

Roanoke Redevelopment and Housing Authority

FINANCIAL STATEMENTS

Roanoke Redevelopment and Housing Authority

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September 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Roanoke Redevelopment and Housing Authority:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Roanoke Redevelopment and Housing Authority, (the "Authority"), as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of Hurt Park, LP, Indian Village, LP, Park Street, LP, Stepping Stone, LP, or Roanoke Valley Housing Corporation which together represent one hundred percent of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discrete component units, is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Hurt Park, LP, Indian Village, LP, Park Street, LP, Stepping Stone, LP, and Roanoke Valley Housing Corporation were not audited in accordance with *Government Auditing Standards*.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Roanoke Redevelopment and Housing Authority as of September 30, 2020, and the respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis contained on pages 4 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Roanoke Redevelopment and Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards 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 the information listed as supplemental information, including the Financial Data Schedule are presented for the purpose of additional analysis and is not a required part of the basic financial statements.

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

The information listed as Supplementary Information in the accompanying table of contents, has not been subjected to the auditing procedures applied in the audit of the basic 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 March 16, 2021 on our consideration of the Roanoke Redevelopment and Housing Authority's internal control over financial reporting and our tests on its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Roanoke Redevelopment and Housing Authority's internal control over financial reporting and compliance.

March 16, 2021  
Toms River, New Jersey

Handwritten signature in cursive script that reads "Jimp, Perry and Company LLP".

# ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

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The Roanoke Redevelopment and Housing Authority (the Authority or RRHA) is a political subdivision of the Commonwealth of Virginia empowered to implement housing, community development, redevelopment, and revitalization programs within the City of Roanoke (the City). The City created the Authority in 1949 under the provisions of the United States Housing Act of 1937. Under Title 36 of the Code of Virginia, the Authority has the power to acquire, lease, and improve property, to acquire via eminent domain, to make loans or grants, to investigate and determine whether an area is blighted, and to carry out a redevelopment plan in cooperation with local government.

The Authority presents this discussion and analysis of its financial activities for the fiscal year ending September 30, 2020. Please read this overview of the Authority's financial activities in conjunction with the financial statements beginning on page 10.

The discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The financial section of this report includes management's discussion and analysis, the basic financial statements, and other supplementary information. The basic financial statements are composed of two parts: the financial statements and the corresponding notes to the financial statements. The other supplementary information included in the financial section of the report presents required information as well as nonessential information considered of interest to readers of the report.

The primary focus of the Authority's financial statements is on the financial statements of a single business-type activity that combines all programs administered by the Authority. A separate column in the financial statements also shows the combined transactions of the Authority's real estate limited partnership component units.

The financial results of the discretely presented component units are not addressed in this management discussion and analysis.

### **FINANCIAL HIGHLIGHTS**

The Authority's fiscal year 2020 major financial highlights included the following:

Total assets and liabilities of the Authority were approximately \$57.8 million and \$4.5 million respectively, with a total net position of \$53.2 million at September 30, 2020.

Total assets increased during the year by approximately \$680,000, primarily due to an increase in capital assets.

Total liabilities decreased during the year by approximately \$416,700, due to a decrease in Notes Payable.

Total Revenues (including capital contributions and grants) and expenses were approximately \$27 million and \$25 million respectively.

Revenues are derived from various sources with approximately 85% received either directly from the U. S. Department of Housing and Urban Development (HUD), the State of Virginia, or indirectly from the City. Rental Revenues account for an additional 14% of total revenue; the remaining 1% of revenue balance is derived from the sale of assets, miscellaneous fees for services, and nonoperating sources (miscellaneous leasing fees).

## MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

### **AUTHORITY FINANCIAL STATEMENTS**

The Authority's mission focuses on the planning, design, construction, preservation, rehabilitation, financing, and management of housing, primarily for low- and moderate-income households, assisting in the revitalization of neighborhoods, and redevelopment of commercial and industrial areas in the City of Roanoke. As of September 30, 2020, the Authority owned over 1280 residential units that are leased to low-income families and individuals. In addition, housing assistance was paid to over 1,873 households under the Federal Housing Choice Voucher program for privately owned existing housing.

### **BASIC FINANCIAL STATEMENTS**

The Authority is presenting its fiscal year 2020 management's discussion and analysis based on the financial results of its enterprise programs in three basic financial statements - the statement of net position; the statement of revenues, expenses and changes in net position; and the statement of cash flows. The statement of net position reports all financial and capital assets of the Authority and is presented in a format where assets equal liabilities plus net position. Net position is broken down into the following three categories:

- *Net position, invested in capital assets, net of related debt* consists of all capital assets net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- *Restricted net position* consists of assets that are restricted by constraints placed on the asset by external parties, such as, creditors, grantors, contributors, laws, or regulations reduced by liabilities payable from such assets.
- *Unrestricted net position* consists of net position that do not meet the definition of net position invested in capital assets, net of related debt, or restricted net position.

The statement of revenues, expenses, and changes in net position includes operating revenues, such as operating grants and rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and nonoperating revenues and expenses, such as investment income, interest expense, capital contributions and special items, such as impairment loss on capital assets. The statement's focus is the change in net position, which is similar to net income or loss.

Finally, a statement of cash flows is included, which discloses net cash flows from operating activities, capital and related financing activities, investing activities and noncapital financing activities.

These basic financial statements utilize the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period they are earned and expenses in the period they are incurred.

These financial statements represent over a dozen programs and activities. Most of these programs are financed by federal grants from HUD, rents, and other user charges resulting from operations of subsidized housing, by development and financing fees, and by loan proceeds. The Authority also administers housing and community development activities in which funding is controlled at the City level.

**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

**FINANCIAL ANALYSIS OF THE AUTHORITY (ENTERPRISE FUND)**

The following table summarizes the changes in net position between September 30, 2020 and 2019 for the Authority as a whole:

	<u>2020</u>	<u>2019</u>	<u>NET CHANGE</u>	<u>%</u>
Cash	\$ 17,327,124	\$ 18,271,710	\$ (944,586)	-5.17%
Current Assets	1,224,548	1,057,108	167,440	15.84%
Non-current Assets	1,432,681	1,488,098	(55,417)	-3.72%
Capital Assets - Net	<u>37,782,735</u>	<u>36,269,871</u>	<u>1,512,864</u>	<u>4.17%</u>
Total Assets	<u>57,767,088</u>	<u>57,086,787</u>	<u>680,301</u>	<u>1.19%</u>
Current Liabilities	3,026,272	1,858,620	1,167,652	62.82%
Non-current Liabilities	<u>1,519,001</u>	<u>3,103,408</u>	<u>(1,584,407)</u>	<u>-51.05%</u>
Total Liabilities	<u>4,545,273</u>	<u>4,962,028</u>	<u>(416,755)</u>	<u>-8.40%</u>
Invested in Capital Assets -net of Related Debt	37,493,745	36,222,801	1,270,944	3.51%
Restricted Net Position	93	197,656	(197,563)	-99.95%
Unrestricted Net Position	<u>15,727,977</u>	<u>15,704,302</u>	<u>23,675</u>	<u>0.15%</u>
Total Net Position	<u>\$ 53,221,815</u>	<u>\$ 52,124,759</u>	<u>\$ 1,097,056</u>	<u>2.10%</u>

Total assets of the Authority increased \$680,000 for the 2020 fiscal year due to the addition of capital assets.

Cash decreased approximately \$944,500 or 5% due to construction of capital assets in the Authority's public housing program to construct eight public housing units located in the Hurt Park neighborhood.

Current assets increased approximately 16% as a result of an increase in accounts receivable. The COVID19 pandemic has increased the tenant accounts receivable during 2020.

Noncurrent assets decreased 3.7% primarily due to payments received for mortgage receivables.

Capital Assets increased \$1.5 million due to a combination of new construction, and depreciation.

Total liabilities decreased 8.4% from the prior year primarily due to payments on notes payable.

Current liabilities increased 63% primarily due to current portion the of Notes Payable and Deferred revenues.

Notes Payable current portion increased \$671,930 due to a Note for the Operating Fund Financing Program (OFFP) that will mature in April 2021. The OFFP allows Public Housing Agency's (PHA's) to borrow private capital to finance development and modernization activities of its public housing developments. During 2019, the Authority initiated an OFFP financing instrument to make modernization improvements at several of its public housing developments for improved accessibility. This note is scheduled for payoff in April 2021. A second OFFP loan was initiated during 2019 to build eight public housing units. This note was paid off during 2020.

Deferred Revenue increased \$456,281 due to unearned rental assistance funds from the State of Virginia. The Authority entered into a Memorandum of Understanding with the Department of Behavioral Health and Developmental Services (DBHDS) for the State of Virginia during 2017 to operate the program. The program was established in order to increase the availability of independent housing options for individuals with intellectual and developmental disabilities.

Non-current liabilities decreased during the year by approximately \$1.6 million due to loans financed through the Public Housing Operating Fund Financing Program (OFFP). The OFFP program allows Public Housing Agency's (PHA's) to borrow private capital to finance development and modernization activities of its public housing developments. PHA's are permitted to use a portion of its Operating Fund Reserve balances to collateralize financings and pay debt service and financing costs where the financing is used for public housing development and modernization expenses. During 2019 the Authority initiated two OFFP financing notes. The first one to make modernization and accessibility improvements at several of its public housing developments. The second OFFP note was initiated in order to build eight public housing units in the Hurt Park neighborhood. The first note is classified in current liabilities and the second was paid off in the 2020 fiscal year.

Total net position increased approximately \$1.1 million due to Investments in Capital Assets which increased through construction of new units using the Public Housing OFFP and Capital Fund funding.

Restricted Net Position decreased 100% due to the conversion of restricted reserves into capital assets through the OFFP.

**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

The following table summarizes the changes in operations between fiscal years 2020 and 2019 for the Authority as a whole:

	<u>2020</u>	<u>2019</u>	<u>NET CHANGE</u>	<u>%</u>
Tenant Rental Revenue	\$ 3,645,952	\$3,655,439	\$ (9,487)	-0.26%
HUD Operating Grants	19,786,292	18,411,961	1,374,331	7.46%
Other Revenue	461,589	324,745	136,844	42.14%
Total Operating Revenue	<u>23,893,833</u>	<u>22,392,145</u>	<u>1,501,688</u>	<u>6.71%</u>
Operating Expenses:				
Administrative	3,490,595	3,168,731	321,864	10.16%
Tenant Services	857,909	789,146	68,763	8.71%
Utilities	1,863,529	1,885,829	(22,300)	-1.18%
Maintenance	2,715,737	3,006,397	(290,660)	-9.67%
Protective Services	275,278	233,257	42,021	18.01%
General Expenses	1,078,797	2,233,671	(1,154,874)	-51.70%
Housing Assistance Payments	12,126,836	11,535,556	591,280	5.13%
Depreciation	2,619,735	2,667,844	(48,109)	-1.80%
Total Operating Expenses	<u>25,028,416</u>	<u>25,520,431</u>	<u>(492,015)</u>	<u>-1.93%</u>
Operating Income (Loss)	(1,134,583)	(3,128,286)	1,993,703	-63.73%
Non-operating Revenue (Expenses):				
Investment Income/ Mortgage Interest	10,086	4,912	5,174	105.33%
Interest Expense	(45,459)	(9,046)	(36,413)	402.53%
Extraordinary Maintenance	(542,678)	(85,640)	(457,038)	533.67%
Casualty losses	(16,182)	(9,263)	(6,919)	74.70%
Gain on the Sale of Capital Assets	<u>(68,847)</u>	<u>-</u>	<u>(68,847)</u>	<u>100.00%</u>
Non-operating Loss	(663,080)	(99,037)	(564,043)	569.53%
HUD Capital Grants	2,894,719	2,958,973	(64,254)	-2.17%
Net Change	<u>1,097,056</u>	<u>(268,350)</u>	<u>1,365,406</u>	<u>-508.82%</u>
Beginning Net Position	52,124,759	52,393,109	(268,350)	-0.51%
Equity Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	
Total Net Position	<u>\$ 53,221,815</u>	<u>\$ 52,124,759</u>	<u>\$ 1,097,056</u>	<u>2.10%</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Total Operating Revenue increased 6.7% due to an overall increase in HUD and Other government grants. Of the total \$1.5 million increase, CARES ACT funding accounted for \$1.2 million.

Tenant Rental Revenue decreased slightly due to a reduced tenant income basis which is also an effect of the COVID pandemic.

Other Revenue increased 42% due to COVID funding from the State of Virginia as well as much smaller losses from the sale of assets in 2020 than in 2019. The Authority had a small loss from the sale of assets in 2020 of \$4,838 but a larger loss in 2019 of \$313,875 which was primarily due to the sale of property acquired for a redevelopment project requested by the City of Roanoke in a cooperation agreement.

HUD Operating grants increased \$1.4 million or 7.4% due to COVID, Section 8, and ROSS funding. The majority of the increase is due to CARES Act funding of \$1.2 million.

Total Operating expenses decreased \$492,000 or approximately 2% primarily due to a decrease in general expenses.

