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

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase. It is the Authority's policy to maintain collateralization in accordance with HUD requirements.

G. Accounts Receivable, Net

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and due from vacated tenants. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also, included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation. These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order.

The Authority recognizes a receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts unbilled, but earned as of year end.

H. Allowance for Doubtful Accounts

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectible. If it is determined that an account or accounts may be uncollectible, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

J. Inventory

Inventory consists of miscellaneous supplies and appliances and are valued at cost using the first in first out (FIFO) method. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority writes down inventory to its net realizable value through the establishment of an allowance for obsolete inventory. As of December 31, 2025, management estimated that no allowance for obsolete inventory was required.

K. 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 generally accepted accounting principles, 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 uncollectible amounts during an accounting period.

L. Capital Assets

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of fixed assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- Buildings and Improvements 5-40 Years
- Furniture and Equipment 3-7 Years

The Authority has established a capitalization threshold of $5,000.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Impairment of Long-Lived Assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. During the year ended December 31, 2025, there were no impairment losses incurred.

N. 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 balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes. Detail balances by program, if any, are found in the Financial Data Schedule of this report.

O. Accounts Payable and Accrued Expenses

The Authority recognizes a liability for goods and services received but not paid for as of year-end. The Authority recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

P. Prepaid Rent

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

Q. Compensated Absences

Compensated absences are absences for which employees will be paid in accordance with the Authority's Personnel Policy. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such event take place.

Employees earn annual leave at a rate ranging from 19 days per year for the first three years of service, up to a maximum of 32 days per year after 15 years. There is no requirement that annual leave be taken, however, the maximum permissible accumulation is one and one-half of his or her annual leave accrual rate at any time. At termination, employees are paid for any accumulated annual leave up to the maximum. All annual leave is accrued in the period incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Net Position Classifications

Net position is classified in three components:

Net investment in capital assets - Consists of resources including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

S. Use of Restricted Assets

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

T. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded in accordance with GASB 33 and are accounted for as revenue. Other contributions from HUD that are for development and modernization of capital assets are reflected separately in the accompanying financial statements as capital grants. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

U. Regulated Leases

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended December 31, 2025, rental revenue earned under the aforementioned leases totaled $5,859,290 and $2,024,448 for the primary government and discreetly presented component units, respectively.

V. Taxes

The Authority is a unit of local government and is exempt from real estate, sales and income taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

W. Budgets and Budgetary Accounting

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards, which are used as a management tool throughout the accounting cycle. All budgets are prepared on a HUD basis, which differs with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant periods.

X. Economic Dependency

The Section 8 Housing Choice Vouchers and Public and Indian Housing programs of the Authority are economically dependent on grants and subsidies from HUD. The programs operate at a loss prior to receiving the grants.

Y. Risk Management

The Authority is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 2. CASH AND CASH EQUIVALENTS

As of December 31, 2025, the primary government had funds on deposit in checking, savings, and money market accounts. The carrying amount of the primary government's cash and cash equivalents (including restricted cash) was $7,341,450, and the bank balances approximated $7,705,766.

Cash Category	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Unrestricted	$ 4,903,026	$ 29,321	$ 4,932,347
Tenant security deposits	438,515	152,312	590,827
Restricted	1,999,909	1,368,000	3,367,909
Bank overdraft	(140,723)	(41,526)	(182,249)
Total cash and cash equivalents	$ 7,200,727	$ 1,508,107	$ 8,708,834

Of the primary government's bank balances, $380,224 was covered by federal depository insurance and the remaining balance of $7,325,542 was collateralized with the pledging financial institution as of December 31, 2025. Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of December 31, 2025, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31, 2025:

Description	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Accounts receivable - HUD	$ 820,057	$ -	$ 820,057
Accounts receivable - tenants, net	669,956	149,034	818,990
Accounts receivable - other government	28,538	-	28,538
Accounts receivable - miscellaneous	461,363	54,990	516,353
Total accounts receivable, net	$ 1,979,914	$ 204,024	$ 2,183,938

Accounts Receivable - HUD
As of December 31, 2025, Accounts receivable - HUD consisted of amounts due from HUD for amounts owed under the Public Housing Capital Fund, Section 8 Housing Choice Vouchers, and Mainstream Vouchers programs. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Tenants, Net
Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of $505,156 and $134,188, respectively, for the primary government and the discretely presented component units.

Accounts Receivable - Other Government
Accounts receivable - other government represents amounts owed to the Authority by other federal agencies and state and local governments. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Miscellaneous
Accounts receivable - miscellaneous consists of amounts owed from managed properties and other miscellaneous sources from normal ongoing operations. Management estimates these amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

NOTE 4. RESTRICTED DEPOSITS

As of December 31, 2025, restricted deposits consisted of the following:

Cash Category	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
FSS escrows	$ 349,565	$ -	$ 349,565
Operating reserves	424,249	849,426	1,273,675
Reserve for replacement escrows	1,054,222	518,574	1,572,796
FSS escrow forfeitures	39,570	-	39,570
Emergency Housing Vouchers reserves	132,303	-	132,303
Tenant security deposits	438,515	152,312	590,827
Total restricted deposits	$ 2,438,424	$ 1,520,312	$ 3,958,736

Family Self Sufficiency ("FSS") program escrows are restricted for use in the Section 8 Housing Choice Voucher and Public and Indian Housing Programs by FSS program participants.

Operating escrow funds are required to be set aside for future project expenditures in accordance with regulatory agreements.

Reserve for replacement escrow funds are required to be set aside for future project expenditures relating to maintenance and replacement costs in accordance with regulatory agreements.

FSS forfeitures escrows are restricted to be used to fund eligible expenses of the FSS program participants in good standing.

Emergency housing vouchers reserves are restricted for use only in the Emergency Housing Vouchers program for future program expenditures.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination from the program, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

NOTE 5. OTHER ASSETS

As of December 31, 2025, other assets for the primary government consists primarily of development costs paid of on behalf of Arbor Hill which is related to the Authority. As of December 31, 2025 other assets for the primary government totaled $535,143.

NOTE 6. CAPITAL ASSETS, NET

The following is a summary of the primary government's changes in capital assets during the year ended December 31, 2025:

Description	December 31, 2024	Additions	Dispositions	Transfers	December 31, 2025
Non-depreciable:					
Land	$ 1,153,029	$ -	$ -	$ 800,000	$ 1,953,029
Construction in progress	-	528,679	-	-	528,679
Total	1,153,029	528,679	-	800,000	2,481,708
Depreciable:					
Building and improvements	36,972,314	477,514	-	27,112,339	64,562,167
Furniture and equipment	2,045,415	639,834	-	623,927	3,309,176
Total	39,017,729	1,117,348	-	27,736,266	67,871,343
Less: accumulated depreciation	29,497,283	1,584,318	-	11,492,070	42,573,671
Net capital assets	$ 10,673,475	$ 61,709	$ -	$ 17,044,196	$ 27,779,380

Depreciation expense for the primary government for the year ended December 31, 2025 amounted to $1,584,318.

The following is a summary of the discretely presented component units' changes in capital assets during the year ended December 31, 2025:

Description	December 31, 2024	Additions	Dispositions	Transfers	December 31, 2025
Non-depreciable:					
Land	$ 7,392,533	$ -	$ -	$ (800,000)	$ 6,592,533
Total	7,392,533	-	-	(800,000)	6,592,533
Depreciable:					
Buildings and improvements	$ 63,227,273	$ -	$ -	$(27,273,097)	$ 35,954,176
Furniture and equipment	1,485,388	192,333	-	(623,927)	1,053,794
Total	64,712,661	192,333	-	27,897,024)	37,007,970
Less: accumulated depreciation	34,219,349	1,190,125	-	(11,421,725)	23,987,749
Net capital assets	$37,885,845	$ (997,792)	$ -	$(17,275,299)	$ 19,612,754

Depreciation expense for the discretely presented component units for the fiscal year ended December 31, 2025 amounted to $1,190,125.

NOTE 8. NOTES RECEIVABLE, NET

Outstanding notes receivable for the primary government as of December 31, 2025 consisted of the following:

Description	Amount
During 2000, West County Properties closed the sale of 15 homes in the Meacham Single Family Homes project. As part of the sales agreement for each home, a $26,000 note was due to the Authority with monthly interest payments due at a rate of 1% and no stated maturity date, provided the loan covenants continue to be met. During the year ended December 31, 2025, none of the notes were repaid. As of December 31, 2025, accrued interest receivable totaled $6,115. The Authority established an allowance for uncollectible accounts in the amount of $42,973 as of December 31, 2025.	$ 108,027
During 2010, the Authority loaned Stratford Development LLC $1,165,000 as a partner in the development of Stratford Manor. The loan earns interest at a rate of 5% and payments are due monthly until maturity in January 2041. As of December 31, 2025, accrued interest receivable totaled $201,618.	892,106
Operation Excel, Inc. provided an additional amount of construction and permanent financing to Heritage Senior Associates, LP in the amount of $914,043, which is secured by a fifth deed of trust on the property. The loan bears interest at a rate of 2.62% and matures on February 18, 2048. Commencing on April 1, 2018, and on each subsequent April 1st until maturity, annual installments of principal are payable in the amount equal to 25% of net cash flow. As of December 31, 2025, accrued interest receivable totaled $222,083.	894,668
On March 17, 2023, the Authority entered into a note receivable with Wellington Family Homes, LP in the amount of $2,000,000. The note bears interest at 1% during the construction period and 3% thereafter, and matures upon the first to occur of the following; 35 years from the date of the note, the abandonment of the note, sale of the property, or an event of default. No payments of principal and interest are due during the construction period. Thereafter, annual payments of principal and interest are due commencing on the second anniversary of the note equal to 90% of any cash flow derived from the project in the preceding calendar year. The note is secured by a deed of trust on the property. As of December 31, 2025, accrued interest receivable totaled $55,781.	2,000,000

NOTE 8. NOTES RECEIVABLE, NET (continued)

Description	Amount
During 2023, the Authority loaned Stratford Commons LP and Stratford Commons II LP funds needed to pay arrears. The loans are unsecured, bear no interest, have no maturity date, and are payable from available cash flow.	1,091,574
During 2023, the Authority loaned Springwood Limited Partners $85,068. The loan bears interest at 4%, has no maturity date, and is unsecured. Annual payments of principal and interest are due from available cash flow. As of December 31, 2025, accrued interest receivable totaled $7,728.	85,068
During 2023, the Authority loaned Springwood Limited Partners II $94,471. The loan bears interest at 4%, has no maturity date, and is unsecured. Annual payments of principal and interest are due from available cash flow. As of December 31, 2025, accrued interest receivable totaled $8,583.	94,471
During 2023, the Authority loaned Springwood Limited Partners I $286,082. The loan bears no interest, has no maturity date, and is unsecured. Annual payments of principal and interest are due from available cash flow. The Authority established an allowance for uncollectible accounts in the amount of $97,135 as of December 31, 2025.	348,521
Total notes receivable, net	5,514,435
Less: current portion	134,492
Notes receivable, net of current portion	$ 5,379,943

NOTE 9. ACCOUNTS PAYABLE

As of December 31, 2025, accounts payable consisted of the following:

Description	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Accounts payable - vendors	$ 1,512,354	$ 1,095,200	$ 2,607,554
Accounts payable - HUD	205,625	-	205,625
Accounts payable - other government	217,502	102,903	320,405
Total accounts payable	$ 1,935,481	$ 1,198,103	$ 3,133,584

Accounts Payable - Vendors
Accounts payable - vendors represents the amounts payable to contractors and vendors for materials received or services rendered.

Accounts Payable - HUD
Accounts payable - HUD represents amounts due and payable to the HUD for OIG repayment, see note 13 for more detail.

Accounts Payable - Other Government
Accounts payable - other government represents amounts due and payable to other federal agencies and state and local governments for payments in lieu of taxes.

NOTE 10. LONG TERM DEBT

Long-term debt of the primary government consisted of the following as of December 31, 2025:

Description	Amount
In August 2024, the Primm Place Partners, LP refinanced an existing loan with Busey Bank in the original principal amount of $1,726,237. The loan is secured by a first deed of trust of the property, bears interest at an annual rate of 6.62%. Payments of $13,091 are due monthly. The refinanced loan matures on August 26, 2029.	$ 1,647,382
Primm Place Partners, LP entered into a loan with the Missouri Housing Development Commission ("MHDC") under a loan commitment of $1,000,000. Simple interest at a rate of 3.33% noncompounding per annum accrues on the note. No interest or principal is due until maturity of the note on December 1, 2025. In November 2025, the loan was extended until December 1, 2028. Monthly payments of $8,800 began on January 1, 2026 with the remaining balance due in full at maturity. The note is secured by a second deed of trust on the property as well as additional collateral provided by the Authority.	1,000,000

NOTE 10. LONG TERM DEBT (continued)

Description	Amount
Primm Place Partners, LP entered into a loan with the County of St. Louis, Missouri under a loan commitment of $300,000 using Community Development Block Grant funds. The loan, secured by a third deed of trust, bears simple interest at 1% per year and, commencing January 1, 2005, is payable only from net annual cash flow, as defined in the loan agreement. Principal is payable out of net annual cash flow, if available, or on maturity, December 1, 2025. The loan was forgiven in February 2026.	300,000
Primm Place Partners, LP entered into a loan with the County of St. Louis, Missouri through the HOME Program, under a loan commitment of $300,000. The loan, secured by a fourth deed of trust, bears simple interest at 1% per year and, commencing January 1, 2005, is payable only from net annual cash flow, as defined in the loan agreement. Principal is payable out of net annual cash flow, if available, or on maturity, December 1, 2025. The loan was forgiven in February 2026.	300,000
In November 2002, Meacham Park Partners, LP ("Meacham") entered into a note with the County of St. Louis, Missouri through the HOME Program under a loan commitment of $1,000,000, bearing interest at 1% for 30 years. The nonrecourse loan is secured by a second deed of trust. Annual interest payments on the loan are to equal 50% of Meacham's net annual cash flow, as defined in the deed of trust up to an assumed rate of 1%. Accumulated interest and principal to be deferred and due upon sale or refinance.	1,000,000
On April 22, 2019, Meacham closed on a refinancing of the MHDC loans with an insured mortgage note payable under Section 223(f) program from HUD and Gershman Investment Corp. The loan is secured by a first deed of trust on the land, property and furnishing and bears interest at an annual rate of 4.30%. Principal and interest is due in monthly installments of $14,555 over 35 years.	2,841,695
On May 29, 2025, the Authority entered into a line of credit with Ally Bank. The loan is secured by the underlying equipment and bears interest at an annual rate of 11.79%. Principal and interest is due in monthly installments of $12,730. The line of credit was renewed on May 31, 2026, and matures on May 31, 2027.	532,500
On October 1, 2017, the Ventura entered into a mortgage note with Gershman Investment Corp. in the original amount of$12,429,300 to finance the rehabilitation of the project which matures on November 1, 2052. The loan bears interest annually at 2.75% and is secured by a 1st mortgage.	10,299,891
Total long-term debt	17,921,468
Less: current portion	1,609,829
Long-term debt, net of current portion	$ 16,311,639

NOTE 10. LONG TERM DEBT (continued)

Annual debt service for principal and interest for the next five years and five year increments is as follows:

Year	Principal	Interest	Total
2026	$ 1,609,829	$ 539,741	$ 2,149,570
2027	490,243	526,828	1,017,071
2028	1,186,570	480,399	1,666,969
2029	1,853,576	433,046	2,286,622
2030	365,831	355,250	721,081
2031-2035	1,999,956	1,605,448	3,605,404
2036-2040	2,318,219	1,287,186	3,605,405
2041-2045	2,688,385	917,020	3,605,405
2046-2050	3,119,166	486,239	3,605,405
2051-2055	2,289,693	64,992	2,354,685
	$ 17,921,468	$ 6,696,149	$ 24,617,617

Interest expense for the year ended December 31, 2025 totaled $658,147.

Long-term debt of the discretely presented component units consisted of the following as of December 31, 2025:

Description	Amount
Note agreements between primary government and discretely presented component units disclosed in Note 6.	$ 2,395,882
Springwood Limited Partners, LP entered into a loan agreement with MHDC for $2,100,000. The loan is secured by a deed of trust and a security agreement. The note bears interest at a rate of 4.85% per annum. Principal and interest are payable in monthly installments of $11,081 through maturity on February 1, 2033, at which point, a balloon principal payment of approximately $1,041,000 shall be due.	1,524,559
Springwood Limited Partners II, LP entered into a construction loan on January 22, 2014 with MHDC for $6,200,000. During 2015, $4,600,000 was paid from capital contributions. The remaining $1,600,000 was converted into permanent loan and is collateralized by a deed of trust on the rental property. The note bears interest at 3% per annum. Principal and interest are payable in monthly installments of $5,559, through maturity on August 1, 2035, at which point, a balloon principal payment of approximately $1,010,000 shall be due.	1,305,197
Springwood Limited Partners II, LP entered a loan agreement in the amount of $250,000 with MHDC which is collateralized by a deed of trust on the rental property. The loan bears interest at a rate of 2% per annum. Annual payment is the lesser of (1) equal annual installments of principal and interest at 2% per annum with a 20-year amortization period; and (2) 50% of Net Annual Cash Flow, as defined. For the year ended December 31, 2025, no payment was required.	250,000

NOTE 10. LONG TERM DEBT (continued)

Description	Amount
Stratford Commons, LP entered into a construction loan with MHDC under a $3,150,000 loan commitment. The loan is secured by a second deed of trust and security agreement on the property and is noninterest bearing. The loan matures in April 2035.	3,133,490
Stratford Commons, LP entered into a construction loan on November 1, 2003, with MHDC under a $4,300,000 loan commitment under the HUD risk share program. The loan is secured by the first deed of trust and security agreement on the property and bears interest at an annual rate of 6.25%. Interest only payments were due commencing November 1, 2003, through April 1, 2005, when a principal payment of $2,100,000 was made, reducing the principal balance to $2,200,000. Beginning May 1, 2005, principal and interest payments in the amount of $13,546 are due monthly until April 1, 2035.	1,037,159
Stratford Commons II, LP entered a loan agreement in the amount of $2,100,000 with MHDC, which is collateralized by a deed of trust and security agreement on the property. The permanent loan includes $1,100,000 of HOME funds. The loan bears interest at a rate of 4.14%. In 2017, Stratford Commons II, LP entered into a mortgage modification agreement, whereby the interest rate on the loan was decreased to 2%. Principal and interest on the loan was now payable out of operating cash flow. The loan matures on February 1, 2027.	1,600,399
Total long-term debt	11,246,686
Less: current portion	7,273,382
Long-term debt, net of current portion	$ 3,973,304

NOTE 11. NON-CURRENT LIABILITIES

Non-current liabilities of the primary government as of December 31, 2025 consisted of the following:

Description	December 31, 2024	Additions	Payments	December 31, 2025	Amounts due within one year
Compensated absences	$ 356,099	$ 31,120	$ (6,600)	$ 380,619	$ 38,059
Loans payable	17,736,313	575,000	(389,845)	17,921,468	1,609,829
FSS escrows	434,833	60,110	(145,378)	349,565	-
Other liabilities	-	6,592,341	(127,954)	6,464,387	258,536
Total non-current liabilities	$ 18,527,245	$ 7,258,571	$ (669,777)	$ 25,116,039	$ 1,906,424

Non-current liabilities of the discretely presented component units as of December 31, 2025 consisted of the following:

Description	December 31, 2024	Additions	Payments	December 31, 2025	Amounts due within one year
Developer fee payable	$ 1,798,487	$ -	$ (909,292)	$ 889,195	$ -
Due to related parties	711,495	271,020	-	982,515	-
Loans payable	30,499,119	-	19,252,433)	11,246,686	7,273,382
Total non-current liabilities	$ 33,009,101	$ 271,020	$ (20,161,725)	$ 13,118,396	$ 7,273,382

NOTE 12. PENSION PLAN

The **Authority sponsors a defined contribution pension plan known as the Retirement Plan and** Trust for the Housing Authority of St. Louis County (the "Plan"). The Plan is administered by Plan trustees who are employees of the Authority and an external administrator who is not affiliated with the Authority. The Plan trustees have the authority to amend the Plan as deemed necessary. The Plan allows for 100% participation, except for temporary and part-time employees. Participants and the Authority contribute 5% and 9%, **respectively, of the participant's salary. The** participant's and the Authority's contributions are self-directed by the participants into either a **stable value fund and/or various mutual funds. The Authority's contributions vest equally** over **five years. The Authority's policy is** to fund pe**nsion costs accrued. The total employer's pension contribution expense was approximately** $306,980 in 2025. The Authority's payroll for employees covered by the pension plan for the year ended December 31, 2025 was $3,998,591.

NOTE 13. DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with IRC Section 457. The plan, available to all Authority employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with Section 457 of the IRC, plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and liabilities of the deferred compensation plan are not included in the accompanying financial statements.

NOTE 14. RESTRICTED NET POSITION

Restricted net position consists of the following as of December 31, 2025:

Description	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Emergency housing voucher reserves	$ 132,303	$ -	$ 132,303
Operating reserves escrows	424,249	849,426	1,273,675
Reserve for replacement escrows	1,054,222	518,574	1,572,796
FSS escrow forfeitures	39,570	-	39,570
Total restricted net position	$ 1,650,344	$ 1,368,000	$ 3,018,344

At December 31, 2025, restricted net position consisted of the following:

Emergency housing vouchers reserves are restricted for use only in the Emergency Housing Vouchers program for future program expenditures.

Operating escrow funds are required to be set aside for future project expenditures in accordance with regulatory agreements.

Reserve for replacement escrow funds are required to be set aside for future project expenditures relating to maintenance and replacement costs in accordance with regulatory agreements.

FSS forfeitures escrows are restricted to be used to fund eligible expenses of the FSS program participants in good standing.

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS

	West County Properties, Inc.	Operation Excel, Inc.	Bentwood 2019 Inc.	Meacham Park 2018, Inc.	Meacham Park Partners, LP	Paradigm Properties, Inc.	Paradigm Properties II, Inc.
Assets:							
Current assets	$ 475,774	$ 161,909	$ -	$ -	$ 1,036,780	$ 1,384,825	$ -
Capital assets	228,732	-	-	-	4,225,484	-	-
Other non-current assets	-	894,668	-	-	-	-	-
Total assets	704,506	1,056,577	-	-	5,262,264	1,384,825	-
Liabilities:							
Current	379,555	-	-	32,817	349,123	-	31,730
Non-current	270,708	-	-	-	3,867,174	125,000	-
Total liabilities	650,263	-	-	32,817	4,216,297	125,000	31,730
Net Position:							
Net investment in capital assets	(41,976)	-	-	-	383,789	-	-
Restricted	-	-	-	-	825,986	-	-
Unrestricted	96,219	1,056,577	-	(32,817)	(163,808)	1,259,825	(31,730)
Net position	$ 54,243	$ 1,056,577	$ -	$ (32,817)	$ 1,045,967	$ 1,259,825	$ (31,730)

	Paradigm Properties III, Inc.	Paradigm Properties IV, Inc.	Paradigm Properties V, Inc.	Paradigm Properties VI, Inc.	Paradigm Properties VII, Inc.	Paradigm Properties VIII, Inc.	Paradigm Properties IX, Inc.	Paradigm Properties X, Inc.
Assets:								
Current assets	$ 404,087	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital assets	-	-	-	-	-	-	106,516	-
Other non-current assets	-	-	-	-	-	43,854	56,146	-
Total assets	404,087	-	-	-	-	43,854	162,662	-
Liabilities:								
Current	-	43,385	98,231	84,722	64,666	182,112	187,395	18,664
Non-current	-	-	-	-	-	-	-	-
Total liabilities	-	43,385	98,231	84,722	64,666	182,112	187,395	18,664
Net Position:								
Net investment in capital assets	-	-	-	-	-	-	106,516	-
Restricted	-	-	-	-	-	-	-	-
Unrestricted	404,087	(43,385)	(98,231)	(84,722)	(64,666)	(138,258)	(131,249)	(18,664)
Net position	$ 404,087	$ (43,385)	$ (98,231)	$ (84,722)	$ (64,666)	$ (138,258)	$ (24,733)	$ (18,664)

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS (continued)

	Paradigm Properties XI, Inc.	Paradigm Properties XII, Inc.	Paradigm Properties XIII, Inc.	Paradigm Properties XIV, Inc.	Paradigm Properties 15, Inc.	Primm Place Partnership, LP	Ventura Villages Partners, LP	Total
Assets:								
Current assets	$ -	$ -	$ -	$ -	$ -	$ 516,074	$ 752,234	$ 4,731,683
Capital assets	-	-	-	-	-	1,983,457	16,543,071	23,087,260
Other non-current assets	-	-	103,923	-	-	92,563	652,485	1,843,639
Total assets	-	-	103,923	-	-	2,592,094	17,947,790	29,662,582
Liabilities:								
Current	1,555,569	56,227	176,814	7,015	7,020	2,253,011	1,646,147	7,174,203
Non-current	-	-	-	-	-	2,570,185	21,624,572	28,457,639
Total liabilities	1,555,569	56,227	176,814	7,015	7,020	4,823,196	23,270,719	35,631,842
Net Position:								
Net investment in capital assets	-	-	-	-	-	(1,263,925)	6,243,180	5,427,584
Restricted	-	-	-	-	-	-	652,485	1,478,471
Unrestricted	(1,555,569)	(56,227)	(72,891)	(7,015)	(7,020)	(967,177)	(12,218,594)	(12,875,315)
Net position	$ (1,555,569)	$ (56,227)	$ (72,891)	$ (7,015)	$ (7,020)	$ (2,231,102)	$ (5,322,929)	$ (5,969,260)

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS (continued)

	West County Properties, Inc.	Operation Excel, Inc.	Bentwood 2019 Inc.	Meacham Park 2018, Inc.	Meacham Park Partners, LP	Paradigm Properties, Inc.	Paradigm Properties II, Inc.
Operating revenue:							
Tenant revenue	$ 39,875	$ -	$ -	$ -	$ 1,007,999	$ -	$ -
Other revenues	80,818	-	-	-	-	-	-
Total operating revenues	120,693	-	-	-	1,007,999	-	-
Operating expenses:							
Administrative	6,639	-	-	3,000	120,349	3,000	-
Maintenance and utilities	7,630	-	-	-	550,543	-	-
Other	104,400	-	-	-	366,448	17,549	-
Total operating expenses	118,669	-	-	3,000	1,037,340	20,549	-
Other income (expense)							
Interest income	14	28,930	-	-	19,003	-	-
Mortgage interest income	-	-	-	-	-	-	-
Interest expense	(15,604)	-	-	-	(120,581)	-	-
Net other income (expense)	(15,590)	28,930	-	-	(101,578)	-	-
Transfers out	-	-	-	-	(441,240)	1,333,199	-
Distributions and contributions	-	-	-	-	(181,000)	-	-
Change in net position	$ (13,566)	$ 28,930	$ -	$ (3,000)	$ (753,159)	$ 1,312,650	$ -

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS (continued)

	Paradigm Properties III, Inc.	Paradigm Properties IV, Inc.	Paradigm Properties V, Inc.	Paradigm Properties VI, Inc.	Paradigm Properties VII, Inc.	Paradigm Properties VIII, Inc.	Paradigm Properties IX, Inc.	Paradigm Properties X, Inc.
Operating revenue:								
Tenant revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other revenues	-	-	-	-	-	-	-	-
Total operating revenues	-	-	-	-	-	-	-	-
Operating expenses:								
Administrative	5,290	-	-	-	-	-	-	1,500
Maintenance and utilities	-	-	-	-	-	-	-	-
Other	7,169	-	-	-	4,957	-	246,362	-
Total operating expenses	12,459	-	-	-	4,957	-	246,362	1,500
Other income (expense)								
Interest income	-	-	-	-	-	-	-	-
Mortgage interest income	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
Net other income (expense)	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	352,878	-
Distributions and contributions	506,000	-	-	-	-	-	-	-
Change in net position	$ 493,541	$ -	$ -	$ -	$ (4,957)	$ -	$ 106,516	$ (1,500)

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS (continued)

	Paradigm Properties XI, Inc.	Paradigm Properties XII, Inc.	Paradigm Properties XIII, Inc.	Paradigm Properties XIV, Inc.	Paradigm Properties 15, Inc.	Primm Place Partnership, LP	Ventura Village Partners, LP	Total
Operating revenue:								
Tenant revenue	$ -	$ -	$ -	$ -	$ -	$ 1,545,485	$ 2,328,634	$ 4,921,993
Other revenues	-	-	-	-	-	1,978	39,057	121,853
Total operating revenues	-	-	-	-	-	1,547,463	2,367,691	5,043,846
Operating expenses:								
Administrative	11,400	5,500	5,500	3,074	1,500	270,547	559,841	997,140
Maintenance and utilities	-	-	-	-	-	964,380	1,906,498	3,429,051
Other	-	22,228	21,312	-	-	326,934	2,230,009	3,347,368
Total operating expenses	11,400	27,728	26,812	3,074	1,500	1,561,861	4,696,348	7,773,559
Other income (expense)								
Interest income	-	-	-	-	-	6	10,642	58,595
Mortgage interest income	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	(151,706)	(336,307)	(624,198)
Net other (expense)	-	-	-	-	-	(151,700)	(325,665)	(565,603)
Transfers	-	-	-	-	-	(1,344,838)	(2,668,607)	(2,768,608)
Distributions and contributions	-	-	-	-	-	(532,008)	-	(207,008)
Change in net position	$ (11,400)	$ (27,728)	$ (26,812)	$ (3,074)	$ (1,500)	$(2,042,944)	$(5,322,929)	$(6,270,932)

NOTE 16. CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of December 31, 2025, the Authority estimates that no material liabilities will result from such audits.