Administrative expenses increased 10% due to computer hardware, software and related services. The Authority outsourced its IT needs in 2020 in an effort to increase security of its software and computer systems.

Tenant Services expenses increased approximately \$68,800 due to an increase in salary and administrative expenditures in the ROSS programs as well as a slight increase in the Jobs Plus program overall expenses.

Maintenance expenses decreased \$290,660 due to decreases in almost all expense categories. Materials decreased 14% and services decreased 10% with the largest decreases in electrical services, HVAC, grounds, unit turnaround, plumbing, janitorial, and miscellaneous.

Protective Services increased \$42,000 or 18% due to increased use of police patrolling services above the baseline.

General Expenses decreased \$1.2 million due to the sale of property in the South Jefferson Redevelopment project and the subsequent return of the sale proceeds to the City of Roanoke in 2019.

Housing Assistance Payments increased \$591,280 or 5.1% due to an increase in the fair market rental rates (FMR's) in the Housing Choice Voucher Program effective 10/01/2019.

Operating Loss decreased \$2 million or 64% due to an increase in operating revenues in addition to a decrease in operating expenses.

Investment income increased 105% due to interest earned on funds related to the OFFP program.

Interest Expense increased 402.5% due to the 2020 accrued interest due on the OFFP note scheduled to pay off in April 2021.

Extraordinary Maintenance increased 533.7% due to increased non-routine spending in maintenance of Public Housing sites and business activity. Boiler replacements, repairs of buildings, elevator replacements, and heat pump repairs and replacements were the primary expenditures in 2020.

Casualty losses increased due to auto and fire damages in the public housing program.

Overall, the Authority had a gain in 2020, versus a loss in 2019, primarily due to increased revenues resulting from additional funds received due to the CARES Act and COVID19 grants.

## MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets:

The following table summarizes the changes in capital assets between September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>	<u>Net Change</u>	<u>Variance</u>
Land	\$ 17,070,009	\$ 17,034,308	\$ 35,701	0.21%
Infrastructure	3,109,317	3,109,317	-	0.00%
Buildings and Improvements	80,160,119	79,228,035	932,084	1.18%
Furniture and Equipment	3,550,178	3,815,237	(265,059)	-6.95%
Construction in Progress	7,760,420	4,632,823	3,127,597	67.51%
Total	111,650,043	107,819,720	3,830,323	3.55%
Accumulated Depreciation	(73,867,308)	(71,549,849)	(2,317,459)	3.24%
Net Capital Assets	<u>\$ 37,782,735</u>	<u>\$ 36,269,871</u>	<u>\$ 1,512,864</u>	<u>4.17%</u>

Variances in capital assets were due to the construction of eight new public housing units and to modernization projects that are ongoing through the OFFP and capital funds.

#### Debt Administration:

- *City of Roanoke Loans* - the Authority entered into an agreement with the City of Roanoke to finance a portion of home rehabilitation loans. The outstanding balance owed to the City of Roanoke was \$218,712 at September 30, 2020.

#### Economic Factors

The Authority continues to face uncertainties regarding the subsidized funding levels provided by HUD for its assisted housing programs. These uncertainties have both an immediate and long range impact on the operations of the Authority. In 2020 the Authority received 85% of its funding from HUD.

For the 2020 calendar year, HUD funded Public Housing operating subsidy requests at 97.15% of the eligible amounts. In the last twenty years, Public Housing Agencies have only been fully funded twice, which was 2002 and 2010.

The Capital Fund program funding continues to fall short of the Authority's annual capital needs which are prioritized and addressed according to urgency and available funding.

The Housing Choice Voucher (HCV) program HAP funding was decreased for calendar year 2020 to 99.40%. This is down from 99.50% in 2019. HCV Administrative fees were funded at 80.00% for calendar year 2020, 81.10% for 2019, and 80.02% for 2018.

In addition to the uncertainties of federal funding for the 2020 fiscal year, the Authority also faces the challenge of escalating management costs for their programs. RRHA's management staff continues to closely monitor these programs and seek out innovative cost reduction measures to fulfill its mission.

### CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the VP of Finance/CFO, Roanoke Redevelopment & Housing Authority, 2624 Salem Turnpike, NW, Roanoke, VA 24017 or visit our website at [www.rkehousing.org](http://www.rkehousing.org).

## BASIC FINANCIAL STATEMENTS

Roanoke Redevelopment and Housing Authority  
Statement of Net Position  
September 30, 2020

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 15,527,410	510,828	16,038,238
Accounts receivable - other	766,313	-	766,313
Accounts receivable - tenants, net	84,507	29,613	114,120
Notes & mortgage receivable - current	24,397	-	24,397
Prepaid expenses	239,419	32,360	271,779
Accrued interest receivable	21	-	21
Assets held for sale	<u>109,891</u>	<u>-</u>	<u>109,891</u>
Total current assets	<u>16,751,958</u>	<u>572,801</u>	<u>17,324,759</u>
<b>RESTRICTED ASSETS:</b>			
Cash and cash equivalents	<u>1,799,714</u>	<u>632,751</u>	<u>2,432,465</u>
Total restricted assets	<u>1,799,714</u>	<u>632,751</u>	<u>2,432,465</u>
<b>NONCURRENT ASSETS:</b>			
Land, structures and equipment net of accumulated depreciation	<u>37,782,735</u>	<u>15,097,076</u>	<u>52,879,811</u>
Total fixed assets, net	<u>37,782,735</u>	<u>15,097,076</u>	<u>52,879,811</u>
Notes & mortgages receivable, non-current	654,022	-	654,022
Other assets	<u>510,172</u>	<u>-</u>	<u>510,172</u>
Total assets	<u>57,498,601</u>	<u>16,302,628</u>	<u>73,801,229</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows	<u>268,487</u>	<u>-</u>	<u>268,487</u>
Total deferred outflows of resources	<u>268,487</u>	<u>-</u>	<u>268,487</u>
Total assets and deferred outflows of resources	<u>\$ 57,767,088</u>	<u>16,302,628</u>	<u>74,069,716</u>

Roanoke Redevelopment and Housing Authority  
Statement of Net Position  
September 30, 2020

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 987,170	9,312	996,482
Accounts payable - HUD	38,289	-	38,289
Accrued wages and payroll taxes	109,264	-	109,264
Accrued compensated absences	91,860	-	91,860
Accrued interest	26,813	11,915	38,728
Accrued liability - other	36,604	-	36,604
Tenant security deposits	155,796	29,500	185,296
Notes payable, current portion	719,000	89,050	808,050
Unearned revenues	769,882	2,145	772,027
Other current liabilities	<u>91,594</u>	<u>20,515</u>	<u>112,109</u>
Total current liabilities	<u>3,026,272</u>	<u>162,437</u>	<u>3,188,709</u>
<b>NONCURRENT LIABILITIES:</b>			
Notes payable, excluding current portion	218,712	7,006,243	7,224,955
Other liabilities	<u>1,176,696</u>	<u>1,283,301</u>	<u>2,459,997</u>
Total noncurrent liabilities	<u>1,395,408</u>	<u>8,289,544</u>	<u>9,684,952</u>
Total liabilities	<u>4,421,680</u>	<u>8,451,981</u>	<u>12,873,661</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows	<u>123,593</u>	<u>-</u>	<u>123,593</u>
Total deferred inflows of resources	<u>123,593</u>	<u>-</u>	<u>123,593</u>
<b>NET POSITION:</b>			
Invested in capital assets, net	37,493,745	8,056,783	45,550,528
Restricted	93	603,303	603,396
Unrestricted	<u>15,727,977</u>	<u>(809,439)</u>	<u>14,918,538</u>
Total net position	<u>53,221,815</u>	<u>7,850,647</u>	<u>61,072,462</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 57,767,088</u>	<u>16,302,628</u>	<u>74,069,716</u>

Roanoke Redevelopment and Housing Authority  
Statement of Revenues, Expenses, and Changes  
in Net Position  
For the Year Ended September 30, 2020

	Enterprise <u>Fund</u>	Component <u>Units</u>	Total Reporting <u>Entity</u>
<b>Operating revenues:</b>			
Tenant revenue	\$ 3,645,952	745,211	4,391,163
HUD operating grants	19,786,292	-	19,786,292
Other government grants	156,298	-	156,298
Proceeds from the disposition of assets held for sale	-	-	-
Cost of sale of assets	(4,838)	-	(4,838)
Other revenue	<u>310,129</u>	<u>2,238</u>	<u>312,367</u>
<b>Total operating revenue</b>	<b><u>23,893,833</u></b>	<b><u>747,449</u></b>	<b><u>24,641,282</u></b>
<b>Operating expenses:</b>			
Administrative salaries	1,783,381	32,200	1,815,581
Other administrative expenses	1,707,214	104,239	1,811,453
Tenant / community services	857,909	-	857,909
Utility expense	1,863,529	61,790	1,925,319
Maintenance salaries	590,954	5,587	596,541
Maintenance other	2,124,783	107,066	2,231,849
Contract / protective services	275,278	4,846	280,124
Insurance	327,716	71,154	398,870
Other general expenses	310,939	-	310,939
Bad debt	259,517	34,703	294,220
Payments in lieu of taxes	180,625	107,702	288,327
Housing assistance payments	12,126,836	-	12,126,836
Depreciation	<u>2,619,735</u>	<u>683,469</u>	<u>3,303,204</u>
<b>Total operating expenses</b>	<b><u>25,028,416</u></b>	<b><u>1,212,756</u></b>	<b><u>26,241,172</u></b>
<b>Operating loss</b>	<b><u>(1,134,583)</u></b>	<b><u>(465,307)</u></b>	<b><u>(1,599,890)</u></b>
<b>Non-operating revenues (expenses):</b>			
Investment income / mortgage interest	10,086	3,351	13,437
Extraordinary maintenance	(542,678)	-	(542,678)
Interest expense	(45,459)	(131,950)	(177,409)
Gain (Loss) on sale of fixed assets	(68,847)	-	(68,847)
Casualty losses	<u>(16,182)</u>	<u>(14,174)</u>	<u>(30,356)</u>
<b>Total non-operating revenues (expenses)</b>	<b><u>(663,080)</u></b>	<b><u>(142,773)</u></b>	<b><u>(805,853)</u></b>
<b>Loss before capital grants</b>	<b>(1,797,663)</b>	<b>(608,080)</b>	<b>(2,405,743)</b>
<b>Capital grants</b>	<b><u>2,894,719</u></b>	<b><u>-</u></b>	<b><u>2,894,719</u></b>
<b>Change in net position</b>	<b>1,097,056</b>	<b>(608,080)</b>	<b>488,976</b>
<b>Total net position, beginning</b>	<b><u>52,124,759</u></b>	<b><u>8,478,727</u></b>	<b><u>60,603,486</u></b>
<b>Equity transfers</b>	<b><u>-</u></b>	<b><u>(20,000)</u></b>	<b><u>(20,000)</u></b>
<b>Total net position, end of year</b>	<b><u>\$ 53,221,815</u></b>	<b><u>7,850,647</u></b>	<b><u>61,072,462</u></b>

Roanoke Redevelopment and Housing Authority  
Statement of Cash Flows - All Enterprise Funds  
For the Year Ended September 30, 2020

Cash Flows from Operating Activities:

Receipts from tenants	\$ 3,659,667
Receipts operating grants and subsidies	19,883,804
Other receipts (payments)	320,825
Payments to suppliers and employees	<u>(22,086,372)</u>

Net cash flows provided by operating activities 1,777,924

Cash Flows from Capital and Related Financing Activities:

Purchases of capital assets	(4,143,579)
Disposal of capital assets	10,980
Interest paid on capital debt	(18,793)
Principal payments of notes payable	(895,620)
Capital grant contributions	2,894,719
Gain(Loss) on sale of capital assets	(68,847)
Casualty losses	(16,182)
Extraordinary maintenance	<u>(542,678)</u>

Net cash flows used in capital and related financing activities (2,780,000)

Cash Flows from Investing Activities:

Accrued interest receivable	221
Advances on notes receivable	47,183
Interest and dividends	<u>10,086</u>

Net cash flows provided by investing activities 57,490

Net decrease in cash (944,586)

Cash at beginning of year 18,271,710

Cash at end of year \$ 17,327,124

Roanoke Redevelopment and Housing Authority  
Statement of Cash Flows (continued) - All Enterprise Funds  
For the Year Ended September 30, 2020

Reconciliation of operating income to cash provided by operating activities

Operating loss	\$ (1,134,583)
Items which did not provide (use) cash:	
Depreciation	2,619,735
Bad debt	259,517
Deferred Outflows of Resources	(20,453)
Deferred Inflows of Resources	4,629
Working capital changes which provided (used) cash:	
Accounts receivable - tenants	(245,802)
Accounts receivable - other	(218,430)
Other assets	15,534
Unearned revenue	456,281
Prepaid expenses	28,326
Assets held for sale	21,881
Accounts payable- HUD	(153,706)
Accounts payable	99,091
Accrued expenses	54,080
Other liabilities	(21,486)
Tenant security deposits	1,943
Other current liabilities	<u>11,367</u>
Net cash provided by operating activities	<u>\$ 1,777,924</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements

For the Year Ended September 30, 2020

**1. SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund.

The Authority has multiple programs which are accounted for as one business type activity for financial reporting purposes which are presented as the "enterprise fund" in the basic financial statements as follows:

**Enterprise Fund** – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting, and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**Governmental Accounting Standards** – The Housing Authority has applied all applicable pronouncements issued by the Governmental Accounting Standards Board as well as pronouncements issued by the Financial Accounting Standards Board on or before November 30, 1989, and those issued after November 30, 1989 except where they conflict with or contradict Governmental Accounting Standards Board pronouncements.