The Authority and Stratford GP, LLC guaranteed to fund Stratford Commons, L.P. operating deficits limited to $230,000. These guarantees will be released three years after three continuous months in which revenue is sufficient to pay expenses and loan principal.

The Authority and Stratford GP II, LLC guaranteed to fund Stratford Commons II, L.P. operating deficits limited to $230,000. These guarantees will be released three years after three continuous months in which revenue is sufficient to pay expenses and loan principal.

The Authority and Stratford Manor GP, LLC guaranteed to fund Stratford Manor, L.P. operating deficits.

Paradigm Properties XII, Inc. (a blended component unit) guaranteed to fund Springwood Limited Partners I, LP operating deficits. This guarantee will be released five years upon achievement of a minimum debt service ratio. Paradigm Properties XIII, Inc. (a blended component unit) guaranteed to fund Springwood Limited Partners II, LP operating deficits. This guarantee will be released five years upon achievement of a minimum debt service ratio.

The Authority guaranteed the limited partners of various partnerships in which it has an interest will receive the full allotment of low-income housing tax credits. Additionally, the Authority has guaranteed various partnerships in which it has an interest will make appropriate payment into required escrow accounts.

NOTE 17. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Authority through REPORT DATE (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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

To the Board of Commissioners
Housing Authority of St. Louis County:

We have audited the financial statements of the primary government and we were engaged to audit the financial statements of the aggregate discretely presented component units of the Housing Authority of St. Louis County (the "Authority") 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 as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated REPORT DATE. The financial statements of Stratford Commons, LP, Stratford Commons II, LP, and Stratford Manor, LP, 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 Stratford Commons, LP, Stratford Commons II, LP, and Stratford Manor, LP.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2025-001.

Authority's Response to Findings

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

Purpose of this Report

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

Toms River, New Jersey
REPORT DATE

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CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Commissioners
Housing Authority of St. Louis County:

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions on Each Major Federal Program

We have audited the Housing Authority of St. Louis County's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2025. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Housing Voucher Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions section of our report, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Housing Voucher Cluster for the year ended December 31, 2025.

Unmodified Opinion on the Mortgage Insurance: Sections 207/223(f)

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Mortgage Insurance: Sections 207/223(f) Program 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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Matters Giving Rise to Qualified Opinion on the Housing Voucher Cluster

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements of the Housing Voucher Cluster as detailed in finding 2025-001. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to the Housing Voucher Cluster.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2025-002 and 2025-003. Our opinion on the major federal programs are not modified with respect to these matters.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance, that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-002 and 2025-003 to be significant deficiencies.

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.

Authority's Response to Findings

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

Purpose of this Report

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.

Toms River, New Jersey
REPORT DATE

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF ST. LOUIS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Grantor / Program Title	Federal AL Number	Grant Expenditures
U.S. Department of Housing and Urban Development:		
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	$ 77,471,411
Mainstream Vouchers	14.879	2,622,471
Emergency Housing Vouchers	14.871	1,801,212
Total Housing Voucher Cluster		81,895,094
Public and Indian Housing	14.850	1,203,639
Public Housing Capital Fund Program	14.872	455,744
Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing: Sections 207/223(f)	14.155	2,841,695
PIH Family Self Sufficiency Coordinator	14.896	289,698
Subtotal U.S. Department of Housing and Urban Development Direct Programs		86,685,870
U.S. Department of Homeland Security:		
Pass-Through Programs From:		
State Emergency Management Agency		
Disaster Grants - Public Assistance	97.036	186,262
Subtotal U.S. Department of Homeland Security - Pass-Through Programs		186,262
Total Expenditures of Federal Awards		$ 86,872,132

See accompanying notes to schedule of expenditures of federal awards

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the net position, changes in net position or cash flows of the Authority. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. SCHEDULE OF CAPITAL FUND COSTS AND ADVANCES

The total amounts of Capital Fund Program Costs and Advances incurred and earned by the Authority as of and for the year ended December 31, 2025 are provided herein:

	501-19	501-20	501-21	501-22	501-23	Totals
Budget	$ 1,120,718	$ 1,650,401	$ 1,726,055	$ 1,732,441	$ 1,741,259	$ 7,970,874
Advances:						
Cumulative through 12/31/24	$ 961,335	$ 771,569	$ 1,311,147	$ 611,354	$ 619,439	$ 4,274,844
Current Year	159,383	28,850	414,908	-	-	603,141
Cumulative through 12/31/25	1,120,718	800,419	1,726,055	611,354	619,439	4,877,985
Costs:						
Cumulative through 12/31/24	961,335	800,419	1,429,694	611,354	619,439	4,422,241
Current Year	159,383	-	296,361	-	-	455,744
Cumulative through 12/31/25	1,120,718	800,419	1,726,055	611,354	619,439	4,877,985
Excess / (Deficiency)	$ -	$ -	$ -	$ -	$ -	$ -

1) CFP Grant No.MO36P004501-19 with an approved funding of $1,120,718 has been fully drawn down and expended as per Capital Fund Program Grant Regulations.

2) CFP Grant No. TX24P023501-21 with an approved funding of $1,726,055 has been fully drawn down and expended as per Capital Fund Program Grant Regulations.

HOUSING AUTHORITY OF ST. LOUIS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

I. Summary of Auditors' Results

Financial Statement Section

1.	Type of auditors' report issued:	
	Primary Government	Unmodified
	Discretely Presented Component Units	Disclaimer of Opinion
2.	Internal control over financial reporting	
	a. Material weakness(es) identified?	No
	b. Significant deficiency(ies) identified?	None reported
3.	Noncompliance material to the financial statements?	Yes

Federal Awards Section

1.	Internal Control over compliance:	
	a. Material weakness(es) identified?	Yes
	b. Significant deficiency(ies) identified?	Yes
2.	Type of auditors' report on compliance for major programs:	
	Housing Voucher Cluster:	Qualified
	14.871 Section 8 Housing Choice Vouchers	
	14.879 Mainstream Vouchers	
	14.EHV Emergency Housing Vouchers	
	14.155 Mortgage Insurance Program: Sections 207/223(f)	Unmodified
3.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes

4. Identification of major programs:

AL Number	Name of Federal Program
	Housing Voucher Cluster:
14.871	Section 8 Housing Choice Vouchers
14.879	Mainstream Vouchers
14.EHV	Emergency Housing Vouchers
14.155	Mortgage Insurance Program: Sections 207/223(f)

5.	Dollar threshold used to distinguish between Type A and Type B Programs:	$2,606,164
6.	Auditee qualified as low-risk Auditee?	No

II. Financial Statement Findings

Finding 2025-001 listed below is also a financial statement finding.

III. Federal Award Findings and Questioned Costs

Finding 2025-001:

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program Titles: Housing Voucher Cluster
Assistance Listing Numbers: 14.871 & 14.879
Non Compliance - E. Eligibility - Tenant Files
Non Compliance Material to the Financial Statements: Yes
Material Weakness in Internal Control over Compliance for Eligibility

Criteria: Tenant Files. The PHA must do the following: As a condition of admission or continued occupancy, require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). These files are required to be maintained and available for examination at the time of audit.

Condition: Based upon inspection of the Authority's files and on discussion with management, there were documents that were unavailable for examination at the time of audit.

Context: There are approximately 6,490 units. Of a sample size of fifty-six (56) tenant files, the following was noted:

- HUD form 9886 was unable to be provided in 9 files
- Citizen Declaration Section 214 form was unable to be provided in 7 files
- Verification of income was unable to be provided in 1 file
- Lead based paint form was unable to be provided in 1 file

Known Questioned Costs: $85,911

Cause: There is a material weakness in internal controls over the eligibility type of compliance related to the maintenance of tenant files in the Housing Voucher Cluster. The Authority has not maintained and monitored a system of internal controls that reasonably assures the program is in compliance.

Effect: The Authority is in material non-compliance with the eligibility requirements of the Housing Voucher Cluster programs.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Uniform Guidance and the compliance supplement.

Views of responsible officials and planned corrective action: The Authority accepts the recommendation of the auditor. The Authority will increase oversight in the Section 8 Housing Choice Vouchers Program to ensure that established internal control policies are being followed on a timely basis.

III. Federal Award Findings and Questioned Costs (continued)

Finding 2025-002:

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program Titles: Housing Voucher Cluster
Federal Catalog Numbers: 14.871 & 14.879
Noncompliance – N. Special Tests and Provisions - Housing Assistance Payment
Non Compliance Material to the Financial Statements: No
Significant Deficiency in Internal Control over Compliance for Special Tests and Provisions

Criteria: PHAs must pay monthly HAP in amounts that agree to Line 12u of the HUD-50058 and are accurately reflected in the HAP contract and HAP register (24 CFR § 982.158 and 24 CFR Part 982, Subpart K). PHAs must adopt and maintain a payment standard schedule establishing voucher payment standards by bedroom size within the PHA's jurisdiction (24 CFR § 982.505). Payment standards must generally be set within 90 percent to 110 percent of HUD-published Fair Market Rents (FMRs) or Small Area FMRs, as applicable, without HUD approval (24 CFR § 982.503(d)). PHAs are required to review payment standards annually and revise the schedule, as necessary, no later than three months following the effective date of new FMRs to remain within the basic range (24 CFR § 982.503(c)(3)). For new HAP contracts, the payment standard in effect at the time of HAP execution must be used. For existing HAP contracts, increases in payment standards must be applied no later than the earliest of a rent increase affecting the family share, the family's next regular or interim reexamination, or one year after the effective date of the payment standard increase, unless applied earlier in accordance with the PHA's Administrative Plan (24 CFR § 982.505(c)(4)).

Condition: Based upon inspection of the Authority's files and on discussion with management, it was determined the Authority applied incorrect payment standard amounts in calculating HAP. As a result, the HAP reported on Line 12u of the HUD-50058 were calculated using payment standards that were not applicable to the households at the time the HAP amounts were determined.

Context: Of a sample size of fifty-six (56) tenant files, one (1) tenants' HAP reported on Line 12u of the HUD-50058s were calculated using payment standards that were not applicable to the households at the time of recertification.

Our sample size is statistically valid.

Known Questioned Costs: Unknown

Cause: There is a significant deficiency in internal controls over the compliance for the special tests and provisions type of compliance related to housing assistance payments. The Authority has not maintained and monitored a system of internal controls that reasonably assures the program is in compliance.

Effect: The Housing Voucher Cluster program is in non-compliance with the special tests and provisions compliance requirement related to the payment standards of housing assistance payments.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Uniform Guidance and the compliance supplement.

Authority Response: The Authority accepts the recommendation of the auditor. The Authority will increase oversight in the Housing Voucher Cluster program to ensure that established internal control policies are being followed on a timely basis.

Finding 2025-003

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program Titles: Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Projects
Assistance Listing Numbers: 14.155
Non Compliance: H – Unauthorized distributions of project assets
Non Compliance Material to the Financial Statements: No
Significant deficiency in Internal Control over Compliance for Allowable Activities

Criteria: The Authority must receive HUD approval prior to making distributions to related party except for distributions made with surplus cash.

Condition: Based on review of the distributions made by the Authority, there were distributions made that were not authorized by HUD and were greater than the surplus cash balance calculated.

Context: During 2025, the Authority made distributions to a related party in the amount of $82,797 without HUD approval.

Known Questioned Costs: $82,797

Cause: Controls and actions were not taken to ensure that HUD approval is obtained prior to making distributions to related parties.

Effect: The Authority is in non-compliance with specific requirements of a major federal program.

Recommendation: Management should establish internal controls and procedures to ensure that HUD approval is obtained prior to making distributions to related parties.

Authority response: Management will ensure that HUD approval is obtained prior to making distributions to related parties.

IV. Schedule of Prior Year Federal Audit Findings

Finding 2024-001:

Observation: There are approximately 405 units with failed inspections. Of a sample size of twenty-five (25) failed inspections, two (2) failed inspections did not pass reinspection within 30 days. HAP was not abated nor was the tenant evicted.

Status: The finding has been resolved.

Finding 2024-002

Observation: Twenty-five (25) names were selected from the new move-in list and those names were to be traced to the waiting list to verify new move-ins were chosen in an order that was in accordance with the Authority's policy. It was determined that one (1) out of twenty-five (25) new move-ins selected could not be traced with any certainty back to the Authority's waiting list.

Status: The finding has been resolved.

MEMORANDUM

To:	County Housing Board of Commissioners
From:	Shannon Koenig, Executive Director and CEO
Date:	September 8, 2026
Subject:	*Executive Director's Report*

This memo provides an update on select County Housing matters, including the FY27 federal budget outlook, the upcoming employee engagement survey, and recent agency performance results.

I. FY27 Budget Update

In early April, the President released the proposed FY27 federal budget, which recommended an overall reduction of approximately 13 percent to the U.S. Department of Housing and Urban Development (HUD) budget. This summer, the House Transportation, Housing and Urban Development, and Related Agencies (THUD) Subcommittee released its FY27 appropriations bill, which proposes an overall HUD budget reduction of about 10 percent. Recommended decreases are spread across multiple programs. A list of the THUD proposed reductions and other programmatic changes is attached. The Senate has not yet released its recommendations. Staff continue to watch this process closely to ensure FY27 budget decisions are in line with anticipated appropriations.

II. Annual Employee Engagement Survey

This month, County Housing will conduct its annual employee engagement survey to confidentially gather workforce feedback and use the results to inform current and future engagement strategies. Results from the survey will be shared with the Board and staff in November.

III. Performance Update

Across the County Housing portfolio, Public Housing Assessment System and SEMAP scores have remained steady or improved, as reflected in the most recent 2024 results included in the attached Agency Performance Report.