**B. Cash**

The Authority considers cash on hand and cash in checking to be cash equivalents. Cash on hand is not included in the calculation of collateral required.

**C. Accounts Receivable**

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due.

An allowance for doubtful accounts is established to provide for all accounts that may not be collected in the future for any reason.

**D. Prepaid Items**

Prepaid items consists of payments made to vendors for services that will benefit future periods.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets Held for Resale**

These assets consist of foreclosure homes, rental and commercial properties. The foreclosure homes and rental properties are listed at actual cost while the commercial property is listed at actual cost less impairment.

**F. Unearned Revenue**

The Authority recognizes revenues as it is earned. Revenue received in advance of the period in which it is earned is recorded as a liability under deferred revenue.

**G. Revenue Accounting Policies**

Dwelling rental income, HUD Grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue are shown as non-operating income. The financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements.

**H. Property and Equipment**

Property and equipment are recorded at cost. The capitalization threshold for non-infrastructure capital assets including machinery and equipment is \$5,000. The capitalization threshold for infrastructure related capital assets and any improvements that extend the useful life of the asset is \$50,000. All costs associated with the purchase or construction are considered for capitalization, including interest. Maintenance and repair costs are expensed while significant betterments are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets and is expensed in the Statement of Revenues, Expenses, and Changes in Net Position. Estimated useful lives are as follows:

Dwellings and improvements	15-40 years
Furniture, equipment, and machinery	5 years
Infrastructure	30 years

**I. Long-lived Assets**

The Authority evaluates the carrying value of long-lived assets. When indications of an impairment are present, the recoverability of the carrying value of the assets in question are assessed based on the future undiscounted cash flows expected to result from their use. If the carrying value cannot be recovered, impairment losses are recognized to the extent the carrying value exceeds fair value.

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**2. REPORTING ENTITY DEFINITION**

The Roanoke Redevelopment and Housing Authority (the Authority or RRHA) was created by the City of Roanoke in 1949 under the provisions of the United States Housing Act of 1937. The Authority is governed by a seven member board of commissioners which are appointed by Roanoke's City Council for staggered four year terms. The Board elects a chairman and employs an Executive Director to administer the affairs of the Authority.

The Authority is a separate political subdivision of the State of Virginia. The Authority has complete legislative and administrative authority over its affairs and recruits and employs personnel. The Authority has substantial legal authority to control its affairs without local government approval therefore all operations of the Authority are a separate reporting entity as reflected in this report.

The Authority adopts an annual budget that is approved by the Board of Commissioners. Subsidies are received primarily from the Department of Housing and Urban Development (HUD). The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying certain criteria. These criteria include manifestation of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units:

**Discretely Presented Component Units**

**Roanoke Valley Housing Corporation (RVHC)** - was created as a not-for-profit affiliate organization of the Authority and incorporated in 1995. RVHC was created to assist the Authority in its mission to provide affordable housing to low-income families in the City of Roanoke, (the City). Roanoke Valley Housing Corporation is the sole member of the general partner of Stepping Stone, LP, Indian Village, LP, Park Street Housing, LP, and Hurt Park, LP.

**2. REPORTING ENTITY DEFINITION (continued)**

**Discretely Presented Component Units (continued)**

**Stepping Stone, Limited Partnership (SSLP)** The Authority has significant influence over the general partner, Stepping Stone Apartments, LLC, of a real estate limited partnership (SSLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing 15 duplex units at the Villages at Lincoln. The Authority applied for and received an allocation of low-income housing tax credits from the Virginia Housing Development Authority. On November 10, 2003, the Authority conveyed 15 vacant lots to SSLP and construction began in August 2004. RVHC acted as the developer on this project which was completed in October 2005. Marketing for Stepping Stone Apartments began in January 2005 and rental of the duplex units to tenants began in March 2005.

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Stepping Stone Apartments is vested with Stepping Stone Apartments, LLC. The Authority has entered into a fifteen-year agreement with SSLP to manage the thirty units over the life of the tax credit compliance period. The limited partnership's December 31, 2019 year-end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

**Indian Village, Limited Partnership (IVLP)** The Authority has significant influence over the general partner, Indian Village, LLC, a real estate limited partnership (IVLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 24 apartment units. The Authority applied for and received low-income housing tax credits from the Virginia Housing Development Authority on March 11, 2005. Construction on the project began in June 2006 with RVHC as the developer and was completed in January 2008.

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Hillcrest Heights Town Homes is vested with Indian Village, LLC. The Authority has entered into a fifteen year agreement with IVLP to manage the twenty-four units over the life of the tax credit compliance period. The limited partnership's December 31, 2019 year end financial statements are included within the Authority's basic financial statements. Inquires regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

**2. REPORTING ENTITY DEFINITION (continued)**

**Discretely Presented Component Units (continued)**

**Park Street Housing, Limited Partnership (PSLP)** The Authority has significant influence over the general partner, Park Street Housing Development, LLC, a real estate limited partnership (PSLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 25 apartment units. The Authority applied for an allocation of low income housing tax credits from the Virginia Housing Development Authority on March 11, 2005. Construction on the project began in April 2006 with RVHC as the developer and was completed in December 2007.

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Park Street Square is vested with Park Street Housing Development, LLC. The Authority has entered into a fifteen year agreement with PSLP to manage the twenty-five units over the life of the tax credit compliance period. The limited partnership's December 31, 2019 year end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

**Hurt Park, Limited Partnership (HPLP)** The Authority has significant influence over the general partner, Hurt Park, LLC, a real estate limited partnership (Hurt Park, LP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 40 apartment units. The Authority applied for and received low-income housing tax credits from the Virginia Housing Development Authority. Construction on the project began in 2007 with RVHC as the developer and was completed in May 2009.

The responsibility for management of the affairs of the limited partnership is vested with the general partner. The limited partnership's December 31, 2019 year end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

### 3. CASH AND INVESTMENT DEPOSITS

The U.S. Department of Housing and Urban Development, (HUD) requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC 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 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.

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements.

Deposits: The three credit risk categories are:

1. Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve bank) in the entity's name.
2. Collateralized with securities held by the pledging financial institution trust department or agent in the entity's name.
3. Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

As of September 30, 2020, the carrying amount of the Enterprise fund's cash and cash equivalents (including restricted cash) was \$17,327,124. All funds are covered by the federal depository insurance or by collateral held by the Authority's agent in the Authority's name. The Authority is authorized by HUD to invest in time deposits, certificates of deposits and obligations of the U.S. Treasury.

### 4. CONTRACTUAL COMMITMENTS

The Authority had Total Outstanding Contractual Commitments of \$6,564,973 as of September 30, 2020.

### 5. RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workman's compensation. The Authority established a risk management program for employee's group health insurance in 1995. The Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

**6. CONCENTRATION OF RISK**

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

**7. SIGNIFICANT ESTIMATES**

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives of assets and to reserves for uncollectibility of notes and mortgages receivable. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

**8. PENSION PLAN**

The Authority became a member of the Virginia Retirement System (VRS) on January 1, 2012. VRS is the administrator of governmental retirement plans qualified under Section 401(a) of the Internal Revenue Code. It is governed by the provisions of Title 51.1 of the Code of Virginia. Changes to the law can be made only by an act of the General Assembly. VRS is an independent state agency and as provided in the Constitution of Virginia, its funds are separate from other state funds and can be used only to administer and pay benefits for members, retirees and beneficiaries.

The VRS plan for political subdivisions is an agent, multiple-employer defined benefit pension plan with separate cost-sharing pools for each locality and is administered by the Virginia Retirement System. All full-time permanent employees are required to enroll in the VRS upon employment. The Authority also offers enrollment in the VRS defined contribution plan on a voluntary basis for full time and part time employees; temporary and contract employees are not eligible to participate in either plan.

**8. PENSION PLAN (continued)**

The defined benefit plan provides a lifetime monthly benefit during retirement based on retirement multiplier as a percentage of the member's average 60 consecutive months of highest compensation multiplied by the member's total service credit. The retirement multiplier for the Authority employees (considered non-hazardous duty members) is 1.7% for Plan 1 and Plan 2 members and 1.0% for Hybrid members. Plan 2 members retirement multiplier changes to 1.65% for service beginning January 1, 2013. Benefits vest after five years of service credit. Members earn one month of service credit for each month employed and for which they and the Authority paid contributions to VRS. The VRS administers three benefit structures for political subdivision employees - Plan 1, Plan 2, and Hybrid. The Authority employees are covered under Plan 2 (members joined on July 1, 2010 or later) or the Hybrid Plan (all members joined on January 1, 2014 or later). Members are eligible for unreduced benefits beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.

Active Plan 2 members are required to contribute 5% of their creditable compensation per year. Active Hybrid members are required to contribute 4% of their creditable compensation to the defined benefit plan and 1% to the defined contribution component of the Hybrid Plan. The Authority's required contribution rate for July 1, 2020 through June 30, 2022 is 5.20%. The required contribution rate is actuarially determined based on the Authority's employee population, covered payroll, and the benefits the Authority elected to provide to its employees. The contribution requirement for active employees is governed by the Code of Virginia but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly.

Members of VRS also have benefit coverage in the form of life insurance, disability coverage, long-term care benefits, and survivor/beneficiary benefits.

The Cost-of-Living Adjustment (COLA) is deferred for one full calendar year after the member reaches unreduced retirement age. The deferred COLA does not apply to members who retire with twenty or more years of service. Members of all plans qualify for COLA on July 1 of the second calendar year after retirement.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**8. PENSION PLAN (continued)**

**Actuarial Assumptions**

The Authority's total pension liability was determined by applying certain procedures to the actuarial valuation as of June 30, 2019. The actuarial valuation used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay, Closed
Payroll Growth Rate	3% / year
Remaining Amortization Period	16-25 years (decreasing by one each year in subsequent valuations until reaching 0 years)
Asset Valuation Method	5-Year, Smoothed Market
Investment Rate of Return*	7.00% / year
Inflation Assumption	2.50% / year
Projected Salary Increases*	
1) Non-LEO Members	3.50% To 5.35%
2) LEO Members	3.50% To 4.75%
Cost-of-Living adjustment	
1) Plan 1 Members	2.50%
2) Plan 2 Members	2.25%
Marriage Assumption	100% of active employees are assumed to be married, with males two years older than females
Election of Deferred Termination Benefit	Terminating members are assumed to elect a return of contributions or a deferred annuity, whichever is most valuable at the time of termination. Termination benefits are assumed to commence at normal retirement.
Service Related Disability	Service related disability benefits do not include an adjustment for Social Security or Worker's Compensation benefits
Mortality Rates	15% of deaths are assumed to be service related
1) Pre-Retirement	RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates, females 105%
2) Post-Retirement	RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90
3) Post-Disablement	RP-2014 Disabled Mortality Rates projected with Scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates

\* Includes Inflation of 2.50%

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Summary Table of Membership Statistics, Asset Values, and Contribution Rates

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
1. Participants		
a. Actives	68	75
b. Transfers Out	10	9
c. Retirees and Beneficiaries	7	5
d. Retirees and Beneficiaries Elsewhere	-	-
e. LTD	1	-
f. Inactive, Vested	4	3
g. Inactive, Nonvested	<u>76</u>	<u>59</u>
Total	166	151
2. Covered Payroll	2,857,975	3,066,801
3. Averages for active members		
a. Average Age	49.5	47.0
b. Average Years of Service	4.8	4.4
c. Average Pay	42,029	40,891
4. Expected Retirement Benefits	60,728	107,321
5. Assets		
a. Market Value of Assets	3,373,112	2,970,740
b. Actuarial Value of Assets	3,444,427	2,946,609
6. Actuarial Accrued Liability	2,955,870	2,388,774
7. Unfunded Actuarial Accrued Liability	(388,557)	(557,835)
8. Normal Cost Rate		
a. Gross Normal Cost Rate	9.63 %	9.54 %
b. Member Contribution Rate	<u>4.43 %</u>	<u>4.47 %</u>
c. Employer Normal Cost Rate (8a-8b)	5.20 %	5.07 %
9. Recommended Employer Contribution Rate for	Informational	
Fiscal Year Ending	Purposes Only	2021 & 2022
a. Employer Normal Cost Rate	5.20 %	5.07 %
b. Amortization Charge	(0.95)%	(1.26)%
c. Administrative Expenses	0.06 %	0.05 %
d. DC Match	<u>0.89 %</u>	<u>0.75 %</u>
e. Total(9a+9b+9c (not less than zero)+ 9d)	5.20 %	4.61 %
10. Amortization Period	15-24	16-25

Normal Cost

	June 30, 2019	June 30, 2018
1. Normal Cost as Percent of Payroll		
a. Retirement Benefits	5.61 %	5.46 %
b. Termination Benefits	2.12 %	2.12 %
c. Disability Benefits	1.65 %	1.73 %
d. Death Benefits	<u>0.25 %</u>	<u>0.23 %</u>
e. Total	9.63 %	9.54 %
2. Covered Payroll	2,857,975	3,066,801

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Discount Rate

The discount rate applied in the measurement of the total pension liability was 6.75%. The discount rate determination does not use a municipal bond rate for the Roanoke Redevelopment and Housing Authority. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board and the member rate. The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension system investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

Long-Term (LT) Expected Rate of Return

The long-term expected rate of return on pension system investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension system investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Arithmetic LT Expected Real Rate of Return</u>	<u>Weighted Avg LT Expected Rate of Return</u>
Public Equity	34.00 %	4.65 %	1.58 %
Fixed Income	15.00 %	0.46 %	0.07 %
Credit Strategies	14.00 %	5.38 %	0.75 %
Real Assets	14.00 %	5.01 %	0.70 %
Private Equity	14.00 %	8.34 %	1.17 %
MAPS-Multi-Asset Public Investment Strategies	6.00 %	3.04 %	0.18 %
PIP-Private Investment Partnerships	3.00 %	6.49 %	0.19 %
	<u>100.00 %</u>		<u>4.64 %</u>
Inflation			<u>2.50 %</u>
*Expected arithmetic nominal return			<u>7.14 %</u>

\* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11% including expected inflation of 2.5%.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**8. PENSION PLAN (continued)**

**Sensitivity Analysis**

GASB 68 requires disclosure of the sensitivity of the net pension liability to changes in the discount rate. The net pension liability was calculated using a discount rate of 6.75%. The table below presents the net pension liability calculated using the current discount rate of 6.75%, as well as 5.75% (1 percentage point lower), and 7.75% (1 percentage point higher).

	1.0% Decrease <u>(5.75%)</u>	Current Discount <u>(6.75%)</u>	1.0% Increase <u>(7.75%)</u>
Net Pension Liability	(164,164)	(510,172)	(786,052)

**Changes in Net Pension Liability**

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Balance at June 30, 2018	\$ <u>2,445,032</u>	<u>2,970,740</u>	<u>(525,708)</u>
Changes for the year:			
Service Cost	288,945	-	288,945
Interest	168,610	-	168,610
Benefit changes	-	-	-
Difference between expected and actual experience	(60,196)	-	(60,196)
Changes in assumptions	93,198	-	93,198
Contributions - employer	-	131,236	(131,236)
Contributions - employee	-	135,395	(135,395)
Net investment income	-	210,329	(210,329)
Benefit payments, including refund of employee contributions	(72,649)	(72,649)	-
Administrative expense	-	(1,804)	1,804
Other changes	-	(135)	135
	<u>417,908</u>	<u>402,372</u>	<u>15,536</u>
Balance at June 30, 2019	\$ <u>2,862,940</u>	<u>3,373,112</u>	<u>(510,172)</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Roll Forward of the Total Pension Liability

	<u>Actual</u>	<u>Actual Before</u> <u>Assumption</u> <u>Changes</u>	<u>Expected</u>
(a) TPL as of June 30, 2018	\$ 2,471,667	\$ 2,388,774	\$ 2,445,032
(b) Entry age normal cost for the period June 30, 2018-June 30,2019	280,595	270,042	270,042
(c) Actual benefit payments and refunds for the period June 30, 2018-June 30, 2019	72,649	72,649	72,649
(d) Changes in benefit terms	-	-	-
(e) TPL as of June 30, 2019 = (((a)+(b))*(1.07))-((c)*(1.035))+(d)	\$ 2,862,940	\$ 2,769,742	\$ 2,829,938
(f) Changes in Assumptions		93,198	
(g) Difference between expected and actual experience			(60,196)

**Changes in actuarial assumptions and methods**

There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

**Changes in benefit terms**

There have been no changes in benefit terms since the previous measurement date.

**Deferred Inflows and Outflows**

At September 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources as follows:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 33,587	\$ 62,066
Changes of assumptions	66,027	32,644
Net difference between projected and actual earnings on pension plan investments	-	28,883
Employer contributions subsequent to the measurement date	168,873	-
Total	<u>\$ 268,487</u>	<u>\$ 123,593</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**8. PENSION PLAN (continued)**

**Amortization of Deferred (Inflows) and Outflows of Resources**

Year ended June 30:		
2021	\$	156,140
2022		(15,125)
2023		3,010
2024		869
2025		-
Thereafter		-

**Pension Expense**

	June 30, 2019
Service Cost	\$ 288,945
Interest on the total pension liability	168,610
Current period benefit changes	-
Expensed portion of current period difference between expected and actual experience in the total pension liability	(17,550)
Expensed portion of current period changes of assumptions	27,171
Member contributions	(135,395)
Projected earnings on plan investments	(214,674)
Expensed portion of current period differences between actual and projected earnings on plan investments	869
Administrative expense	1,804
Other	135
Recognition of beginning deferred outflows of resources as pension expense	49,917
Recognition of beginning deferred inflows of resources as pension expense	<u>(64,353)</u>
Pension expense	<u>\$ 105,479</u>

Comprehensive annual financial reports that include financial statements and required supplementary information for the plan are available by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500 or from the VRS via web site at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>.

Individual reports on the actuarial valuation of the VRS plan relevant to the RRHA are available by writing the VP of Finance/CFO, Roanoke Redevelopment & Housing Authority at 2624 Salem Turnpike, NW, Roanoke, VA, 24017.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**9. COMPENSATED ABSENCES**

The Authority currently provides its employees paid time off (PTO) at various rates that are determined by tenure with the Authority. Upon voluntary termination from the Authority, an employee will be paid for any unused PTO balances up to 75 hours. Unused PTO balances of 75 hours or less are accrued as of September 30, 2020 and carried as a liability by the Authority.

Full time employees are eligible for an Extended Illness Bank which is funded only by employee contributions if the employee was hired after November 1, 2018, or funded by carryover from Limited Supplement balances and employee contributions if the employee was hired before November 1, 2018. The Extended Illness bank is expensed as used but not accrued.

**10. ACCOUNTS RECEIVABLE**

Accounts Receivable - Tenants

Accounts receivable - tenants for the Enterprise fund are shown at gross of \$311,812 less an allowance for doubtful accounts of \$227,305 for the year ended September 30, 2020.

Accounts Receivable - Other

Accounts Receivable - Other, consists of following:

	Enterprise Fund
Accounts receivable - HUD	\$ 564,501
Accounts receivable - fraud recovery	457
Account receivable - City of Roanoke	50,378
Accounts receivable - management & development fees	27,067
Accounts receivable - miscellaneous	<u>123,910</u>
	<u>\$ 766,313</u>

**11. INTERPROGRAM ACTIVITY**

The Authority manages a number of various programs. Due to a delay in HUD funding, some program charges may be paid by a parent program and subsequently reimbursed by the related grant when they are funded by HUD. Balances due for such charges are reflected in the Interprogram Due to/Due from account. Due from account balances. Interprograms at September 30, 2020 consisted of the following:

Low rent and Capital Fund Program	\$ 97,672
ROSS	(5,729)
Housing Choice Vouchers	5,974
PIH Family Self Sufficiency	(11,947)
Jobs Plus Fund	<u>(85,970)</u>
	<u>\$ -</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**12. RESTRICTED CASH**

The Authority's restricted cash consists of the following as of the end of the fiscal year:

	Enterprise Fund
Restricted for HAP Payments	\$ 510,305
Restricted for Modernization & Development	430,620
Restricted for Tenant Security	155,796
Restricted for CARES Act	253,969
Restricted for FSS Escrow	140,500
Restricted for Payment of Program Income	154,593
Restricted for Payment of Current Liability	<u>153,931</u>
	<u>\$ 1,799,714</u>

**13. NOTES AND MORTGAGES RECEIVABLE**

Notes and mortgages receivable at September 30, 2020 are as follows:

The Authority loaned funds to qualified homeowners through a home rehabilitation program. The Authority entered into a \$2,250,000 Note Purchase Agreement with SunTrust Bank to finance a portion of these mortgage loans with additional funds coming from the City of Roanoke. These mortgage loans are held by the Authority, and are collateralized by the single-family residences.

\$ 223,809

The Authority has a lease/purchase program for prospective homeowners. The purchasers of the homes finance their mortgages through banks, grants from other organizations and occasionally soft second mortgages from the Authority. These soft second mortgages are secured through deeds of trust and deferred purchase money notes bearing zero interest.

72,000

Note receivable from Park Street, LP includes a capital loan of \$3,000 with 8% interest per annum and an operating deficit general partner loan of \$42,535 with interest being waived. Full balance due on May 1, 2042.

47,310

Note receivable from Hurt Park, LP payable in full on February 5, 2045 with interest being waived and not forgiven. No principal due until payoff date.

316,000

Note receivable from Indian Village, LP with interest being waived. Full balance was paid in October 2020.

19,300

Total	678,419
Less: current portion	<u>(24,397)</u>
Notes receivable, excluding current portion	<u>\$ 654,022</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**14. CAPITAL ASSETS**

A summary of the Authority's Capital Assets at September 30, 2020 is as follows:

Enterprise Fund Detail:

	<u>BUSINESS ACTIVITIES</u>	<u>CDBG</u>	<u>PUBLIC HOUSING &amp; CAPITAL FUND</u>	
Land and Improvements	\$ 84,004	3,441,584	13,505,220	
Infrastructure	-	1,822,317	-	
Building and Improvements	850,699	-	78,888,940	
Furniture and Equipment	6,930	-	3,215,290	
Construction in Process	-	-	7,759,070	
Less: Accumulated Depreciation	<u>(761,912)</u>	<u>(871,584)</u>	<u>(70,960,848)</u>	
Total Property and Equipment	<u>\$ 179,721</u>	<u>4,392,317</u>	<u>32,407,672</u>	
	<u>HOUSING CHOICE VOUCHERS</u>	<u>COCC</u>	<u>STATE/LOCAL</u>	<u>TOTAL</u>
Land and Improvements	\$ -	-	39,201	17,070,009
Infrastructure	-	-	1,287,000	3,109,317
Building and Improvements	233,250	112,074	75,157	80,160,120
Furniture and Equipment	129,122	198,835	-	3,550,177
Construction in Process	-	1,350	-	7,760,420
Less: Accumulated Depreciation	<u>(311,282)</u>	<u>(165,008)</u>	<u>(796,674)</u>	<u>(73,867,308)</u>
Total Property and Equipment	<u>\$ 51,090</u>	<u>147,251</u>	<u>604,684</u>	<u>37,782,735</u>

Enterprise Fund Summary:

	October 1, 2019 <u>Balance</u>	<u>Additions</u>	<u>Transfers &amp; Deletions</u>	September 30, 2020 <u>Balance</u>
Land	\$ 17,034,308	-	35,701	17,070,009
Construction in Process	<u>4,632,823</u>	<u>3,136,698</u>	<u>(9,101)</u>	<u>7,760,420</u>
Total Assets not being depreciated	21,667,131	3,136,698	26,600	24,830,429
Infrastructure	3,109,317	-	-	3,109,317
Buildings and Improvements	79,228,035	895,123	36,962	80,160,120
Furniture and Equipment	<u>3,815,237</u>	<u>111,758</u>	<u>(376,818)</u>	<u>3,550,177</u>
Total Property and Equipment	107,819,720	4,143,579	(313,256)	111,650,043
Less: Accumulated Depreciation	<u>(71,549,849)</u>	<u>(2,619,735)</u>	<u>302,276</u>	<u>(73,867,308)</u>
Net Book Value	<u>\$ 36,269,871</u>	<u>1,523,844</u>	<u>(10,980)</u>	<u>37,782,735</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**15. NOTES PAYABLE**

1. Qualified homeowners participating in a home rehabilitation program were given mortgage loans by the Authority to repair their homes. The Authority entered into an agreement with the City of Roanoke to finance a portion of these mortgage loans through its CDBG and HOME funds. CDBG/HOME funded mortgage loan payments received by the Authority are due back to the City. Repayment from the Authority to the City of outstanding mortgages is deferred until payments are received from the homeowners. The Authority's outstanding balance included in long-term debt owed to the City for these loans as of September 30, 2020, is \$218,712. The current portion is \$0.

2. During the fiscal year ending September 30, 2015, the Authority entered into a loan agreement with Freedom First Federal Credit Union for a loan in the amount of \$850,000 to be used for the construction of 12 units. The note bears an interest rate of 4.5% for 5 years and is payable in equal monthly installments of \$15,848. During 2020, \$353 in interest payments were made and this note was paid in full.