IV. Attachments

A. NAHRO report on the FY27 budget release
B. Agency Performance Report

House THUD FY 2027 Appropriations Bill

On May 20, the House Transportation, Housing and Urban Development, and Related Agencies Subcommittee released its draft FY 2027 appropriations bill. The House THUD Subcommittee approved the bill on May 21, advancing the first major House marker in this year's HUD funding process. The bill is not final and must still move through the full House Appropriations Committee, the House floor, the Senate process, and eventual House-Senate negotiations before FY 2027 funding levels are enacted.

The House bill includes a total THUD allocation of **$92.224 billion**, which is **$10.659 billion, or 10.4%, below the FY 2026 enacted level**. The bill avoids some of the deepest cuts proposed in the President's FY 2027 budget request, but NAHRO's initial analysis shows significant concerns for several programs important to PHAs and local community development agencies. The bill and House THUD Subcommittee materials are available on the House Appropriations Committee website.

This article provides NAHRO's in-depth analysis of the FY 2027 House THUD appropriations bill and its impact on programs and issues relevant to NAHRO members. Click the links below to jump to each section:

- Public Housing
- Section 8
- Community Development

Public Housing

Public Housing Fund

Like recent Appropriations Acts, the House FY 2027 bill combines all federal grants necessary for PHAs to operate, maintain, and make capital improvements to public housing into the Public Housing Fund. This bill proposes $7.068 billion for the Public Housing Fund formula grants, which is $1.251 billion less than the FY 2026 enacted budget. In an important win, the House bill would exempt FY 2027 and prior-year funding for HOME from Build America, Buy America (BABA) requirements.

Public Housing Operating Fund

The House bill would provide $4.687 billion for public housing formula grants. This is level with FY 2026 enacted and $690 million less than the President's proposed budget. This amount represents a proration below 86% according to recent HUD data and would significantly deepen the existing operating fund shortfall, which has grown in recent years. NAHRO will continue expressing this concern to HUD and to Congress.

Operating Fund Shortfall Funding

The House bill proposes $50 million for PHAs that experience, or are at risk of, financial shortfalls as determined by HUD. This amount is $50 million more than the President's proposed budget but $287 less than FY 2026 enacted. NAHRO estimates an unmet shortfall backlog of nearly $600 million after FY 2025 and 2026 grants are distributed and has advocated for increased shortfall amounts to ensure shortfalls do not grow over time. Like previous years, HUD would have to publish shortfall eligibility amounts.

Public Housing Capital Fund

The House bill proposes $2.286 billion for Capital Fund formula grants, a $914 million decrease from FY 2026 enacted and a return to the House's own FY 2026 proposal. This amount is only roughly half of the projected accrual of needs across the inventory per year, reported by HUD to be $4 billion as of 2024. The 10-Year Roadmap for Public Housing estimates that the Capital Fund backlog is at least $169 billion.

The bill includes the provision that HUD issue Capital Fund formula grants to PHAs no later than 60 days after passage of an Appropriations Act.as well as prohibitions on extending time periods related to public housing funds. Additionally, any agency with one or more property with a low physical inspection score may use operating and capital funds fungibly.

Emergency Capital Needs

Like recent years, the House bill would provide $30 million for grants to public housing agencies for emergency capital needs resulting from unforeseen or unpreventable emergencies and natural disasters excluding presidentially declared emergencies and natural disasters under the Robert T. Stafford Disaster Relief and Emergency Act. This amount is level with FY 2026 enacted. The bill also proposes $10 million to be made available for safety and security measures.

This bill would also provide $15 million for the cost of administrative and judicial receiverships, also level with FY 2026 funding.

Self Sufficiency Programs

Family Self-Sufficiency (FSS)

The House bill would provide $125 million for the FSS program, level with FY 2026 enacted. The bill would allow for bonuses based on family self-sufficiency achievement metrics but would not allow these scores to be used to decide funding The President's budget proposed eliminating FSS.

Jobs-Plus Initiative

The House bill would provide $10 million to the Jobs Plus Initiative, level with FY 2026 funding. The direct funding is not explicitly limited to providing "incentives" to participants, meaning that it can also be used to support the service component of the program. This bill would not expand the initiative to Project-Based Rental Assistance or Project-Based Voucher developments. The President's budget proposed eliminating Jobs Plus.

Resident Opportunities and Self-Sufficiency (ROSS)

The House bill proposes $40 million for the ROSS program. This amount is level with FY 2026 enacted. The President's budget proposed eliminating ROSS.

Choice Neighborhoods Initiative

Like the 2026 President's proposed budget, the House bill proposes eliminating the Choice Neighborhoods Initiative. This program helps agencies carry out important renovation and construction projects, and NAHRO will continue advocating for its inclusion in the Consolidated Appropriations Act.

Physical Inspections

The House bill maintains a separate account outside of the Public Housing Fund to support assessments titled "Assisted Housing Inspections and Risk Assessments". The bill proposes $25 million for "the Department's inspection and assessment programs, including travel, training, and program support contracts." This is $25 million less than FY 2026 enacted and would support agencies as they continue transitioning to the National Standards for the Physical Inspection of Real Estate (NSPIRE). Recaptured and carryover funds from prior public physical and financial associations may also be used for this purpose.

General Policy Provisions

Build America, Buy America Act

The House bill would require HUD to conduct a review of the implementation of the Build America, Buy America Act (BABA), update guidance, and provide a report to Congress about this review and guidance. Additionally, the FY 2027 funds made available in this bill for a set of programs, including the Public Housing Fund, would be exempt from BABA requirements. NAHRO was pleased to see these changes proposed and will continue providing solutions to ensure BABA is workable for housing providers.

Recovery Agreements

Like the President's proposed budget, the House bill includes language that would allow the Secretary to require PHAs to enter recovery agreements following substandard Public Housing Assessment System (PHAS) assessments, Section Eight Management Assessments (SEMAP) scores under 70, or other compliance deficiencies that harm HCV program performance. This provision would also include enforcement options including determinations of substantial default.

Publication of Notices of Funding Opportunity (NOFOs)

The bill includes language that would allow HUD to publish NOFOs "at the appropriate government website or through other electronic media," as opposed to the Federal Register. This provision was also included in the President's proposed budget.

Central Office Costs

The House bill would prohibit HUD from "restrict[ing] or limit[ing] in any way the use of capital funds for central office costs."

Notice of Termination of Lease

The bill includes language that would prohibit any of the funding provided in the bill to be used to enforce temporary eviction moratoria.

Exemption from Asset Management

As in prior years, the House bill includes the provision that exempts PHAs that own and operate 400 or fewer public housing units from asset management requirements.

Public Housing Funding Fungibility

The House bill would allow agencies operating public housing that are not considered troubled under the Public Housing Assessment System (PHAS) and that maintain units in good condition to use Public Housing Operating Fund and Capital Fund dollars for both sets of eligible uses.

Correction of Allocation Errors

The House bill includes the authority to correct formula errors for any HUD formula program on a prospective basis by offsetting amounts from any previously overpaid grantee award in the current fiscal year and distributing them to grantees that received less formula funding than they would have as a result of the error in the prior fiscal year.

Annual Contributions Contracts

Similar to FY 2026 enacted, this bill requires HUD to "comply with all process requirements, including public notice and comment, when seeking to revise any annual contributions contract." Public Housing Authorities must be given 60 days to comment, and the Department must respond to comments.

Moving to Work

The bill would allow agencies that are a part of the MTW Expansion the ability to use previously appropriated funds flexibly.

Rental Assistance Demonstration

The House bill does not propose making any revisions to the RAD sunset date.

PHA Employee Compensation

This bill includes language that would prohibit PHAs from using any Tenant-Based Voucher, Operating Fund, or Capital Fund dollars to pay any amount of salary above the base rate of pay for level IV of the Executive Schedule for 2027. This restriction includes salary as well as bonuses or other incentive pay. This provision affirms a policy which is already in place, since the 2015 omnibus extended the restrictions to all future appropriations acts.

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Section 8

Key Housing Choice Voucher Program takeaways from the House bill include:

- There is no additional funding for Emergency Housing Vouchers (EHVs), but the bill does allow additional flexibilities to allow EHVs to transition to the regular voucher program and allow tenant protection voucher funding to be used for EHVs;
- Unlike the President's proposed budget, there are no provisions requiring mandatory term limits or work requirements and no provision preventing housing agencies from issuing new vouchers;
- Reduction of TPV eligibility to units occupied in the previous 12 months (as opposed to 24 months) and a reduction in TPV funding from $601 million to $300 million;
- Reduction of HAP set-aside uses (and reduction of the HAP set-aside funding from $400 to $200 million); and
- Similar to the President's proposed budget, this bill adds a provision giving authority for HUD to force housing agencies that have experienced shortfalls in 2 of the 3 past years or "have ongoing compliance deficiencies" in the HCV program into "recovery agreements."

Tenant-Based Rental Assistance (TBRA) – Discretionary Spending

HCV HAP Renewals

The House bill would allocate $35.453 billion for HAP renewals. This is a proposed increase of $496 million more than the FY 2026 enacted amount, but a $112 million decrease from the President's proposed budget. Like the FY 2026 enacted budget, this account includes funding for the Mainstream voucher account. Based on HUD's numbers, this would be full funding when rounded (i.e., 99.69% proration), while based on NAHRO's numbers, this would be a 94% proration. These estimates are subject to change. The Department's numbers are based on the President's proposed budget, while NAHRO's numbers are based on NAHRO's budget request which is higher and assumes higher inflation factors are needed for full funding.

HAP Renewal Formula

The House bill proposes HAP renewal funding based on validated calendar year (CY) 2026 voucher management system (VMS) or a successor system leasing and cost data adjusted by an inflation factor set by HUD and by making any adjustments for costs associated with the first-time renewal of vouchers.

ACC Caps

The House bill leaves in language limiting HAP renewal funding to fund a total number of units at or under the Annual Contributions Contract (ACC) unit caps, except for MTW agencies, which would be governed by their contracts or by the MTW demonstration.

The House bill, unlike the President's proposed budget, does include language (currently in the enacted FY 2026 budget) that would allow PHAs to exceed their ACC caps on a temporary basis to facilitate transitioning emergency housing vouchers to the regular program. Nonetheless, any leasing above the ACC level that an EHV family causes will not be factored into renewal funding authority.

Proration Authority

The House bill states that HUD has the authority to prorate each PHA's renewal allocation. Housing agencies in the MTW demonstration program will be funded in accordance with the MTW demonstration or their MTW agreement, if any, and will be subject to the same pro rata adjustments.

Notification Provisions

The House bill includes language stating that HUD must notify PHAs of their annual budgets by the later of March 1, 2027, or 60 days after enactment, though HUD may extend this notification period after the Congressional appropriations committees are notified at least 10 business days in advance. This language is usually included in any budget bill passed by Congress.

Offset Authority

The House bill authorizes HUD to offset PHAs' calendar year (CY) 2027 allocations based on the excess amounts of PHAs' net restricted assets accounts, including HUD-held programmatic reserves (in accordance with VMS or a successor system data in calendar year 2026 that is verifiable and complete).

Offsets Can Not Cause Shortfall

The House bill includes language stating that HUD may not offset a PHA's renewal funding if it would result in the PHA being put in a shortfall position in calendar year 2027.

MTW Offset Authority

The House bill specifies that the housing agencies in the Moving to Work (MTW) Demonstration shall be subject to a statutory offset as determined by HUD.

The House bill includes language limiting the scope of offsets for MTW agencies (currently they are limited to amounts beyond 4 months of operating expenses). It keeps language allowing at least 60 days for MTW agencies to file an appeal for offsets that impact too much funding (i.e., they offset amounts committed to capital improvements, developments or other repositioning activities).

Use of Unobligated Balances

The House bill includes language allowing the Department to utilize unobligated balances, including recaptures and carryover, remaining from tenant-based rental assistance amounts made available under prior Acts despite the purpose for which they were made to prevent the termination of rental assistance for families as a result of insufficient funding and to avoid or reduce the proration for renewal funding.

EHV Waiver Authority

The House bill would allow HUD to waive or specify alternative requirements around PHA plans or voucher requirements or any regulation applicable to waiting lists, local preferences, portability, public housing agency plans, and public hearing requirements to expedite the transition of residents from EHVs to the general HCV program.

HAP Set-Aside Funds

The House bill, like the President's proposed budget, proposes to obligate $200 million for HAP set-aside funding. This would be a $200 million reduction from the FY 2026 enacted level. The set-aside funds would be used (A) for vouchers that were not in use during the previous 12-month period in order to be available to meet project-based voucher commitments or an adjustment for a funding obligation not yet expended for a MTW-eligible activity to develop affordable housing; (B) for adjustments for costs associated with HUD-VASH; and (C) for public housing agencies that, despite taking reasonable cost savings measures, as determined by HUD, would otherwise be required to terminate rental assistance for families as a result of insufficient funding.

The House bill would remove the following categories from being funded through set-aside funds: (1) for PHAs that experience a significant increase in renewal costs of vouchers resulting from unforeseen circumstances or from portability; (2) for adjustments in allocations for PHAs in high-cost areas that are not MTW agencies; (3) for withheld payments in the previous year that were subsequently made related to the correction of inspection deficiencies; (4) for PHAs that have experienced increased costs or loss of units in Presidentially-declared emergency areas; and (5) for costs associated with mainstream vouchers. The Department would allocate these funds based on need.

Tenant Protection Vouchers

The House bill allocates $300 million for new Tenant Protection Vouchers (TPVs). This amount would be a $301 million reduction from the FY 2026 enacted amount and the same as the President's proposed budget. The House bill would allow TPVs to be used for the following: (1) relocation and replacement of public housing units that are demolished or disposed; (2) conversions of section 23 projects; (3) witness relocation; (4) enhanced vouchers; (5) Choice Neighborhoods vouchers; (6) mandatory and voluntary conversion of public housing; and (7) tenant protection assistance including replacement and relocation assistance or project-based assistance for elderly residents of certain properties formerly assisted under section 202.

The House bill states that when a public housing development is submitted for demolition or disposition, HUD may provide rental assistance when the units pose an imminent health and safety risk. Additionally, TPVs may also be used to assist families under a project-based rental assistance contract, where the owner has received a notice of default and the units pose an imminent health and safety risk to residents. The House bill also includes a $5 million set-aside for residents residing in low-vacancy areas who may have to pay rents greater than 30% of household income for certain reasons like the maturity of certain loans or the expiration of certain contracts or affordability restrictions. Vouchers issued under previous rationale may be enhanced vouchers or regular vouchers.