3. During the fiscal year ending September 30, 2019, the Authority entered into a loan agreement with VCC Bank for \$719,000. The loan bears an interest rate of 2.5% per annum based on a year of 360 days, until paid in full. Payment is due in one lump sum of principal and interest on April 12, 2021. This loan was incurred in order for the Authority to participate in HUD's Operating Fund Financing Program. Under this program, the Authority is allowed to use a portion of its operating fund reserve balances to collateralize financings and pay debt service where the financing is used for public housing development or modernization. This loan will be used to modernize public housing units to be more accessible to tenants with disabilities. The principal balance of this loan at September 30, 2020 was \$719,000.

Fiscal Year	Principal	Interest	Balance Due
2021	\$ 719,000	26,813	-

4. During the fiscal year ending September 30, 2020, the Authority entered into a loan agreement with VCC Bank for \$802,250. The note bears an interest rate of 2.5% per annum based on a year of 360 days, until paid in full. Payment is due in one lump sum of principal and interest on July 29, 2021. The loan was incurred in order for the Authority to participate in HUD's Operating Fund Financing Program. This Program allows the Authority to use operating reserves for modernization and capital projects. This loan will be used to construct eight public housing units in the Hurt Park area. The loan was paid in full during the 2020 fiscal year.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**15. NOTES PAYABLE (continued)**

A summary of the notes payable at September 30, 2020:

	Total	Current	Long Term
VCC Bank	\$ 719,000	719,000	-
CDBG/HOME Notes	<u>218,712</u>	<u>-</u>	<u>218,712</u>
	<u>\$ 937,712</u>	<u>719,000</u>	<u>218,712</u>

**16. ENTERPRISE FUND LONG-TERM LIABILITIES**

Enterprise Fund Long-term liability activity for the year ended September 30, 2020, is as follows:

	October 1, 2019			September 30, 2020
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Accrued Compensated Absences	\$ 92,823	239,478	240,441	91,860
Accrued OPEB Liabilities	1,026,921	137,386	91,508	1,072,799
Notes Payable	1,833,332	719,000	1,614,620	937,712
Other Long Term Liabilities	185,117	206,664	203,559	188,222
Less: Current Portion	<u>(153,749)</u>	<u>(1,055,049)</u>	<u>(313,613)</u>	<u>(895,185)</u>
Long-Term Liabilities	<u>\$ 2,984,444</u>	<u>247,479</u>	<u>1,836,515</u>	<u>1,395,408</u>

**17. RESTRICTED NET POSITION**

The Authority's restricted net position for the year is as follows:

	Enterprise <u>Fund</u>
Restricted for SRA program	\$ 93

**18. OTHER COMMITMENTS AND CONTINGENCIES**

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

**19. RELATED PARTY TRANSACTIONS**

**Agreements with Stepping Stone, Limited Partnership (Component Unit)**

The Authority and Stepping Stone, LP have entered an agreement whereby the Authority will provide property management services to the LP in exchange for a service fee of 6% of collected rents. As of September 30, 2020, Stepping Stone, LP owed the Authority \$2,411 for property management services and had paid the Authority \$10,971 in management fees during the year.

**Agreements with Indian Village, Limited Partnership (Component Unit)**

The Authority and Indian Village, LP have entered into an agreement whereby the Authority will provide property management services in exchange for a service fee of 6% of gross rents collected. As of September 30, 2020, Indian Village, LP owed the Authority \$6,310 in accrued management fees and expenses. During the year, the Partnership paid \$2,675 in management fees to the Authority.

**Agreements with Park Street Housing, Limited Partnership (Component Unit)**

The Authority and Park Street, LP have entered into an agreement whereby the Authority will provide property management services in exchange for a service fee of 6% of gross rents collected. RRHA has an outstanding loan with Park Street, LP of \$2,298,698. As of September 30, 2020 Park Street, LP owed the Authority \$13,027 in accrued management fees and expenses. During the year the partnership paid \$1,438 in management fees to the Authority.

**Agreements with Hurt Park, Limited Partnership (Component Unit)**

The Authority and Hurt Park, LP have entered into an agreement whereby the Authority will provide property management services to the LP in exchange for a service fee of 6% of collected rents. As of September 30, 2020, Hurt Park, LP owed the Authority \$4,361 for property management services and had paid the Authority \$13,169 in management fees during the year.

**20. USE OF ANOTHER AUDITOR'S WORK**

According to Statements of Auditing Standards, an auditor may "Use the work and reports of other independent auditors who have audited the financial statements of one or more subsidiaries, divisions, branches, components, or investments included in the financial statements presented". When making the decision of whether to include said statements, the Principle Auditor, must take into consideration "the professional reputation and independence of the other auditor". During the Roanoke Redevelopment and Housing Authority audit, we elected to use another independent auditor's work for Stepping Stone, LP, Indian Village, LP, Park Street Housing, LP, Hurt Park, LP, and Roanoke Valley Housing Corporation based on the recommendation of the Housing Authority's management.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**20. USE OF ANOTHER AUDITOR'S WORK (continued)**

The aforementioned partnership audits for the year ended December 31, 2019 were performed by Dooley and Vicars, LLP, a highly regarded, independent auditing firm in Richmond, VA. All five audits had unqualified opinions with no findings.

**21. DIFFERENT REPORTING PERIODS**

The Roanoke Redevelopment and Housing Authority has a September 30th year end and each of the five discrete component units have December 31st year ends. The December 31, 2019 financial statements for the component units are included in the Authority's September 30, 2020 basic financial statements in the component unit column. According to the Governmental Accounting Standards Board (GASB) Statement 14, paragraph 59.118, if a component unit has a year end differing from that of the reporting entity, the financial statements for the component unit's fiscal year ending during the reporting entity's fiscal year should be incorporated. Statement 14 continues if transactions between component units that have different fiscal years result in inconsistencies in amounts reported as due to or due from, and so forth, the nature and amount of those transactions should be disclosed in the notes to the financial statements.

<u>RRHA - Due to/Due from Stepping Stone, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2019	1,252
Net Transfers from January 1, 2020 to September 30, 2020	<u>1,159</u>
Balance at September 30, 2020	<u><u>2,411</u></u>
 <u>RRHA - Due to/Due from Indian Village, LP</u>	 <u>DR (CR)</u>
Balance at December 31, 2019	1,417
Net Transfers from January 1, 2020 to September 30, 2020	<u>4,893</u>
Balance at September 30, 2020	<u><u>6,310</u></u>
 <u>RRHA - Due to/Due from Park Street Housing, LP</u>	 <u>DR (CR)</u>
Balance at December 31, 2019	2,311,045
Net Transfers from January 1, 2020 to September 30, 2020	<u>1,707</u>
Balance at September 30, 2020	<u><u>2,312,752</u></u>
 <u>RRHA - Due to/Due from Hurt Park, LP</u>	 <u>DR (CR)</u>
Balance at December 31, 2019	1,929
Net Transfers from January 1, 2020 to September 30, 2020	<u>2,432</u>
Balance at September 30, 2020	<u><u>\$ 4,361</u></u>
 <u>RRHA - Due to/Due from RVHC</u>	 <u>DR (CR)</u>
Balance at December 31, 2019	-
Net Transfers from January 1, 2020 to September 30, 2020	<u>-</u>
Balance at September 30, 2020	<u><u>\$ -</u></u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**22. GRANTS**

During the fiscal year ended September 30, 2020, the Authority closed the following grants:

Capital Fund Program <u>Grant Number</u>	Expenditures prior to fiscal <u>year 2020</u>	Expenditures for fiscal <u>year 2020</u>	Total <u>Expenditures</u>
VA36R011502-12	\$ 158,049	108,425	266,474
VA36R011502-13	-	150,166	150,166
VA36R011502-14	-	157,624	157,624
VA36R011501-15	-	172,897	172,897
VA36R011501-16	-	179,749	179,749
	<u>\$ 158,049</u>	<u>768,861</u>	<u>926,910</u>

**23. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 16, 2021, the date the financial statements were available to be issued. No subsequent events requiring recognition or disclosure in the financial statements were identified by management.

The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Authority's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Authority's customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Authority's financial condition or results of operations is uncertain.

**24. OTHER POSTEMPLOYMENT BENEFITS**

*Benefit Description*

The Authority participates in a healthcare plan managed by the Commonwealth of Virginia and administered by Anthem Blue Cross and Blue Shield. The health care plan is fully-insured and partially experienced-rated. The Authority subsidizes retiree medical health care coverage at various rates based upon age at retirement and years of service.

*Benefit Policy*

The Authority subsidizes 40%-80% of the medical insurance single premium rate for a retiree based on qualifications of employee age and years of service at retirement. Subsidy rates are categorized into 3 tiers based on the retiree qualifications. The Authority does not subsidize spousal coverage and the retiree is responsible for any premium not covered by the Authority. The Authority has funded its retiree health benefits on a pay-as-you-go basis. The benefit offered to retirees was established and can be amended by the Authority's board of directors. All information regarding Other Postemployment Benefits is included in the Authority's Audited Financial report. The Other Postemployment Benefit Plan does not issue a separate stand-alone financial report. For the year ended September 30, 2020, the other postemployment benefits (OPEB) expense was \$137,386.

Roanoke Redevelopment and Housing Authority.

Notes to Financial Statements (continued)

**24. OTHER POSTEMPLOYMENT BENEFITS (continued)**

Retirement Subsidy Tiers		
<u>Retirement Tiers</u>	<u>ER Contribution</u>	<u>Subsidized Rate</u>
Tier 1- 62 w 5 years	100% of primary ER share	80%
Tier 2 - 60 w 5 years	70% of primary ER share	56%
Tier 3 - 55 w 10 years	50% of primary ER share	40%

The Total OPEB Liability of the Housing Authority at September 30, 2019 was \$1,072,799.

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The chart below presents the total OPEB liability, calculated using the current healthcare cost trend rate of 7.5% decreasing to 4.5%, as well as the total OPEB liability calculated using a healthcare cost trend rate that is 1 percentage point lower (5.5% decreasing to 3.5%) or 1 percentage point higher (8.5% decreasing to 5.5%) than the current rate:

	1% Decrease 6.5% decreasing to <u>3.5%</u>	Current Healthcare Cost Trent Rate 7.5% decreasing to <u>4.5%</u>	1% Increase 8.5% decreasing to <u>5.5%</u>
Total OPEB Liability	1,002,526	1,072,799	1,152,183

**Sensitivity of the Total OPEB Liability to Changes in Discount Rate**

The chart below presents the total OPEB liability, calculated using the current discount rate of 2.41%, as well as the OPEB liability calculated using a discount rate that is 1 percentage point lower (1.41%) or 1 percentage point higher (3.41%) than the current rate:

	1% Decrease to <u>1.41%</u>	Current Discount Rate <u>2.41%</u>	1% Increase to <u>3.41%</u>
Total OPEB Liability	1,137,114	1,072,799	1,014,514

There are no assets accumulated in a trust so the Net Fiduciary Position is \$0 and the Net OPEB Liability is equal to the Total OPEB Liability.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

24. OTHER POSTEMPLOYMENT BENEFITS (continued)

<b>Schedule of Changes in Total OPEB Liability</b>	Fiscal Year Ending <u>9/30/20</u>
Total OPEB Liability - Beginning of Year	\$ 1,026,924
Converted OPEB Liability - Beginning of Year	1,026,924
Service Cost	34,938
Interest	36,391
Changes in Benefit Terms	-
Difference between Expected and Actual Experience	(1,585)
Changes in Assumptions	67,640
Benefit Payments	<u>(91,509)</u>
Net Change in Total OPEB Liability	45,875
Total OPEB Liability - End of Year	1,072,799
Covered Employee Payroll	2,699,961
Total OPEB Liability as a Percentage of the Covered Employee Payroll	39.73 %

<b>OPEB Expense</b>	Fiscal Year Ending <u>9/30/20</u>
Service Cost	\$ 34,938
Interest on Total OPEB Liability	36,391
Effect of Plan Changes	(1,585)
Administrative Expenses	-
Recognition of Deferred (Inflows)/Outflows of Resources	-
Differences between expected and actual experience	-
Assumption Changes	<u>67,640</u>
OPEB Expense	<u>\$ 137,384</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

**24. OTHER POSTEMPLOYMENT BENEFITS (continued)**

**Alternative Measurement Method (AMM) Assumptions**

Measurement Date	September 30, 2020
Valuation Date	September 30, 2020
Reporting Date	September 30, 2020
Measurement Period	October 1, 2019 to September 30, 2020
Discount Rate	2.41% per year

The discount rate used to measure the total pension liability as of September 30, 2020 was 2.41%. As an unfunded plan, the discount rate reflects the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

General Inflation	2.5% per year
Salary Increases	3.5% per year
Cost Method	Entry Age Normal Level % of Salary Method
Employer Funding Policy	Pay-as-you-go cash basis

Health Care Cost Trend Rates

<u>Year</u>	<u>Rate %</u>	<u>Year</u>	<u>Rate %</u>
2019	8.00	2024	6.00
2020	7.50	2025	5.50
2021	7.00	2026	5.00
2022	7.00	2027+	4.50
2023	6.50		

Mortality	SOA RPH-2018 Total Dataset Mortality table fully generated using Scale MP-2018
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**25. UNCERTAIN TAX POSITIONS**

The Authority had no unrecognized tax benefits at September 30, 2020 and no open years prior to September 30, 2017. The Authority files tax returns in the U.S. federal jurisdiction and the State of Virginia.