The House bill states that these TPVs sunset ". . . when the initial family that received any such voucher no longer receives such voucher, and the authority for any [PHA] to issue any such voucher shall cease to exist." The House bill does allow for TPVs to serve as replacement vouchers when defined by HUD. The Department may only provide replacement vouchers for units that were occupied within the previous 12 months that are no longer available as assisted housing. In FY 2026, TPVs could provide replacement vouchers for units that were occupied in the prior 24 months.

Unlike the President's proposed budget, the House bill includes language currently in the FY 2026 enacted budget that allows TPV funding to be used for emergency housing voucher families.

The House bill does not include language from the President's proposed budget that would allow HUD to repurpose TPV funds to utilize them to prevent termination of "rental assistance for families" as a result of insufficient funding and to avoid or reduce the proration of renewal funding allocations.

Administrative Fees

The House bill would allocate $2.3 billion for administrative fees ($2.27 billion for ongoing administrative fees and $30 million for additional administrative fees). This would be $536 million less than the FY 2026 enacted amount and $651 million less than the President's proposed budget. Based on HUD's numbers this would be a 70% proration and based on NAHRO's estimate this would be a 61% proration. The Department's numbers are based on the President's proposed budget estimated prorations, while NAHRO's numbers are based on its recommendations.

The House bill continues to instruct HUD to use the current administrative fee formula. It also gives HUD the ability to prorate the administrative fee and utilize unobligated balances to increase the proration, except for unobligated special purpose voucher funding. MTW agencies must be funded according to the terms of their contracts or the requirements of the MTW demonstration, though they will also be subject to any administrative fee proration. The administrative fee may only be used for "activities related to the provision of tenant-based rental assistance including related development activities."

The House bill states that the $30 million in additional administrative fees include fees associated with tenant protection rental assistance, HUD-VASH, and other special purpose incremental vouchers. The House bill, like the President's proposed budget, removes language allowing these additional administrative fees to be used for disaster-related vouchers. These fees would be available to PHAs that need additional funding to administer their HCV program.

Mainstream Vouchers

Like the FY 2026 enacted budget and the President's proposed budget, the House bill has combined this account with the HAP renewals and administrative fee accounts.

HUD-VASH

The House bill, like the President's proposed budget, does not request any funding for new HUD-

VASH vouchers. This is a reduction of $15 million from the FY 2026 enacted amount.

Family Unification Program (FUP) and Foster Youth to Independence (FYI)

The House bill, like the President's proposed budget, includes $30 million in funding for new FUP/FYI vouchers. This is the same amount as the FY 2026 enacted amount. The bill would name the FYI program the "Melania Trump Foster Youth to Independence Initiative" for FY 2027 and notes that FYI vouchers will be available to PHAs that partner with public child welfare agencies on a non-competitive basis. The Department would review utilization for this assistance and recapture unutilized FYI voucher assistance. Any FUP assistance that was previously made available on a competitive basis would be reviewed by HUD to see whether it is being utilized and would be recaptured and reallocated for the same program.

The House bill would require the Department to separately track all special purpose vouchers and provide timely updates on budget, utilization, spending and leasing trends for all vouchers on the voucher data dashboard.

Other Housing Choice Voucher Policy Provisions

Student Rule

The House bill, like the President's proposed budget, would keep the updated language in the FY 2026 enacted budget. For the purposes of calculating student financial aid in the Housing Choice Voucher program, the calculation is now the same as Public Housing. The language retains the provision that states eligibility restrictions on certain students receiving Section 8 funding.

Work Requirements and Term Limits

Unlike the President's proposed budget, the House bill does not include a mandatory work requirements and term limits provision.

Mainstream and FUP/FYI Waiver Authority

The House bill, like the President's proposed budget, would give HUD the authority to waive or issue alternative requirements upon a finding that it is necessary for the effective delivery and administration for new or renewal Mainstream or FUP/FYI vouchers. The waivers or alternative requirements must relate to provisions related to the administration of waiting lists, local preferences, and the initial term and extensions of tenant-based vouchers. The waiver authority does not extend to tenant rights and protections, rent setting, fair housing, non-discrimination, labor standards and the environment. The House bill would remove waiver authority related to the timing of referral of youth leaving foster care that is currently enacted in the FY 2026 enacted budget.

Self-Sufficiency Programs

The House bill also includes policy provisions allowing forgone rent increases from the Jobs-Plus initiative to be factored into a PHA's eligibility for public housing funding, RAD-converted project-based rental assistance funding, or HCV funding.

PHA Performance Metrics

The House bill, like the President's proposed budget, includes a policy provision that would require housing agencies to enter into a "recovery agreement," if the agency did the following:

- Received a Public Housing Assessment System (PHAS) designation of substandard on its most recent PHAS assessment;
- Received a Section 8 Management Assessment Program (SEMAP) score of 70% and below or received two out of three years of shortfall funding; or
- Have ongoing compliance deficiencies that materially impede effective housing choice voucher (HCV) performance.

Housing agencies that fail to execute the agreement or meet its requirements would be referred to HUD for "progressive remedial action" including a determination of "substantial default" after determining the agency's attempts to comply.

Rental Assistance Demonstration

The House bill, like the President's proposed budget, would remove the Rental Assistance Demonstration unit cap.

FY 2026 Enacted Budget HCV-related Policy Provisions Removed

The House bill, like the President's proposed budget, would remove certain policy provisions that are currently in effect in the enacted FY 2026 budget. The House bill does not include a requirement that HUD follow its own regulations with respect to rulemaking and provide at least 60 days for the submission of written comments in rulemaking. Finally, this bill does not include a provision banning housing agencies from issuing new vouchers.

Project-Based Rental Assistance (PBRA)

The House bill allocates $18.975 billion for the Project-Based Rental Assistance account. This is $432 million more than the previously enacted amount. Of this amount, up to $400 million is available for performance-based contract administrators for project-based assistance.

Operating Cost Adjustment Factors (OCAFs) Limited

The House bill would give HUD the ability to limit rent adjustments to a maximum of 3% for Section 202, Section 811, Section 101, Section 236(f)(2), Project-Based Rental Assistance, Moderate Rehabilitation, and Moderate Rehabilitation Single Room Occupancy programs. This could allow HUD to choose not to give these properties OCAF adjustments in the coming years.

Performance-Based Contract Administrators (PBCA)

The House bill does not propose changes to the current PBCA structure.

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Community Development

Community Development Fund (CDF)

The House bill proposes $5.852 billion for the CDF. This would be a decrease of more than $1.1 billion compared to FY 2026 enacted, but more than the President's proposed budget, which seeks to eliminate funding entirely. In an important win, the House bill proposes exempting FY 2027 and prior-year funding for CDF from Build America, Buy America (BABA) requirements.

Community Development Block Grant (CDBG)

The CDBG program would receive $3.3 billion, which is level with FY 2026 enacted and every year since FY 2022 enacted.

Economic Development Initiative (EDI)

The House bill would continue funding the Economic Development Initiative (EDI). The bill would provide approximately $2.522 billion in the account to go towards earmarks for "Community Project Funding," which may include administrative, planning, operations, maintenance, and other costs. This is $1.093 billion less than FY 2026 enacted.

Recovery Housing Program (RHP)

The House bill would fund the RHP program, authorized under the Support for Patients and Communities Act (SUPPORT), at $30 million – level with FY 2026 enacted. This includes activities related to substance use-disorder prevention related to opioid recovery and treatment.

Pathways to Removing Obstacles to Housing (PRO Housing)

The House bill does not include funding for PRO Housing, which is a $50 million cut from FY 2026 enacted. This program is a competitive grant program with the goal of identifying and removing barriers to affordable housing production and preservation.

HOME Investment Partnerships Program (HOME)

The House bill would provide $500 million for the HOME program. This is $750 less than FY 2026 enacted, but more than the President's proposed budget which proposed eliminating funding entirely. The HOME program is a key contributor in boosting housing supply and completing affordable housing projects nationwide.

The House bill would also exempt FY 2027 and prior-year funding for HOME from Build America, Buy America (BABA) requirements.

Preservation and Reinvestment Initiative for Community Enhancement (PRICE)

The House bill, like the President's proposed budget and FY 2026 enacted would not fund the program. In FY 2026 enacted, no funding was appropriated for the program, however, funds have carried over. PRICE focuses on preserving and revitalizing manufactured housing and eligible manufactured housing communities.

Self-Help and Assisted Homeownership Opportunity Program (SHOP)

The House bill would provide $60 million to the SHOP account, which is $5 million less than FY 2026 enacted but $44 million more than the President's proposed budget.

Self Help Homeownership Opportunity Program

The House bill would provide $12 million to the SHOP program as authorized under Section 11. The bill would also exempt FY 2027 and prior-year funding for the SHOP program from Build America, Buy America (BABA) requirements.

Section 4 Capacity Building

The House bill would provide $42 million for Capacity Building for Community Development and Affordable Housing (Section 4, which funds technical assistance activities through organizations like Enterprise, Habitat for Humanity and the Local Initiatives Support Corporation).

Rural Capacity Building

The House bill would provide $6 million for rural capacity building. This includes activities such as assessing national rural conditions and providing financing, training, technical assistance, information, and research to local nonprofit organizations, local governments, and Native Tribes serving high-need rural communities.

Homeless Assistance Grants

The House bill would provide $4.160 billion to fund Homeless Assistance Grants program. This is more than President's proposed budget, which only provided funding for the Emergency Solutions Grants (ESG) program at $4.024 billion. The House proposal is less than FY 2026 enacted by $257 million.

Continuum of Care (CoC) and Rural Housing Stability Assistance Programs

The House bill would provide $3.778 billion for the CoC and rural housing stability assistance programs. This is $232 less than FY 2026 enacted. Of the total, $52 million is dedicated for grants for new rapid re-housing projects and supportive service projects to provide coordinated entry, and eligible activities to assist survivors of domestic violence, dating violence, sexual assault, or stalking. The bill would allow grantees to count program income towards meeting their match requirement between fiscal years 2015 through 2027 for the CoC program. The bill would also allow HUD to award one-year transition grants to program grantees that are transitioning from one CoC program component to another.

National Homeless Demonstration Project

The House bill would provide $10 million for the National Homeless Demonstration Project, which would be made available to improve data collection efforts for the Homeless Management Information System (HMIS). This is level with FY 2026 enacted.

Emergency Solutions Grants (ESG)

The House bill would provide $290 million for the ESG program, level with FY 2026 enacted. The program provides funding for street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, administrative activities, and HMIS costs.

Rural Youth Homelessness

The House bill would provide $82 million to implement projects that serve homeless youth, age 24 and under, in up to 25 communities with a priority for communities with substantial rural populations in up to eight locations. Up to $10 million may be used for youth homelessness system improvement grants and or technical assistance. This is less than FY 2026 enacted by $25 million.

Housing Opportunities for Persons with AIDS (HOPWA)

The House bill would provide $529 million for the HOPWA program. This is level with FY 2026 enacted and more than the President's proposed budget, which would eliminate funding.

Section 202 Housing for the Elderly

The House bill requests $1.061 billion for the Section 202 program. This $30 million more than FY 2026 enacted and $102 million more than the President's proposed budget.

Funding would be distributed three ways. Of the total, $122 million would be dedicated for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects.

Operating Cost Adjustment Factors (OCAFs)

The House bill would give HUD the ability to limit rent adjustments to a maximum of 3% for Section 202 rents. This could allow HUD to choose not to give these properties OCAF adjustments in the coming years.

Section 811 Housing for Persons with Disabilities

The House bill requests $295 million for the Section 811 program, $29 million more than President's proposed budget and $8 million more than FY 2026 enacted.

Operating Cost Adjustment Factors (OCAFs)

The House bill proposes giving HUD the ability to limit rent adjustments to a maximum of 3% for Section 811 rents. This could allow HUD to choose not to give these properties OCAF adjustments in the coming years.

Section 108 Community Development Loan Guarantee Program

The House bill would provide $300 million for the Section 108 Community Development Loan Guarantee Program. This is level with FY 2026 enacted and more than the President's proposed budget, which seeks to eliminate funding. The program provides federal guarantees for private loans for communities and gives grantees of the CDBG program the ability to leverage their annual grant allocation with a loan to undertake large community and economic development projects.

Performance Report 2026

COUNTY HOUSING
THE HOUSING AUTHORITY of ST. LOUIS COUNTY

4 Housing Authorities serving St. Louis County

- County Housing — 333 Units
- Hillsdale Housing — 22 Units
- Olivette Housing — 14 Units
- Pagedale Housing — 81 Units

Leadership in Action

Our Mission:

Is to provide decent, safe, and affordable housing; ensure equal housing opportunity; promote self-sufficiency; and improve the quality of life and economic vitality of low- and moderate-income families.

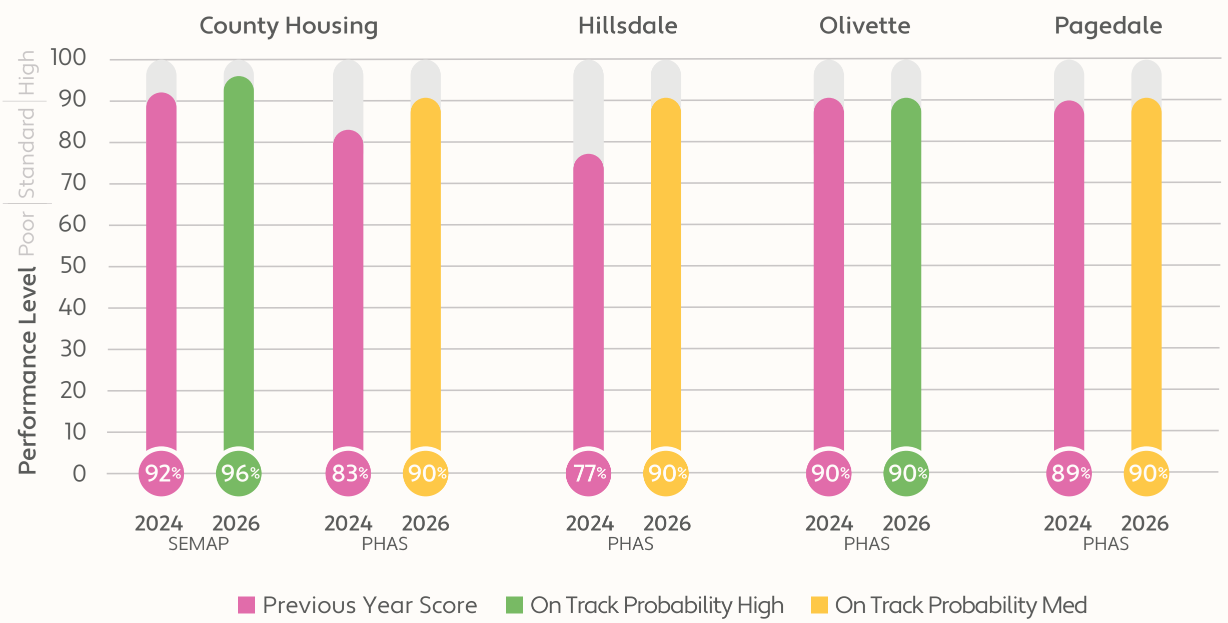
3 vital programs

HCV	Housing Choice Voucher Program
PH	Public Housing
LIHTC	Low-Income Housing Tax Credit

PHAS & SEMAP Scores

Why it matters

Each Housing Authority's PHAS and SEMAP scores communicate how well the agency is performing, impacts the amount of HUD funding it receives for the fiscal year, and determines the frequency of HUD public housing inspections.