**JUMP, PERRY AND COMPANY, L.L.P.** CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S 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

The Board of Commissioners of the  
Roanoke Redevelopment and Housing Authority:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Roanoke Redevelopment and Housing Authority (the "Authority") as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 16, 2021. Our report includes a reference to other auditors who audited the financial statements of Hurt Park, LP, Indian Village, LP, Park Street, LP, Stepping Stone, LP, and Roanoke Valley Housing Corporation, as described in our report of the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Handwritten signature in cursive script that reads "Jimp, Betty and Carolyn LLP".

March 16, 2021  
Toms River, New Jersey

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

The Board of Commissioners of the  
Roanoke Redevelopment and Housing Authority:

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

We have audited Roanoke Redevelopment and Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2020. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion of Each Major Federal Program***

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

**Report on Internal Control Over Compliance**

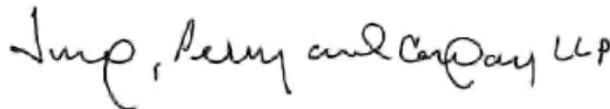
Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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.

March 16, 2021  
Toms River, New Jersey



Roanoke Redevelopment and Housing Authority

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2020

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:		
Direct Awards:		
Public Housing	14.850	\$ 4,838,555
Public Housing CARES Act	14.850	<u>745,115</u>
		5,583,670
Housing Choice Vouchers	14.871	12,363,896
Housing Choice Vouchers CARES Act	14.871	197,610
Mainstream	14.879	464,388
Mainstream CARES Act	14.879	<u>13,539</u>
Total Cluster		13,039,433
Family Self-Sufficiency Program	14.896	174,504
Resident Opportunity and Support Services	14.870	<u>92,449</u>
Total Cluster		266,953
Jobs Plus Pilot Program Grant	14.895	493,108
Public Housing Capital Fund Program	14.872	3,241,457
Pass-through from City of Roanoke:		
Community Development Block Grant	14.218	<u>573</u>
		<u>\$22,625,194</u>

Roanoke Redevelopment and Housing Authority

Notes to Schedule of Federal Awards

September 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Roanoke Redevelopment and Housing Authority presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

2. Loan Guarantees

At September 30, 2020, the Authority is not the guarantor of any loans outstanding, except as discussed in the notes to the financial statements.

3. Indirect Cost Rate

The Authority has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Roanoke Redevelopment and Housing Authority

Schedule of Findings and Questioned Costs

September 30, 2020

I. Summary of Auditor's Results

Financial Statement Section

- |    |   |            |
|----|---|------------|
| 1. | Type of auditor's report issued:  | Unmodified |
| 2. | Internal control over financial reporting   |            |
|    | a. Material Weakness(es) identified?  | No         |
|    | b. Were significant deficiencies identified not considered to be material weaknesses? | No         |
| 3. | Noncompliance material to the financial statements?                                   | No         |

Federal Awards Section

- |    |   |                                |
|----|---|--------------------------------|
| 1. | Internal control over major programs:   |                                |
|    | a. Material Weakness(es) identified?  | No                             |
|    | b. Were significant deficiencies identified not considered to be material weaknesses?                                   | No                             |
| 2. | Type of auditor's report issued on compliance for major programs:   |                                |
|    | Housing Choice Vouchers   | Unmodified                     |
| 3. | Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance (section .516(a)) | No                             |
| 4. | Dollar threshold used to determine Type A Programs: type A and B programs   | \$750,000                      |
| 5. | Auditee qualified as low risk?  | Yes                            |
| 6. | <u>Major Programs:</u>  |                                |
|    | <u>CFDA Number</u>  | <u>Name of Federal Program</u> |
|    | 14.871  | Housing Choice Vouchers        |

Roanoke Redevelopment and Housing Authority  
Schedule of Findings and Questioned Costs (continued)

September 30, 2020

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

None

IV. Summary of Prior Audit Findings and Questioned Costs

None

Roanoke Redevelopment and Housing Authority  
Schedule of Findings and Questioned Costs (continued)

September 30, 2020

Current year findings and questioned costs

None

## Supplementary Information

Roanoke Redevelopment and Housing Authority

Schedule of Changes in Employer's Net Pension Liability

For the Year Ended September 30, 2020

<b>Change in the Net Pension Liability</b>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability						
Service cost	288,945	307,830	319,415	325,513	345,298	349,221
Interest	168,610	142,241	125,184	106,466	99,660	75,160
Benefit changes	-	-	-	-	-	-
Difference between actual and expected experience	(60,196)	16,408	(18,918)	89,185	(74,302)	-
Assumption changes	93,198	-	(99,265)	-	-	-
Benefit payments, including refunds of contributions	<u>(72,649)</u>	<u>(106,918)</u>	<u>(58,583)</u>	<u>(448,927)</u>	<u>(97,929)</u>	<u>(50,830)</u>
Net change in total pension liability	417,908	359,561	267,833	72,237	272,727	373,551
Total pension liability - beginning	<u>2,445,032</u>	<u>2,085,471</u>	<u>1,817,638</u>	<u>1,745,401</u>	<u>1,472,674</u>	<u>1,099,123</u>
Total pension liability - ending	2,862,940	2,445,032	2,085,471	1,817,638	1,745,401	1,472,674
Plan fiduciary net position:						
Contributions - employer	131,236	151,251	158,003	169,028	169,738	130,328
Contributions - members	135,395	140,383	146,283	136,761	141,937	144,381
Net investment income	210,329	197,702	272,201	42,160	94,384	241,924
Benefit payments including refunds of contributions	(72,649)	(106,918)	(58,583)	(448,927)	(97,929)	(50,830)
Administrative expense	(1,804)	(1,524)	(1,307)	(1,587)	(1,051)	(1,101)
Other	<u>(135)</u>	<u>(431)</u>	<u>(253)</u>	<u>(17)</u>	<u>(22)</u>	<u>13</u>
Net change in plan fiduciary net position	402,372	380,463	516,344	(102,582)	307,057	464,715
Plan fiduciary net position - beginning	<u>2,970,740</u>	<u>2,590,277</u>	<u>2,073,933</u>	<u>2,176,515</u>	<u>1,869,458</u>	<u>1,404,743</u>
Plan fiduciary net position - ending	3,373,112	2,970,740	2,590,277	2,073,933	2,176,515	1,869,458
Net pension liability - ending	(510,172)	(525,708)	(504,806)	(256,295)	(431,114)	(396,784)
Plan fiduciary net position as a percentage of the total pension liability	117.82 %	121.50 %	124.21 %	114.10 %	124.70 %	126.94 %
Covered payroll	2,857,975	3,066,801	3,188,163	3,070,860	2,886,888	2,838,454
Net pension liability as a percentage of covered payroll	(17.85)%	(17.14)%	(15.83)%	(8.35)%	(14.93)%	(13.98)%

Roanoke Redevelopment and Housing Authority

Employer Contribution Schedule

For the Year Ended September 30, 2020

**Schedule of RRHA Pension Contribution**

Year Ended <u>June 30</u>	Actuarially Determined Contribution <u>(a)</u>	Actual Contributions and Receivables Recognized by Pension Plan <u>(b)</u>	Actuarial less Actual Contributions <u>(c)</u>	Covered Payroll <u>(d)</u>	Actual Contributions as a Percentage of Covered Payroll <u>(b)/(d)</u>
2019	146,328	131,236	15,092	2,857,975	4.59 %
2018	174,194	151,251	22,943	3,066,801	4.93 %
2017	181,088	158,003	23,085	3,188,163	4.96 %
2016	191,007	169,028	21,979	3,070,860	5.50 %
2015	179,564	169,738	9,826	2,886,888	5.88 %
2014	133,975	130,328	3,647	2,838,454	4.59 %

Roanoke Redevelopment and Housing Authority  
Schedule of Changes in Total OPEB Liability  
For the Year Ended September 30, 2020

**Changes in Total OPEB Liability**

<u>Schedule of Changes in Total OPEB Liability</u>	Fiscal Year Ending <u>9/30/20</u>	Fiscal Year Ending <u>9/30/19</u>	Fiscal Year Ending <u>9/30/18</u>	Fiscal Year Ending <u>9/30/17</u>
Total OPEB Liability - Beginning of Year	1,026,924	\$ 1,072,639	\$ 997,671	\$ 263,939
Conversion from GASB 45 to 75	<u>-</u>	<u>-</u>	<u>-</u>	<u>558,577</u>
Converted OPEB Liability - Beginning of Year	1,026,924	1,072,639	997,671	822,516
Service Cost	34,938	118,648	114,481	105,935
Interest	36,391	41,839	39,053	41,359
Changes in Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	(1,585)	(121,744)	-	-
Changes in Assumptions	67,640	-	-	46,784
Benefit Payments	<u>(91,509)</u>	<u>(84,458)</u>	<u>(78,566)</u>	<u>(18,923)</u>
Net Change in Total OPEB Liability	45,875	(45,715)	74,968	175,155
Total OPEB Liability - End of Year	1,072,799	1,026,924	1,072,639	997,671
Covered Employee Payroll	2,699,961	2,981,275	3,267,959	3,172,776
Total OPEB Liability as a Percentage of the Covered Employee Payroll	39.73 %	34.45 %	32.82 %	31.44 %

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14.871	S8 HCV CARES Fund 966 14.HCC	S8 MAINSTREAM Fund 310 14.879	S8 MAINSTREAM CARES Fund 967 14.MSC	Jobs Plus Fund 601 14.895	FSS Fund 685,686 14.896	ROSS Fund 683 14.870	PH Cares Fund 951-965 14.PHC	CDBG Fund 510 14.218	HOME Fund 510 14.239	STATE/ LOCAL
111	Cash- unrestricted	8,740,884	1,027,239		214,115								2,479,726
112	Cash- restricted- modernizn & developmt	430,620											-
113	Cash-other restricted	82,303	58,197	249,839	4,373	4,130					117,605	36,988	505,932
114	Cash- tenant security deposits	149,541											-
115	Cash - restricted for pymt of curr liability	-	152,710		1,221	-							-
100	<b>Total Cash</b>	<b>9,403,348</b>	<b>1,238,146</b>	<b>249,839</b>	<b>219,709</b>	<b>4,130</b>	-	-	-	-	<b>117,605</b>	<b>36,988</b>	<b>2,985,658</b>
121	AR - PHA projs	-	1,877										-
122	<b>Accounts receivable - HUD other projs</b>	<b>300,491</b>	<b>94,122</b>	-	-	-	<b>120,605</b>	<b>20,060</b>	<b>9,338</b>	19,885	-	-	-
124	Account receivable - other govt	44,265									4,724	1,389	-
125	<b>Account receivable - miscellaneous</b>	-	<b>122,820</b>	-	<b>1,090</b>	-	-	-	-	-	-	-	-
126	Accounts receivable - tenants	309,397											-
126.1	Allowance for doubtful accounts - tenants	(227,305)											-
126.2	Allowance for doubtful accounts - other	-	(1,877)				-				-	-	-
127	Loans & Mortgages Recvbl - Current	-											5,097
128	Fraud recovery	-	100,649										-
128	Allowance for doubtful accounts - fraud	-	(100,192)										-
129	Accrued interest receivable	-									-	-	21
120	<b>Total Receivables, net allow for doubtful accts</b>	<b>426,848</b>	<b>217,399</b>	-	<b>1,090</b>	-	<b>120,605</b>	<b>20,060</b>	<b>9,338</b>	<b>19,885</b>	<b>4,724</b>	<b>1,389</b>	<b>5,118</b>
131	Investments - unrestricted	-											-
132	Investments - restricted	-											-
135	Investments - restricted for pymt of curr liability	-											-
142	Prepaid expenses, Other assets	204,076	15,088										94
143	Inventories	-											-
143	Allowance- obsolete inventories	-											-
144	Inter program - due from	126,558	5,974										-
145	Assets held for sale	-									30,701		79,190
150	<b>Total Current Assets</b>	<b>10,160,830</b>	<b>1,476,607</b>	<b>249,839</b>	<b>220,799</b>	<b>4,130</b>	<b>120,605</b>	<b>20,060</b>	<b>9,338</b>	<b>19,885</b>	<b>153,030</b>	<b>38,377</b>	<b>3,070,060</b>
161	Land	13,505,220									3,441,584		39,201
162	Buildings	78,888,939	233,250										75,157
163	Furniture, equip, machinery - dwellings	1,133,897											-
164	Furniture, equip, machinery - admin	2,081,394	129,122										-
165	Leasehold improvements	-											-
166	Accumulated depreciation	(70,950,668)	(311,282)	-							(871,584)		(796,674)
167	Construction in progress	7,759,070											-
168	Infrastructure	-									1,822,317		1,287,000
160	<b>Total capital assets, net accum depreciation</b>	<b>32,417,852</b>	<b>51,090</b>	-	-	-	-	-	-	-	<b>4,392,317</b>	-	<b>604,684</b>
171	<b>Loans &amp; Mortgages recvbl – Non-current</b>	<b>316,000</b>	-	-	-	-	-	-	-	-	<b>58,400</b>	<b>160,312</b>	<b>72,000</b>
172	<b>Loans &amp; Mortgs recvbl – Non-current, past due</b>	-									-	-	-
173	Grants receivable – Non-current	-											-
174	<b>Other assets</b>	<b>222,941</b>	<b>55,955</b>				<b>8,791</b>	<b>5,794</b>	<b>2,810</b>	-	-	-	-
176	<b>Investment in joint venture</b>	-					-						-
180	<b>Total Non-current Assets</b>	<b>32,956,793</b>	<b>107,045</b>	-	-	-	<b>8,791</b>	<b>5,794</b>	<b>2,810</b>	-	<b>4,450,717</b>	<b>160,312</b>	<b>676,684</b>
190	<b>Total Assets</b>	<b>43,117,623</b>	<b>1,583,652</b>	<b>249,839</b>	<b>220,799</b>	<b>4,130</b>	<b>129,396</b>	<b>25,854</b>	<b>12,148</b>	<b>19,885</b>	<b>4,603,747</b>	<b>198,689</b>	<b>3,746,744</b>
200	<b>Deferred Outflow of Resources</b>	<b>108,015</b>	<b>26,478</b>				<b>11,491</b>	<b>10,267</b>	<b>3,797</b>				
290	<b>Total Assets &amp; Deferred Outflow of Resources</b>	<b>43,225,638</b>	<b>1,610,130</b>	<b>249,839</b>	<b>220,799</b>	<b>4,130</b>	<b>140,887</b>	<b>36,121</b>	<b>15,945</b>	<b>19,885</b>	<b>4,603,747</b>	<b>198,689</b>	<b>3,746,744</b>