Building the Future

Affordable Housing Program

Peace Place Apartments will house 52 senior units, Arbor Hill Apartments includes 68 family units, and Rothwell Place will house 46 senior & family units

County Housing continues to advance affordable housing initiatives with developments such as **Peace Place Apartments, Arbor Hill Apartments, and Rothwell Place**. These projects provide safe, modern, and affordable homes for families and individuals, addressing both current and future housing needs. Each development incorporates thoughtful design, community amenities, and sustainable practices, ensuring residents have access to quality living spaces that support their overall well-being. By investing in these projects, we are strengthening neighborhoods and expanding housing options for those who need them most.

Landlords and Landlord Incentives

2,130: Total number of landlords
$100,000 allocated to the newly launched Landlord Incentives Program

Strong partnerships with landlords are critical to expanding housing opportunities for our participants. County Housing offers a variety of landlord incentives, including prompt and reliable payments, responsive support, and program guidance. These incentives encourage participation in our housing programs, help maintain high-quality rental units, and foster positive relationships between landlords and residents. Our ongoing engagement ensures landlords are recognized and supported as key partners in creating stable housing solutions.

Access to Opportunity

9 total partners

County Housing remains committed to connecting residents with opportunities that support long-term success. Through targeted programs, partnerships with local organizations, and initiatives focused on education, workforce development, and financial literacy, we are helping residents achieve stability and upward mobility. By improving access to resources and support services, we are empowering families to thrive in their communities.

Community Partnerships

CAASTLC – Community Action Agency of St. Louis County, Inc.
HEAT UP ST LOUIS.ORG
Kathy J. Weinman Shelter
ywca Metro St. Louis
Foodbank – St. Louis Area Foodbank
URBAN LEAGUE of Metropolitan Saint Louis, Inc. – EMPOWERING COMMUNITIES. CHANGING LIVES.
RxOutreach – America's Nonprofit Pharmacy
St. Louis County Job Center
St. Louis County Library

Resident Engagement

Over the reporting period, we continued to prioritize meaningful engagement with residents across our communities. Initiatives included regular community meetings, surveys, and events designed to encourage participation and feedback.

MEMORANDUM

To:	County Housing Board of Commissioners
Through:	Shannon Koenig, Executive Director and CEO
From:	Benjamin C. Washington, Chief Financial Officer
Date:	September 8, 2026
Subject:	*Financial Summary*

This memo provides a narrative explanation of the financial reports for the period ending June 30, 2026.

I. Recommendation

Staff recommend the Board approve the financial statements and accompanying narrative, as prepared.

II. Highlights

A. Revenue

The total YTD actual operating revenue of $46,361,356 exceeded the total YTD budget revenue of $37,344,766 by $9,016,590 or 24%.

- Total Voucher Grants contributed $5.7 million to the favorable variance. Specifically, the Housing Choice Voucher (HCV) Housing Assistance Payment (HAP) revenues exceeded the budget due to HUD-held reserve requests.
- Total Capital Grants contributed $2.8 million to the favorable variance due to the drawdown of soft costs dollars.

B. Expense

Total YTD actual operating expenses of $40,811,916 exceeded the total YTD budget expenses of $36,724,446 by $4,087,470, or 11%.

- Total HCV rents and utility reimbursements were higher than budgeted by $4,421,070 due primarily to the HUD-implemented initiative, Small Area Fair Market Rents (SAFMRs). County Housing is required to pay market-rate rents in the applicable zip code areas. Additionally, County Housing abides by its "Hold Harmless Policy" to pay higher rents to keep tenants stable in their current housing when the market-rate rent payment decreases for the landlord. County Housing provides the gap funding.
- Total Occupancy expenses had a favorable budget variance of $47,014 due primarily to timing issues related to utilities, materials, tenant services expenses and other occupancy expenses.

- Total Other General expenses had a favorable budget variance of $199,221 due primarily to timing issues related to insurance, other fees, telephone, and technology costs, and internal charges.

C. Net Income

The total net operating income is $5,549,439 before depreciation of $241,795, resulting in a bottom-line of $5,307,644.

D. Cash

- As of June 30, 2026, the adjusted cash balance in the USB Agency Disbursing operating bank account was $664,886, which was unrestricted.
- As of June 30, 2026, the adjusted cash balance in the HCV operating bank account was $3,562,117. The total HAP and administrative fees received were $7,391,097. The total HAP expenses were $6,742,507.

III. Attachments

A. Budgeted Income Statement
B. Cash Report

Housing Authority of St. Louis County

Budgeted Income Statement

SUMMARY - ALL

As of June 30, 2026

	Entity Wide			COCC			AMP's			HCV - ALL			BA		
	YTD Actual	**YTD Budget**	**Variance**	**YTD Actual**	**YTD Budget**	**Variance**	**YTD Actual**	**YTD Budget**	**Variance**	**YTD Actual**	**YTD Budget**	**Variance**	**YTD Actual**	**YTD Budget**	**Variance**
OPERATING ITEMS															
4099-00-940 Total Voucher Grants	40,330,396	34,594,114	5,736,282	-	-	-	-	-	-	40,330,396	34,594,114	5,736,282	-	-	-
4199-00-940 Total Operating Subsidy	678,243	521,007	157,236	-	-	-	678,243	521,007	157,236	-	-	-	-	-	-
4299-00-940 Total Capital Grants	3,210,504	399,669	2,810,835	-	-	-	3,210,504	399,669	2,810,835	-	-	-	-	-	-
4399-00-940 Total Tenant Charges	187,707	553,422	(365,715)	-	-	-	179,877	465,714	(285,838)	-	1,830	(1,830)	7,830	85,878	(78,048)
4499-00-940 Total Fraud Recovery	-	17,250	(17,250)	-	-	-	-	-	-	-	17,250	(17,250)	-	-	-
4599-00-250 Total Investment Income	58,869	61,043	(2,174)	837	770	67	100	135	(35)	2,176	2,020	157	55,756	58,119	(2,363)
4699-00-950 Total Miscellaneous Other Income	918,317	166,703	751,614	45,511	105,114	(59,602)	(299)	13,595	(13,894)	339,268	33,764	305,504	533,837	14,231	519,606
4997-00-950 Total Internal Income	977,320	1,031,558	(54,237)	977,320	1,031,558	(54,237)	-	-	-	-	-	-	-	-	-
Total Income	**46,361,356**	**37,344,766**	**9,016,590**	**1,023,668**	**1,137,441**	**(113,773)**	**4,068,425**	**1,400,120**	**2,668,305**	**40,671,840**	**34,648,977**	**6,022,863**	**597,423**	**158,228**	**439,195**
5999-00-940 Total Rents and Utility Reimbursements	35,744,429	31,312,344	4,432,085	-	-	-	37,593	26,577	11,016	35,706,836	31,285,766	4,421,070	-	-	-
6299-00-940 Total Salaries	1,863,162	1,852,180	10,983	549,128	474,836	74,292	238,755	223,562	15,193	1,063,499	1,139,002	(75,503)	11,780	14,780	(3,000)
6599-00-940 Total Benefits and Taxes	450,865	539,392	(88,527)	135,783	115,558	20,225	53,052	74,169	(21,117)	260,008	346,026	(86,018)	2,021	3,639	(1,617)
6699-00-940 Total Other Employee Costs	60	825	(765)	60	825	(765)	-	-	-	-	-	-	-	-	-
6799-00-940 Total Training, Seminars, Conferences	15,849	35,920	(20,071)	15,446	4,851	10,596	24	3,881	(3,857)	359	23,955	(23,596)	20	3,234	(3,214)
Total Admin Expenses	38,074,365	33,740,660	4,333,705	700,417	596,070	104,348	329,424	328,189	1,235	37,030,702	32,794,749	4,235,953	13,821	21,653	(7,831)
7099-00-950 Total Utilities	227,495	241,320	(13,825)	31,648	27,366	4,283	187,841	210,705	(22,864)	-	-	-	8,006	3,250	4,756
7199-00-950 Total Materials	56,937	105,997	(49,060)	5,172	2,388	2,783	51,558	103,609	(52,051)	-	-	-	207	-	207
7299-00-950 Total Contract Costs	341,078	288,819	52,258	13,956	20,055	(6,099)	299,181	220,425	78,757	-	34,440	(34,440)	27,940	13,900	14,040
7399-00-950 Total Tenant Services Expense	36,537	55,982	(19,445)	-	-	-	3,889	461	3,428	32,648	55,521	(22,874)	-	-	-
7499-00-950 Total Other Maintenance Expenses	12,596	1,625	10,971	4,112	375	3,737	7,744	1,000	6,744	740	250	490	-	-	-
7599-00-950 Total Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7699-00-950 Total Other Occupancy Expenses	54,633	82,546	(27,913)	7,664	9,315	(1,651)	21,498	32,245	(10,746)	22,908	34,776	(11,868)	2,563	6,210	(3,647)
Total Occupancy Expenses	729,276	776,290	(47,014)	62,552	59,499	3,053	571,711	568,443	3,268	56,296	124,988	(68,692)	38,717	23,360	15,357
8099-00-950 Total Insurance	192,261	317,766	(125,505)	52,697	72,951	(20,254)	88,026	201,245	(113,219)	45,457	39,385	6,072	6,082	4,186	1,896
8199-00-950 Total Outside Services	178,372	137,685	40,687	51,518	22,207	29,311	15,757	17,766	(2,009)	32,328	82,907	(50,579)	78,769	14,805	63,964
8299-00-950 Total Professional Fees	230,973	202,865	28,107	62,022	32,693	29,330	30,145	26,154	3,991	118,557	122,224	(3,667)	20,248	21,795	(1,547)
8399-00-950 Total Other Fees	56,862	94,056	(37,194)	33,350	20,496	12,854	6,689	2,441	4,248	16,691	70,789	(54,098)	132	330	(198)
8499-00-950 Total Telephone and Technology	249,764	273,750	(23,986)	45,349	44,362	987	25,682	35,704	(10,022)	172,109	164,337	7,771	6,624	29,346	(22,722)
8599-00-950 Total Other Administrative Expenses	121,822	56,374	65,448	55,420	-	55,420	22,672	10,414	12,258	43,730	39,015	4,715	-	6,945	(6,945)
8996-00-950 Total Internal Charges	978,220	1,125,000	(146,780)	-	-	-	96,017	136,270	(40,253)	881,303	988,729	(107,426)	900	-	900
Total Other General Expenses	2,008,275	2,207,496	(199,221)	300,357	192,709	107,648	284,988	429,994	(145,006)	1,310,175	1,507,386	(197,211)	112,756	77,407	35,348
Total Expenses	**40,811,916**	**36,724,446**	**4,087,470**	**1,063,326**	**848,277**	**215,049**	**1,186,124**	**1,326,627**	**(140,503)**	**38,397,173**	**34,427,123**	**3,970,050**	**165,293**	**122,420**	**42,874**
Total Operating Income (Loss)	**5,549,439**	**620,320**	**4,929,120**	**(39,658)**	**289,164**	**(328,822)**	**2,882,301**	**73,493**	**2,808,808**	**2,274,667**	**221,855**	**2,052,813**	**432,130**	**35,808**	**396,321**
NON-OPERATING ITEMS															
Investment Gain/ Loss on Treasury Strips	-	-	-	-	-		-	-		-	-		-	-	-
9099-00-930 Total Depreciation Expense	(241,795)	(147,097)	(94,698)	(8,825)	(6,000)	(2,825)	(200,012)	(116,135)	(83,878)	(8,005)	-	(8,005)	(24,954)	(24,963)	9
Total Non- Operating Items	**(241,795)**	**(147,097)**	**(94,698)**	**(8,825)**	**(6,000)**	**(2,825)**	**(200,012)**	**(116,135)**	**(83,878)**	**(8,005)**	**-**	**(8,005)**	**(24,954)**	**(24,963)**	**9**
Net Income (Loss)	**5,307,644**	**473,223**	**4,834,421**	**(48,483)**	**283,164**	**(331,646)**	**2,682,289**	**(42,641)**	**2,724,930**	**2,266,662**	**221,855**	**2,044,808**	**407,176**	**10,846**	**396,330**

St. Louis County Housing Authority
Cash Report
June 2026

		USB Agency Disbursing
BEGINNING BANK CASH BALANCE 6/1/2026	**$**	**677,355**
ADD:		
Tenant Rent	$	0
CFP	$	0
FSS Deposits	$	0
Other Deposits	$	79,141
HAP Income	$	0
Operating Subsidy / Admin Fee	$	105,395
Interest	$	171
Transfer	$	394,990
Treasury Strips	$	0
TOTAL DEPOSITS	**$**	**579,696**
LESS:		
Other Transfers	$	(596)
Checks	$	(73,921)
Payroll/Payroll Benefits Payment	$	(337,444)
HAP payments	$	0
Withdraws/Other Deductions	$	(41,267)
Operating Subsidy Out	$	(57,622)
Treasury Strips	$	0
TOTAL PAYMENTS	**$**	**(510,850)**
ENDING BANK CASH BALANCE 6/30/2026	**$**	**746,201**

Ending Bank Balance 6/30/2026	$	746,201
Outstanding Checks	$	(83,778)
Deposits in Transit	$	2,213
Other Items	$	250
Adjusted Bank Balance 6/30/2026	**$**	**664,886**
Unrestricted Cash	$	664,886
Restricted Cash - April HAP and Admin	$	0
Security Deposit Cash	$	0
Restricted Cash	$	0
	$	**664,886**

MEMORANDUM

To: County Housing Board of Commissioners

Through: Shannon Koenig, Executive Director and CEO

From: Benjamin C. Washington, Chief Financial Officer

Date: September 8, 2026

Subject: *Resolution No. 1467, Write-Offs of Uncollectable Rents*

Attached are the write-offs for uncollectable rents for the period ending Jun 30, 2026.

I. Recommendation
Staff recommend the Board approve write-offs through the end of June 2026.

COUNTY HOUSING
THE HOUSING AUTHORITY of ST. LOUIS COUNTY

8865 Natural Bridge | P.O. Box 23886
St. Louis, MO 63121
(314) 428-3200 | Fax: (314) 949-7585
Hearing Impaired: 711 or (800) 735-2966

RESOLUTION NO. 1467

AUTHORIZING QUARTERLY WRITE-OFF OF UNCOLLECTABLE RENTS
September 08, 2026

WHEREAS, the Executive Director has reported that continued unsuccessful attempts have been made to collect delinquent payments from former tenant(s) of the Housing Authority of St. Louis County; and

WHEREAS, it has been determined by the Board of Commissioners that after unsuccessful efforts to collect the delinquent payments from said former tenant, said payments in the total amount of $5,599.50 uncollectable and should be written off the books of the Housing Authority of St. Louis County.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of St. Louis County, that the following payments are uncollectable and should be written off the books of said Authority.

Project	Tenant's Number	Total Balance Due
MO-001	t0046982	$5,542.50
Villa/Fee Fee	t0052663	$57.00
	Total:	$5,599.50

Chair

Secretary

Date

MEMORANDUM

To: County Housing Board of Commissioners

Through: Shannon Koenig, Executive Director and CEO

From: Kawanna Tate, Director, Housing Administration

Date: September 8, 2026

Subject: *Public Housing Performance*

This memo describes recent public housing activities within the framework of the Public Housing Assessment System.

I. PASS – projected 35/40 points

The purpose of PASS is to determine whether public housing units are decent, safe, sanitary and in good repair, and to determine the level to which the PHA is maintaining its public housing in accordance with housing condition standards.

A. Maintenance Activity

The maintenance team completed 280 work orders from May to August and rehabilitated 19 vacant units at Highview, Fee Fee Manor, and Villa Lago. Eighteen additional rehabilitations are in progress.

B. NSPIRE Inspection

We have had two HUD NSPIRE inspections over the past two months. Highview Homes inspection was conducted on July 16, 2026. HUD issued a score of 92. Fee Fee Manor and Villa Lago inspection was conducted on July 20, 2026. HUD issued a score of 95. Arbor Hill will have an inspection on September 18, 2026.

II. MASS – projected 9/25 points

The purpose of the management operations indicator is to assess the AMP's and PHA's management operations capabilities.

Sub-Indicator	Performance	Points
Occupancy	78.1%	0/16
Accounts Payable Ratio	---	4/4
Tenant Accounts Receivable	---	5/5
Projected Points		**9/25**

III. FASS – projected 10.70/25 points

The purpose of the financial condition indicator is to measure the financial condition of each public housing project. The reporting period is through June 30, 2026.

Housing Authority	QR	MENAR	DSCR	*Projected Points
County	4/12	6.70/11	2/2	**10.70**

*Score is weighted

Quick Ratio (QR) – Measures liquidity and current assets. The maximum points assigned for this sub-indicator is 12 points.

Months Expendable Net Ratio (MENAR) – Measures the adequacy of the financial reserves by determining the number of months of operation using the net available resources. The maximum points assigned for this sub-indicator is 11 points.

Debt Service Coverage Ratio (DSCR) – Measures capacity to cover debt obligations through the ability to meet regular debt obligations. The maximum points assigned for this sub-indicator is 2 points.

IV. CFP - 10/10 projected points

The purpose of the Capital Fund program assessment is to identify how long it takes a PHA to obligate the funds provided to it from the Capital Fund program.

A. Capital Grant Fund Progress

Grant Year	Amount	Obligated	Expended	Deadline to expend
2019	$1,120,718	100%	100%	4/15/25
2020	$1,650,401	100%	100%	3/25/26
2021	$1,726,055	100%	100%	2/22/25
2022	$1,732,441	100%	100%	5/11/26
2023	$1,741,259	100%	50%	2/16/27
2024	$1,614,796	100%	40%	5/5/28
2025	$940,397	35%	35%	5/12/29

B. Project Updates

Completed projects include appliance replacements at Highview, Meacham, South County, and North County.

Projects currently in progress include bathroom renovations at Fee Fee and floor tile replacement at South County.

Scheduled projects include common hallway floor tile replacement and painting at Fee Fee, as well as kitchen renovations at South County.

V. Projected Overall PHAS Score

PASS – 35/40 points
MASS – 9/25 points
FASS – 10.70/25 points
CFP – 10/10 points

Total 64.70 – *Sub-Standard Performer*

VI. Occupancy Alignment

There were no moves in June or July.

In August, one resident from another housing authority moved from a two bedroom to a one bedroom in County Housing. One County Housing resident will move off the program.

Five residents remain to be relocated across the County Housing managed portfolio. We are currently pulling from all waitlists that County Housing manages.

MEMORANDUM

To: County Housing Authority Board of Commissioners

From: Shannon Koenig, Executive Director and CEO

Date: September 8, 2026

Subject: *Annual PHA Plan (2027) and Certification of Compliance*

This memo provides an overview of the County Housing Authority 2027 Annual PHA Plan requirements.

I. Recommendation

Staff recommend that the Board review County Housing's Annual PHA Plan (2027) and authorize the Board Chair to sign the Certification of Compliance with the PHA Plans and Related Regulations.

II. Overview

The Annual PHA Plan is a HUD-required document that details a housing authority's policies, programs, and strategies for meeting local housing needs and goals. County Housing's Annual PHA Plan (2027) describes the updates made to the organization's policies and planned activities for the upcoming fiscal year.

III. Submission Requirements

As a requirement of the Annual Plan submission, the board chair must sign the Certification of Compliance with PHA Plans and Related Regulations. Once the Annual PHA Plan is approved by the board, it will be submitted to HUD for review and approval.

IV. Attachments

A. County Housing's 2027 Annual PHA Plan
B. Certification of Compliance with the PHA Plans and Related Regulations

Annual PHA Plan *(Standard PHAs and Troubled PHAs)*	**U.S. Department of Housing and Urban Development Office of Public and Indian Housing**	**OMB No. 2577-0226 Expires: 03/31/2024**

Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. The Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

(1) ***High-Performer PHA*** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
(2) ***Small PHA*** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
(3) ***Housing Choice Voucher (HCV) Only PHA*** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
(4) ***Standard PHA*** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
(5) ***Troubled PHA*** **-** A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
(6) ***Qualified PHA*** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A. PHA Information.

A.1

PHA Name: Housing Authority of St. Louis County / "County Housing" **PHA Code**: MO-004
PHA Type: ☒ Standard PHA ☐ Troubled PHA
PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2027
PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)
Number of Public Housing (PH) Units 309 **Number of Housing Choice Vouchers (HCVs)** 6,516 **Total Combined Units/Vouchers** 6,825
PHA Plan Submission Type: ☒ Annual Submission ☐ Revised Annual Submission

Availability of Information. PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.

The Draft 2026 PHA Annual Plan is available for viewing at the following locations:

PHA Main Administrative Office
8865 Natural Bridge Road
St. Louis, MO 63121

PHA Site Management Office Arbor Hill
133 Grape Avenue
Maryland Heights, MO 63043

PHA Site Management Office Highview
2876 West Pasture
St. Louis, MO 63114

Housing Authority of St. Louis County
Website at www.countyhousing.org

☐ **PHA Consortia**: (Check box if submitting a Joint PHA Plan and complete table below)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA:					

B.	Plan Elements

B.1 Revision of Existing PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA?

Y N
☐ ☒ Statement of Housing Needs and Strategy for Addressing Housing Needs
☐ ☒ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
☒ ☐ Financial Resources.
☐ ☒ Rent Determination.
☐ ☒ Operation and Management.
☐ ☒ Grievance Procedures.
☐ ☒ Homeownership Programs.
☐ ☒ Community Service and Self-Sufficiency Programs.
☐ ☒ Safety and Crime Prevention.
☐ ☒ Pet Policy.
☐ ☒ Asset Management.
☐ ☒ Substantial Deviation.
☐ ☒ Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

FINANCIAL RESOURCES

Estimated Annual Contribution by Program - 2027	
Housing Choice Voucher	78,153,300
Mainstream Voucher	2,990,201
Emergency Housing Voucher	676,267
Family Self-Sufficiency	220,000
Operating Subsidy	1,042,013
Capital Funds	799,338
	83,881,119

(c) The PHA must submit its De-concentration Policy for Field Office review.

DE-CONCENTRATION POLICY

County Housing will use greater flexibility to attract households with broader ranges of income. For higher-income families, County Housing will continue to reassess flat rental amounts annually in public housing developments and will continue to offer the choice of flat rent or income-based rent to residents. Other avenues to attract higher-income families being considered by County Housing are changes in waitlist admission preferences, more aggressive marketing of developments, ongoing evaluation of public housing inventory for capital improvements, and support from the Landlord Liaison.

The Landlord Liaison's goal is to connect with current and prospective property owners and landlords for the Housing Choice Voucher (HCV) program. They will attempt to make these connections and refer HCV participants to property owners in high-opportunity areas. They also continue to facilitate educational landlord meetings to attract and inform prospective landlords about the HCV program and its benefits.

County Housing continues to enforce the Community Service and Self-Sufficiency Requirements (CSSR) and Family Self-Sufficiency (FSS) program. The CSSR offers guidance and structure for public housing residents who are required to complete community service or self-sufficiency hours. Continued administration of the FSS program will allow County Housing to offer more direct support to program participants. Both the CSSR and FSS program encourage and support participants in building wealth and gain a better understanding of how to maintain self-sufficiency.

County Housing has also successfully begun establishing partnerships with other service agencies to offer more supportive services and resources to all its service population. These updates, new partnerships, and continued administration of the Family Self-Sufficiency will benefit participants and help deconcentrate poverty.

B.2	New Activities. (a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year? Y N ☐ ☒ Hope VI or Choice Neighborhoods. ☒ ☐ Mixed Finance Modernization or Development. ☒ ☐ Demolition and/or Disposition. ☐ ☒ Designated Housing for Elderly and/or Disabled Families. ☐ ☒ Conversion of Public Housing to Tenant-Based Assistance. ☒ ☐ Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD. ☐ ☒ Occupancy by Over-Income Families. ☐ ☒ Occupancy by Police Officers. ☐ ☒ Non-Smoking Policies. ☒ ☐ Project-Based Vouchers. ☒ ☐ Units with Approved Vacancies for Modernization. ☐ ☒ Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants). (b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan. **MIXED FINANCE MODERNIZATION OR DEVELOPMENT** County Housing has received low-income housing tax credits (LIHTC) for Arbor Hill Apartments as part of its activity for encouraging private equity investment in the development of affordable rental housing for low-income households. County Housing will build 68 new income-restricted housing units. County Housing is also partnering with Peace United Church of Christ to develop affordable senior housing units in Webster Groves. This project will be funded in part with equity from LIHTC, and County Housing is examining the possibility of providing project-based vouchers. This development will further the availability of affordable housing in opportunity areas. County Housing is working with the Olivette Housing Authority to redevelop that authority's existing 14 single family homes. This would be a mixed-finance development utilizing LIHTC. **DEMOLITION AND/OR DISPOSITION** County Housing will submit a demolition/disposition application for the Arbor Hill Apartments. Arbor Hill is comprised of 70 units: 15 one-bedroom units, 35 two-bedroom units, and 20 three-bedroom units. County Housing will submit a demolition/disposition application for the Olivette Housing Authority if the LIHTC application is approved. This housing authority is comprised of 14 single homes. There are four two-bedroom homes and 10 three-bedroom homes. These homes would be replaced by 46 new apartments and townhomes that are a mix of one to five bedroom units. **CONVERSION OF PUBLIC HOUSING TO PROJECT-BASED RENTAL ASSISTANCE OR PROJECT-BASED VOUCHERS UNDER RAD** County Housing is in the process of converting the Arbor Hill Apartments to private ownership under HUD's RAD program, using low-income housing tax credits. County Housing is also working with the Olivette Housing Authority to facilitate the conversation of public housing to project-based rental assistance. County Housing will apply for this redevelopment under HUD's RAD program. **PROJECT-BASED VOUCHERS** County Housing has allocated 186 project-based vouchers to the new Wellington Family Homes development. County Housing will continue to maintain and manage the waiting list for project-based vouchers at Wellington Family Homes. County Housing is also examining the possibility of providing project-based vouchers for the Webster Groves project with Peace United Church of Christ. The project will develop 52 affordable senior housing units in Webster Groves, approximately 48 of which may have project-based assistance. County Housing plans to regularly issue a project-based voucher Request for Proposal (RFP) to begin allocating more project-based vouchers to incentivize an increase in affordable housing in our community. PBVs will be awarded in accordance with the guidelines of the RFPs. **UNITS WITH APPROVED VACANCIES FOR MODERNIZATION** County Housing may take units offline when they need capital fund improvements or general modernization using operating funds.

B.3	**Progress Report.** Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan. <u>Mission</u> The Housing Authority of St. Louis County provides decent, safe, and affordable housing, ensures equal housing opportunity, promotes self-sufficiency, and improves the quality of life and economic vitality for low—and moderate-income families. County Housing pursues these goals by using existing federal programs to the maximum feasible extent, linking with other service providers, and creating new opportunities of its own design. <u>Core Objectives</u> In executing its mission, County Housing adopted three guiding objectives. Regular performance reports communicate to our employees, board members, and external stakeholders how well the agency is performing. A copy of County Housing's current 2026 performance report is attached to this plan.
B.4	**Capital Improvements.** Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved. See 2025-2028 Capital Fund 5-Year Action Plan in EPIC approved by HUD on 4/20/2026.
B.5	**Most Recent Fiscal Year Audit**. (a) Were there any findings in the most recent FY Audit? Y N ☒ ☐ **(b)** If yes, please describe: County Housing received audit findings concerning the Housing Choice Voucher (HCV) program, specifically in the areas of eligibility and waitlist management. Additional findings were identified related to Housing Quality Standards (HQS) inspections. County Housing is actively implementing corrective measures to address these issues. Staff are working diligently to resolve prior deficiencies and establish strengthened quality control processes to prevent future findings.
C.	**Other Document and/or Certification Requirements.**
C.1	**Resident Advisory Board (RAB) Comments.** (a) Did the RAB(s) have comments to the PHA Plan? Y N ☐ ☐ (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.2	**Certification by State or Local Officials.** Form HUD 50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	**Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.** Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed,* must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	**Challenged Elements.** If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public. (a) Did the public challenge any elements of the Plan? Y N ☐ ☐ If yes, include Challenged Elements.