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14.871	S8 HCV CARES Fund 966 14.HCC	S8 MAINSTREAM Fund 310 14.879	S8 MAINSTREAM CARES Fund 967 14.MSC	Jobs Plus Fund 601 14.895	FSS Fund 685,686 14.896	ROSS Fund 683 14.870	PH Cares Fund 951-965 14.PHC	CDBG Fund 510 14.218	HOME Fund 510 14.239	STATE/ LOCAL
311	Bank overdraft	-											-
312	Accounts payable <= 90 days	89,518	104,988		1,221	-							209
313	Accounts payable > 90 days past due	-											-
321	Accrued wage/payroll taxes payable	44,269	11,510				2,773	4,703	1,679				-
322	Accrued compensated absences - curr portion	42,860	6,286				799	3,533	731				-
324	Accrued contingency liability	-											-
325	Accrued interest payable	26,813									-		-
331	<b>Accounts payable - HUD PHA Programs</b>	-	-	-	-	-	<b>38,289</b>	-	-	-	-	-	-
332	Accounts payable - PHA Projects	-											-
333	Accounts payable - other govt	180,625									123,872	38,377	384,479
341	Tenant security deposits	149,541											-
342	<b>Unearned revenue</b>	<b>1,825</b>	-	249,839	4,373	4,130	-	-	-	-	-	-	505,839
<b>343</b>	<b>Curr portion LT debt - capital projs</b>	<b>719,000</b>											-
344	Curr portion LT debt - operating borrowings	-											-
345	Other current liabilities	43,873	47,721										-
346	Accrued liabilities - other	36,604	-										-
347	Inter program - due to	9,001					85,970	11,947	5,729	19,885			-
348	<b>Loan liability - current</b>	-	-	-	-	-	-	-	-	-	-	-	-
310	<b>Total Current Liabilities</b>	<b>1,343,929</b>	<b>170,505</b>	<b>249,839</b>	<b>5,594</b>	<b>4,130</b>	<b>127,831</b>	<b>20,183</b>	<b>8,139</b>	<b>19,885</b>	<b>123,872</b>	<b>38,377</b>	<b>890,527</b>
351-010	Long-term debt - CFFP	-											-
351-020	Long-term - Capital Projects	-											-
351	<b>LT Debt - Capital Projs / Mortgages</b>	-											-
352	LT debt, net of current - operating borrowings	-											-
353	Non-current liabilities - other	82,304	58,197										-
354	Accrued compensated absences- NC	-											-
355	<b>Loan liability - Non-current</b>	-	-	-	-	-	-	-	-	-	<b>58,400</b>	<b>160,312</b>	-
356	FASB 5 Liabilities	-											-
357-010	Pension Liability	-											-
357-020	OPEB Liability	532,529	86,259				7,766	11,212	6,058				-
357	Accrued Pension & OPEB Liability	532,529	86,259	-	-	-	7,766	11,212	6,058	-	-	-	-
350	<b>Total Non-current liabilities</b>	<b>614,833</b>	<b>144,456</b>	-	-	-	<b>7,766</b>	<b>11,212</b>	<b>6,058</b>	-	<b>58,400</b>	<b>160,312</b>	-
<b>300</b>	<b>Total Liabilities</b>	<b>1,958,762</b>	<b>314,961</b>	<b>249,839</b>	<b>5,594</b>	<b>4,130</b>	<b>135,597</b>	<b>31,395</b>	<b>14,197</b>	<b>19,885</b>	<b>182,272</b>	<b>198,689</b>	<b>890,527</b>
400	<b>Deferred Inflow of Resources</b>	<b>49,722</b>	<b>12,189</b>				<b>5,290</b>	<b>4,726</b>	<b>1,748</b>				-
508.4	Capital Asset Investmt, net related debt	<b>32,128,862</b>	<b>51,090</b>	-	-	-	-	-	-	-	<b>4,392,317</b>	-	<b>604,684</b>
511.4	Restricted Net Position	-	-				-	-	-				93
512.4	Unrestricted Net Position	<b>9,088,292</b>	<b>1,231,890</b>	-	<b>215,205</b>	-	-	-	-	-	29,158		2,251,440
513	<b>Total Net Position</b>	<b>41,217,154</b>	<b>1,282,980</b>	-	<b>215,205</b>	-	-	-	-	-	<b>4,421,475</b>	-	<b>2,856,217</b>
<b>600</b>	<b>Total Liabs, Def. Inflow of Res, &amp; Net Position</b>	<b>43,225,638</b>	<b>1,610,130</b>	<b>249,839</b>	<b>220,799</b>	<b>4,130</b>	<b>140,887</b>	<b>36,121</b>	<b>15,945</b>	<b>19,885</b>	<b>4,603,747</b>	<b>198,689</b>	<b>3,746,744</b>

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14.871	S8 HCV CARES Fund 966 14.HCC	S8 MAINSTREAM Fund 310 14.879	S8 MAINSTREAM CARES Fund 967 14.MSC	Jobs Plus Fund 601 14.895	FSS Fund 685,686 14.896	ROSS Fund 683 14.870	PH Cares Fund 951-965 14.PHC	CDBG Fund 510 14.218	HOME Fund 510 14.239	STATE/ LOCAL
<b>Income Statement</b>													
70300	Net tenant rental revenue	3,443,302											-
70400	Tenant revenue - other	179,246											-
70500	<b>Total Tenant Revenue</b>	<b>3,622,548</b>	-	-	-	-	-	-	-	-	-	-	-
70600	<b>HUD PHA operating grants</b>	<b>5,185,293</b>	<b>12,390,611</b>	<b>197,610</b>	<b>493,490</b>	<b>13,539</b>	<b>493,108</b>	<b>174,504</b>	<b>92,449</b>	<b>745,115</b>	<b>573</b>	-	-
70610	<b>Capital grants</b>	<b>2,894,719</b>					-		-		-		-
70710	Management Fee	-											
70720	Asset Management Fee	-											
70730	Book-Keeping Fee	-											
70740	Front Line Service Fee	-											
70750	Other Fees	-											
70700	<b>Total Fee Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-									205		156,093
71100-010	Housing Assistance Payment	-											-
71100-020	Administrative Fee	-											-
71100	<b>Investment income - unrestricted</b>	-	-	-	-	-	-	-	-	-	-	-	-
71200	Mortgage interest income	3,876											632
71300	Proceeds - disposition of assets held for sale	-											-
71310	Cost of sale of assets	-											(4,838)
71400-010	Housing Assistance Payment	-	675										-
71400-020	Administrative Fee	-	675										-
71400	<b>Fraud recovery</b>	-	<b>1,350</b>	-	-	-							-
71500	Other revenue	156,429	14,372										69
71600	Gain / loss - sale of capital assets	14,708	(30,723)										-
72000-010	Housing Assistance Payment	-											-
72000-020	Administrative Fee	-											-
72000	<b>Investment income - restricted</b>	3,803											-
70000	<b>Total Revenue</b>	<b>11,881,376</b>	<b>12,375,610</b>	<b>197,610</b>	<b>493,490</b>	<b>13,539</b>	<b>493,108</b>	<b>174,504</b>	<b>92,449</b>	<b>745,115</b>	<b>778</b>	-	<b>151,956</b>
91100	Administrative salaries	324,622	106,807	134,432	5,335	7,160				131,090			22,238
91200	Auditing fees	30,900	2,672		82	45							90
91300-010	To PHA Administered Program (i.e. COCC)	1,473,256	197,791	-									-
91300-020	To Third Party/Outside Entity	-											-
91300	<b>Management Fees</b>	<b>1,473,256</b>	197,791	-			-	-	-	-	-	-	-
91310	Book-Keeping Fee	114,705	152,647	-									-
91400	Advertising and Marketing	18,410	436										-
91500	Employee Benefit contributions - Admin	138,922	45,174	46,605	1,707	2,467				41,731			6,709
91600	Office Expenses	295,699	8,874							290			1,652
91700	Legal Expense	47,477	9,942		77	261					340		1,917
91800	Travel	2,582	23		1								-
91810	Allocated Overhead	-											-
91900	Other	85,872	151,449	3,131	4,924	2,385				268	438		1,252
91000	<b>Total Operating-Administrative</b>	<b>2,532,445</b>	<b>675,815</b>	<b>184,168</b>	<b>12,126</b>	<b>12,318</b>	-	-	-	<b>173,379</b>	<b>778</b>	-	<b>33,858</b>
92000	Asset Management Fee	153,000											
92100	Tenant services - salaries	74,693	57	2,392			144,207	116,665	60,887	22,310			4,123
92200	Relocation Costs	41,253											-
92300	Employee benefit contribs - tenant services	31,665	88	719			45,721	41,387	15,286	7,532			1,319

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14.871	S8 HCV CARES Fund 966 14.HCC	S8 MAINSTREAM Fund 310 14.879	S8 MAINSTREAM CARES Fund 967 14.MSC	Jobs Plus Fund 601 14.895	FSS Fund 685,686 14.896	ROSS Fund 683 14.870	PH Cares Fund 951-965 14.PHC	CDBG Fund 510 14.218	HOME Fund 510 14.239	STATE/ LOCAL
92400	Tenant services - other	70,414	2,971				293,109	8,766	14,149	37			2,710
92500	<b>Total Tenant Services</b>	<b>218,025</b>	<b>3,116</b>	<b>3,111</b>	-	-	<b>483,037</b>	<b>166,818</b>	<b>90,322</b>	<b>29,879</b>	-	-	8,152
93100	Water	339,020	1,211		21	39				83,047			8
93200	Electricity	437,527	1,337		22	44				134,786			10
93300	Gas	365,102	1,582		49	25				35,745			12
93400	Fuel	-											-
93500	Labor	-											-
93600	Sewer	349,667	1,105		19	34				78,400			52
93700	Employee benefit contributions - utilities	-											-
93750	HAP Portability-In	-											-
93800	Other utilities expense	-											-
93000	<b>Total Utilities</b>	<b>1,491,316</b>	<b>5,235</b>	-	<b>111</b>	<b>142</b>	-	-	-	<b>331,978</b>	-	-	82
94100	OMO-labor	372,524		10,283						151,639			28,486
94200	OMO-materials, other	392,599	729	48						5,589			10,638
94300-010	OMO contracts-Trash Removal	260,126											-
94300-020	OMO contracts-HVAC	132,758											-
94300-030	OMO contracts-Snow Removal	-											-
94300-040	OMO contracts-Elevator Maint	73,249											-
94300-050	OMO contracts-Grounds	235,372											1,824
94300-060	OMO contracts-Unit Turnaround	60,949											-
94300-070	OMO contracts-Electrical	39,275											-
94300-080	OMO contracts-Plumbing	116,237											-
94300-090	OMO contracts-Extermination	80,113											-
94300-100	OMO contracts-Janitorial	17,004	3,868							4,045			-
94300-110	OMO contracts-Routine Maint	445,087											-
94300-120	OMO contracts-Misc	48,940	421		87	737							124
94300	<b>Ordinary Maint &amp; Operations Contracts</b>	<b>1,509,110</b>	<b>4,289</b>	-	<b>87</b>	<b>737</b>	-	-	-	<b>4,045</b>	-	-	<b>1,948</b>
94500	OMO- Employee benefit contributions	128,860								48,606			-
94000	<b>Total Maintenance</b>	<b>2,403,093</b>	<b>5,018</b>	<b>10,331</b>	<b>87</b>	<b>737</b>	-	-	-	<b>209,879</b>	-	-	<b>41,072</b>
95100	Protective services - labor	-											-
95200	Protective services - contract costs (police)	272,030											-
95300	Protective services - other	3,049											-
95500	Protective services - Employee benefit contribs	-											-
95000	<b>Total Protective Services</b>	<b>275,079</b>	-	-	-	-	-	-	-	-	-	-	-
96110	Property Insurance	149,717	1,242										176
96120	Liability Insurance	55,514	6,567		302	342							234
96130	Workmen's Compensation	30,469	5,845										-
96140	All other Insurance	55,514	49										-
96100	<b>Total insurance Premiums</b>	<b>291,214</b>	<b>13,703</b>	-	<b>302</b>	<b>342</b>	-	-	-	-	-	-	<b>410</b>
96200	Other general expenses (FSS Escrow)	71,461											-
96210	Compensated absences	99,837	20,385				10,071	7,686	2,127				-