C.5	**Troubled PHA.** (a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A ☐ ☐ ☒ (b) If yes, please describe:
D.	**Affirmatively Furthering Fair Housing (AFFH).**
D.1	**Affirmatively Furthering Fair Housing (AFFH).** **Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.** **Fair Housing Goal:** ***Describe fair housing strategies and actions to achieve the goal*** **Fair Housing Goal:** ***Describe fair housing strategies and actions to achieve the goal*** **Fair Housing Goal:** ***Describe fair housing strategies and actions to achieve the goal***

Civil Rights Certification *(Qualified PHAs)*	**U.S. Department of Housing and Urban Development** Office of Public and Indian Housing **OMB Approval No. 2577-0226** **Expires: 09/30/2027**

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year PHA Plan, hereinafter referred to as "the Plan," of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the fiscal year beginning 01/2027____________________*, in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the submission of the Plan and implementation thereof:*

The PHA certifies that it will carry out the public housing program of the agency in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Title II of the Americans with Disabilities Act (42 U.S.C. 12101 *et seq*.), the Violence Against Women Act (34 U.S.C. § 12291 et seq.), and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Violence Against Women Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. The PHA will affirmatively further fair housing in compliance with the Fair Housing Act, 24 CFR § 5.150 et seq., 24 CFR § 903.7(o), and 24 CFR § 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR § 5.151). Pursuant to 24 CFR § 903.15(c)(2), a PHA's policies are designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. PHA policies include affirmative steps stated in 24 CFR § 903.15(c)(2)(i) and 24 CFR § 903.15(c)(2)(ii). Furthermore, under 24 CFR § 903.7(o), a PHA must submit a civil rights certification with its Annual and 5-year PHA Plans, except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document. The PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

County Housing Authority	MO-004
PHA Name	PHA Number/HA Code

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

Name of Executive Director: Shannon Koenig	Name of Board Chairperson: Lora Gulley
Signature: Date:	Signature: Date:

The information is collected to ensure that PHAs carry out applicable civil rights requirements.

Public reporting burden for this information collection is estimated to average 0.16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to collect the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

MEMORANDUM

To: County Housing Board of Commissioners

Through: Shannon Koenig, Executive Director and CEO

From: William Barry, Director of Inspections, Quality Control, and Capital Programs

Date: September 8, 2026

Subject: *Capital Fund Action Plan*

The Capital Fund Program (CFP) annually provides funds to public housing agencies (PHAs) to develop, finance, and modernize public housing developments and for management activities. By providing financial support for capital improvements, the program helps PHAs address the backlog of repairs, create healthier living environments, and promote the overall well-being of residents in public housing communities.

I. Recommendation

Staff recommend that the Board approve the Capital Fund Action Plan for 2027-2031.

II. 2031 Work Items

A. All County Housing

i. Operations
ii. Administration
iii. Planning

B. Villa Lago

i. Replace wrought iron property fencing
ii. Install eight courtyard lighting fixtures
iii. Replace the siding of six buildings

C. Fee Fee Manor Specific

i. Replace lateral plumbing lines for buildings 166 and 170

D. Highview

i. Replace floor tiles in 10 units
ii. Replace the siding of 10 units
iii. Paint the interiors of 10 units
iv. Replace siding at 10 units

E. Meacham Homes

i. Replace the siding of 28 units
ii. Replace the roof of eight units

III. Attachment

Capital Fund Program Annual Funding

County Housing Authority
Capital Fund Program
$966,727 Annual Funding

New 2031 Work Items and Administrative Funds

All County Housing		
Operations		$241,681
Administration		$96,672
Planning		$10,000
	Subtotal	$348,353
Villa Lago		
Installation of wrought iron fencing		$20,000
Installation of eight courtyard lighting fixtures		$35,000
Replace the siding of six buildings		$150,000
	Subtotal	$205,000
Fee Fee Manor		
Replace the plumbing lateral line at buildings 166 and 170		$35,010
	Subtotal	$35,010
Highview		
Replace the floor tiles in 10 units		$55,000
Replace the siding of 10 units		$50,000
Paint the interiors of 10 units		$25,000
Replace the siding at 10 units (North County Homes)		$70,000
	Subtotal	$130,000
Meacham		
Replace the siding of 28 units		$196,000
Replace the roof of eight units		$52,364
	Subtotal	$248,364
	2031 Total	$966,727

Existing 2030 - 2027 Work Items

2030		
All County Housing		
Operations		$241,681
Administration		$96,672
Planning		$10,000
	Subtotal	$348,353
Both Villa Lago and Fee Fee		
Replace roofs, soffits, and gutters for 11 buildings		$187,115
Replace HVAC system in 10 units		$60,000
Renovate bathrooms in 15 units		$90,000
Renovate kitchens in 15 units		$105,000
	Subtotal	$442,115
Villa Lago		
Replace the lateral plumbing line for 10 buildings		$60,000
	Subtotal	$60,000
Highview		
Replace the rainwater detention pond drainage		$51,000
	Subtotal	$51,000
Highview (South County Homes)		
Replace windows in 10 units		$65,259
	Subtotal	$65,259
	2030 Total	$966,727

2029		
All County Housing		
Operations		$241,681
Administration		$96,672
Planning		$10,000
	Total	$348,353
Both Villa Lago and Fee Fee		
Replace roofs, soffits, and gutters for 11 buildings		$170,000
Replace HVAC system in 10 units		$60,000
Renovate bathrooms in 15 units		$90,000
Renovate kitchens in 15 units		$105,000
	Total	$425,000
Villa Lago		
Replace the lateral plumbing line for five buildings		$60,000
	Total	$60,000
Highview		
Replace the rainwater detention pond drainage		$61,000
	Total	$61,000
Highview (South County Homes)		
Replace windows in five units		$72,374
	Total	$72,374
	2029 Total	$966,727

2028		
All County Housing		
Operations		$241,681
Administration		$96,672
Planning		$10,000
	Total	$348,353
Both Villa Lago and Fee Fee		
Remove and replace aluminum wiring in 120 units and two community buildings		$300,000
	Total	$300,000
Arbor Hill		
Relocation fees for 68 families		$170,000
Demolition and land grading of 11 buildings		$108,374
Office relocation to Fee Fee community building		$20,000
	Total	$298,374
Highview (Scattered Sites South)		
Foundation repairs for two units		$20,000
	Total	$20,000
	2028 Total	$966,727

2027		
All County Housing		
Operations		$241,681
Administration		$96,672
Planning		$10,000
	Total	$348,353
All County Housing		
Replace bathroom exhaust fans		$60,000
Replace carbon monoxide detectors		$40,000
Remove or trim trees and trim vegetation		$40,000
	Total	$140,000
Both Villa Lago and Fee Fee		
Remove and replace of aluminum wiring in 120 units and two community buildings		$200,000
Paint the interiors of 120 units		$120,000
Install vertical blinds in 120 units		$20,000
Villa Lago Specific		
Install security door locks with key card access in three laundry rooms		$5,000

Fee Fee Specific		
Install and fortify storm drainage at 166 Fee Fee		$27,115
	Total	$372,115
Arbor Hill		
Relocation fees for 68 families		$50,000
Demolition and land grading of eleven buildings		$20,000
	Total	$70,000
Highview		
Replace windows in 10 units		$31,259
Highview (Scattered Sites South)		
Replace siding, soffits, and gutters at nine units		$5,000
	Total	$36,259
	2027 Total	$966,727

Existing 2027 - 2031 Administrative and Operation Funds

All County Housing		
Operations		$1,208,405
Administration		$483,360
Planning		$50,000
	2027-2031 Total	$1,741,765

MEMORANDUM

To: County Housing Board of Commissioners

Through: Shannon Koenig, Executive Director and CEO

From: Nicole Alexander, Director, Housing Choice Voucher Program

Date: September 8, 2026

Subject: *Housing Choice Voucher Program Updates*

This memo provides updates from the Housing Choice Voucher program including administration of additional tenant protection vouchers, upcoming training opportunities for the HCV Team, and introduction to a new internal policy within the HCV program.

I. Tenant Protection Vouchers - Santa Ana Apartments

HUD requested that County Housing administer 49 additional Tenant Protection Vouchers (TPVs) for former residents of the Santa Ana Apartment Complex. TPVs are available to households that were previously receiving rental assistance under a HUD contract with a property owner and are displaced when that assistance is terminated. The Santa Ana Apartment Complex was condemned in 2023, resulting in the displacement of residents. Following the condemnation, the required process to transition eligible households to TPV assistance was not completed.

In Spring 2026, HUD asked County Housing to assist by identifying and contacting the 49 former resident households that may be eligible for voucher assistance. County Housing initiated outreach efforts in August 2026 and will provide a 120-day response period to allow former residents an opportunity to come forward and complete the eligibility process. Households that respond and are determined eligible under HUD requirements will be issued Housing Choice Vouchers to assist them in obtaining stable housing. Staff will continue outreach and eligibility determinations and will provide updates to the Board as this effort progresses.

II. Housing Program Specialist Training

The Housing Opportunity Through Modernization Act (HOTMA) changes key HCV Program requirements related to income, assets, and recertifications. These changes are intended to make rental assistance administration more streamlined, consistent, and efficient. As HUD's HOTMA implementation deadline approaches, County Housing is investing in staff training to support compliance and effective program administration.

During the remainder of 2026, HCV staff and management will participate in specialized trainings focused on HCV program administration, HOTMA requirements, leadership development, and regulatory compliance. Planned training opportunities include:

- Quadel's **HCV Specialist Training**, which provides comprehensive instruction on HCV regulations, policies, and procedures and leads to professional certification;
- the **HOTMA Fundamentals Course**, which prepares staff for the January 1, 2027 implementation of HOTMA Sections 102 and 104; and
- the **HCV Supervisor & Manager Training**, which focuses on leadership, operational oversight, quality control, and program management.

Together, these trainings will strengthen staff expertise, improve consistency and compliance, reduce processing errors, and support high-quality service to program participants and property owners.

III. New Customer Complaint Policy

County Housing is developing a formal complaint management process to improve how concerns from both tenants and landlords are received, documented, tracked, and resolved. The new process is intended to enhance customer service, increase accountability, and ensure participants and property owners have confidence that their concerns are addressed consistently, fairly, and in a timely manner.

By establishing standardized procedures and tracking mechanisms, County Housing aims to improve communication, identify recurring issues, and ensure concerns are resolved efficiently while maintaining high-quality service. Staff anticipate implementing the new process this fall, providing a more responsive and transparent experience for program participants and landlords.

MEMORANDUM

To: County Housing Board of Commissioners

From: Shannon Koenig, Executive Director and CEO

Date: September 8, 2026

Subject: *Real Estate Development Report*

This memo updates the Board on County Housing's current real estate development activities and near-term development plans, including new developer partnerships, recent CDBG-DR awards, and pending Low-Income Housing Tax Credit applications.

I. Recommendation

No Board action is required.

II. Real Estate Development Activity

A. New Developer Partners

This spring, County Housing issued an RFP for qualified developer consultants and partners to strengthen our real estate development capacity. County Housing onboarded three developer partners and assigned them to current projects:

Arbor Hill Apartments
Select Development, LLC
Eric McMahon, Principal

Peace Place Apartments
The Oakland Group
Mike Duffy, Principal

Rothwell Heights
Bywater Development
Aaron Burnett, Principal

The following updates summarize the funding and application status for these projects.

B. CDBG-DR awards to County Housing total up to $15 million

Shortly after onboarding new developer partners, St. Louis County released its NOFA for CDBG-DR funding for affordable rental housing. Working with our new developer partners, County Housing applied for supplemental funding for all three projects and was awarded up to $5 million for each development, for a total potential award of up to $15 million.

For the Arbor Hill Apartments redevelopment, this award is critical to moving the project forward expeditiously. County Housing anticipates a Q1 2027 closing.

For Peace Place and Rothwell Heights, the CDBG-DR awards are also critical components of the capital stack. The local participation and endorsement by St. Louis County should strengthen the overall MHDC applications for both projects.

C. Two Low-Income Housing Tax Credit Proposals Submitted

In August, County Housing submitted Low-Income Housing Tax Credit applications for Peace Place Apartments and the Rothwell Heights redevelopment. The Missouri Housing Development Commission has begun reviewing and analyzing the proposals, with awards expected to be announced in November.

MEMORANDUM

To: County Housing Board of Commissioners

Through: Shannon Koenig, Executive Director and CEO

From: Terri Acoff-States, Executive Assistant

Date: September 8, 2026

Subject: *Re-Election of Officers*

Following the recent resignation of the Board Chair, the Vice Chair is currently performing the duties of the Chair in accordance with the County Housing Board of Commissioners Bylaws. To fill the resulting vacancy, the Board should conduct an election for Chair and, if necessary, for Vice Chair. The relevant sections of the County Housing Authority Bylaws are provided below for reference.

I. ARTICLE II – OFFICERS

A. Section 2. Chair. The Chair presides at all meetings of the Board. Except as otherwise authorized by resolution of the Board, the Executive Director signs all contracts, deeds, and other instruments made by the Authority. At each meeting of the Board, the Executive Director may submit such recommendations and information as they may consider proper about the business, affairs, finances, and policies of the Authority.

B. Section 3. Vice Chair. The Vice Chair will perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice Chair will perform the duties of the Chair until such time as the Board selects a new Chair.

C. Section 6. Election or Appointment. The Chair and Vice Chair will be elected at the annual meeting of the Board from among the Commissioners and will hold office for one year or until their successors are elected and qualified.

II. Attachment

Confidential Voting Ballot

Confidential Voting Ballot

September 8, 2026

Instructions: Mark only one choice per position. To maintain anonymity, do not add identifying marks on this ballot. Please fold your ballot and place it in the ballot box when finished.

Election of Chair

Please select one candidate for the position of Chair by marking an "X" next to the candidate's name.

- ☐ Candidate 1: Nathan Arnold
- ☐ Candidate 2: Tiffany Charles
- ☐ Candidate 3: Lora Gulley
- ☐ Candidate 4: LaToya Scott

Election of Vice-Chair

Please select one candidate for the position of Vice-Chair by marking an "X" next to the candidate's name.

- ☐ Candidate 1: Nathan Arnold
- ☐ Candidate 2: Tiffany Charles
- ☐ Candidate 3: Lora Gulley
- ☐ Candidate 4: LaToya Scott