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14.871	S8 HCV CARES Fund 966 14.HCC	S8 MAINSTREAM Fund 310 14.879	S8 MAINSTREAM CARES Fund 967 14.MSC	Jobs Plus Fund 601 14.895	FSS Fund 685,686 14.896	ROSS Fund 683 14.870	PH Cares Fund 951-965 14.PHC	CDBG Fund 510 14.218	HOME Fund 510 14.239	STATE/ LOCAL
96300	Payments in lieu of taxes	180,625											-
96400	Bad debt - tenant rents	256,434											-
96500	Bad debt - mortgages	-											-
96600	Bad debt - other	-	3,175										-
96800	Severance expense	-											-
96000	<b>Total Other General Expenses</b>	<b>608,357</b>	<b>23,560</b>	-	-	-	<b>10,071</b>	<b>7,686</b>	<b>2,127</b>	-	-	-	-
96710	Interest - Mortgage/Bonds Payable	45,459											-
96720-010	Interest on EPC Related Debt	-											-
96720-020	Interest on All Other Debt	-											-
96720	Interest on Notes Payable (short & long term)	-											-
96730	Amortization of Bond Issue Costs	-											-
96700	<b>Interest expense and Amortization cost</b>	<b>45,459</b>	-	-	-	-	-	-	-	-	-	-	-
<b>96900</b>	<b>Total Operating Expenses</b>	<b>8,017,988</b>	<b>726,447</b>	<b>197,610</b>	<b>12,626</b>	<b>13,539</b>	<b>493,108</b>	<b>174,504</b>	<b>92,449</b>	<b>745,115</b>	<b>778</b>	-	<b>83,574</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>3,863,388</b>	<b>11,649,163</b>	-	<b>480,864</b>	-	-	-	-	-	-	-	<b>68,382</b>
97100	Extraordinary maintenance	501,783											-
97200	Casualty losses- Non-capitalized	16,182											-
97300-010	Mainstream 1 & 5 year	-			451,762	-							-
97300-020	Home-Ownership	-	41,123										-
97300-025	Litigation	-											-
97300-030	Hope IV	-											-
97300-035	Moving to Work	-											-
97300-040	Tenant Protection	-	47,521										-
97300-050	All Other	-	11,520,754										65,676
97300	<b>Housing assistance payments</b>	-	<b>11,609,398</b>	-	<b>451,762</b>	-							
97350	<b>HAP Portability In</b>												
97400	Depreciation expense	2,404,487	28,051	-							61,038		93,936
97500	Fraud losses	-											-
97800	Dwelling units rent expense	-											-
<b>90000</b>	<b>Total Expenses</b>	<b>10,940,440</b>	<b>12,363,896</b>	<b>197,610</b>	<b>464,388</b>	<b>13,539</b>	<b>493,108</b>	<b>174,504</b>	<b>92,449</b>	<b>745,115</b>	<b>61,816</b>	-	<b>243,186</b>
10010	Operating transfer in	4,385											-
10020	Operating transfer out	(4,385)											-
10080	Special items, net gain/loss	-											-
10091	Inter AMP Excess Cash Transfer In	1,891,984											-
10092	Inter AMP Excess Cash Transfer Out	(1,891,984)											-
10093	Transfers btwn Program & Project - In	-											-
10094	Transfers btwn Program & Project - Out	-											-
<b>10100</b>	<b>Total other financing sources (uses)</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>10000</b>	<b>Excess (Deficiency) of Revenues vs Expenses</b>	<b>940,936</b>	<b>11,714</b>	-	<b>29,102</b>	-	-	-	-	-	<b>(61,038)</b>	-	<b>(91,230)</b>
11020	Required Annual Debt Principal Payments	47,011					-	-					-
<b>11030</b>	Beginning equity	40,276,218	1,271,266	-	186,103	-	-	-	-		4,482,513	-	2,947,447
11040-070	Equity Transfers (UNRESTRICTED)	-											-
11040-080	Equity Transfers (RESTRICTED)	-											-
<b>11040</b>	<b>Prior Pd adjs, Equity trnfrs, &amp; Error corrections</b>	-	-	-	-	-	-	-	-	-	-	-	-

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
111	Cash- unrestricted	678,003	2,387,443		15,527,410	20,224	1,639	171,376	225,722	510,828	16,038,238
112	Cash- restricted- modernizm & developmt	-	-		430,620					-	430,620
113	Cash- other restricted	-	-		1,059,367	120,850	139,548	164,326	177,996	603,303	1,662,670
114	Cash- tenant security deposits	6,255	-		155,796	6,001	6,251	7,223	9,973	29,448	185,244
115	Cash - restricted for pymt of curr liability	-	-		153,931					-	153,931
100	<b>Total Cash</b>	<b>684,258</b>	<b>2,387,443</b>	<b>-</b>	<b>17,327,124</b>	<b>147,075</b>	<b>147,438</b>	<b>342,925</b>	<b>413,691</b>	<b>1,143,579</b>	<b>18,470,703</b>
121	AR - PHA projs	-	-		1,877					-	1,877
122	<b>Accounts receivable - HUD other projs</b>	-	-	-	564,501	-	-	-	-	-	<b>564,501</b>
124	Account receivable - other govt	-	-		50,378					-	50,378
125	<b>Account receivable - miscellaneous</b>	<b>27,067</b>	-	-	<b>150,977</b>	-	-	-	-	-	<b>150,977</b>
126	Accounts receivable - tenants	2,415	-		311,812	4,912	12,756	23,536	22,811	64,015	375,827
126.1	Allowance for doubtful accounts - tenants	-	-		(227,305)	(1,145)	(5,547)	(12,222)	(15,488)	(34,402)	(261,707)
126.2	Allowance for doubtful accounts - other	-	-		(1,877)					-	(1,877)
127	Loans & Mortgages Recvbl - Current	-	19,300		24,397					-	24,397
128	Fraud recovery	-	-		100,649					-	100,649
128	Allowance for doubtful accounts - fraud	-	-		(100,192)					-	(100,192)
129	Accrued interest receivable	-	-		21					-	21
120	<b>Total Receivables, net allow for doubtful accts</b>	<b>29,482</b>	<b>19,300</b>	<b>-</b>	<b>875,238</b>	<b>3,767</b>	<b>7,209</b>	<b>11,314</b>	<b>7,323</b>	<b>29,613</b>	<b>904,851</b>
131	Investments - unrestricted	-	-		-					-	-
132	Investments - restricted	-	-		-					-	-
135	Investments - restricted for pymt of curr liability	-	-		-					-	-
142	Prepaid expenses, Other assets	3,973	16,188		239,419	12,824	13,963	3,418	1,163	32,360	271,779
143	Inventories	-	-		-					-	-
143	Allowance- obsolete inventories	-	-		-					-	-
144	Inter program - due from	-	-	(132,532)	-					-	-
145	Assets held for sale	-	-		109,891					-	109,891
150	<b>Total Current Assets</b>	<b>717,713</b>	<b>2,422,931</b>	<b>(132,532)</b>	<b>18,551,672</b>	<b>163,666</b>	<b>168,610</b>	<b>357,657</b>	<b>422,177</b>	<b>1,205,552</b>	<b>19,757,224</b>
161	Land	84,004	-		17,070,009	1,105,314	1,154,523	80,675	958,971	3,299,483	20,369,492
162	Buildings	850,699	112,074		80,160,119	4,129,264	4,605,233	4,151,722	6,943,545	19,829,764	99,989,883
163	Furniture, equip, machinery - dwellings	-	5,627		1,139,524	55,376	56,439	31,596	74,300	217,711	1,357,235
164	Furniture, equip, machinery - admin	6,930	193,208		2,410,654					-	2,410,654
165	Leasehold improvements	-	-		-					-	-
166	Accumulated depreciation	(761,912)	(165,008)	(10,180)	(73,867,308)	(2,182,320)	(2,129,498)	(1,588,335)	(2,349,729)	(8,249,882)	(82,117,190)
167	Construction in progress	-	1,350		7,760,420					-	7,760,420
168	Infrastructure	-	-		3,109,317					-	3,109,317
160	<b>Total capital assets, net accum depreciation</b>	<b>179,721</b>	<b>147,251</b>	<b>(10,180)</b>	<b>37,782,735</b>	<b>3,107,634</b>	<b>3,686,697</b>	<b>2,675,658</b>	<b>5,627,087</b>	<b>15,097,076</b>	<b>52,879,811</b>
171	<b>Loans &amp; Mortgages recvbl – Non-current</b>	<b>-</b>	<b>47,310</b>	<b>-</b>	<b>654,022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654,022</b>
172	<b>Loans &amp; Mortgs recvbl – Non-current, past due</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
173	Grants receivable – Non-current	-	-		-					-	-
174	<b>Other assets</b>	<b>15,719</b>	<b>198,162</b>	<b>-</b>	<b>510,172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>510,172</b>
176	Investment in joint venture	-	-		-					-	-
180	<b>Total Non-current Assets</b>	<b>195,440</b>	<b>392,723</b>	<b>(10,180)</b>	<b>38,946,929</b>	<b>3,107,634</b>	<b>3,686,697</b>	<b>2,675,658</b>	<b>5,627,087</b>	<b>15,097,076</b>	<b>54,044,005</b>
190	<b>Total Assets</b>	<b>913,153</b>	<b>2,815,654</b>	<b>(142,712)</b>	<b>57,498,601</b>	<b>3,271,300</b>	<b>3,855,307</b>	<b>3,033,315</b>	<b>6,049,264</b>	<b>16,302,628</b>	<b>73,801,229</b>
200	<b>Deferred Outflow of Resources</b>	<b>4,709</b>	<b>103,730</b>	<b>-</b>	<b>268,487</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>268,487</b>
290	<b>Total Assets &amp; Deferred Outflow of Resources</b>	<b>917,862</b>	<b>2,919,384</b>	<b>(142,712)</b>	<b>57,767,088</b>	<b>3,271,300</b>	<b>3,855,307</b>	<b>3,033,315</b>	<b>6,049,264</b>	<b>16,302,628</b>	<b>74,069,716</b>

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
311	Bank overdraft	-	-	-	-	-	-	-	-	-	-
312	Accounts payable <= 90 days	560	63,321	-	259,817	853	3,424	1,252	1,929	7,458	267,275
313	Accounts payable > 90 days past due	-	-	-	-	-	1,854	-	-	1,854	1,854
321	Accrued wage/payroll taxes payable	2,135	42,195	-	109,264	-	-	-	-	-	109,264
322	Accrued compensated absences - curr portion	346	37,305	-	91,860	-	-	-	-	-	91,860
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	26,813	3,043	2,597	1,565	4,710	11,915	38,728
331	<b>Accounts payable - HUD PHA Programs</b>	-	-	-	<b>38,289</b>	-	-	-	-	-	<b>38,289</b>
332	Accounts payable - PHA Projects	-	-	-	-	-	-	-	-	-	-
333	Accounts payable - other govt	-	-	-	727,353	-	-	-	-	-	727,353
341	Tenant security deposits	6,255	-	-	155,796	5,750	6,250	7,250	10,250	29,500	185,296
342	<b>Unearned revenue</b>	<b>2,303</b>	<b>1,573</b>	<b>-</b>	<b>769,882</b>	<b>1,568</b>	<b>577</b>	<b>-</b>	<b>-</b>	<b>2,145</b>	<b>772,027</b>
<b>343</b>	<b>Curr portion LT debt - capital projs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>719,000</b>	<b>20,937</b>	<b>10,866</b>	<b>30,219</b>	<b>26,853</b>	<b>88,875</b>	<b>807,875</b>
344	Curr portion LT debt - operating borrowings	-	-	-	-	-	175	-	-	175	175
345	Other current liabilities	-	-	-	91,594	-	-	20,000	-	20,000	111,594
346	Accrued liabilities - other	-	-	-	36,604	-	-	-	-	-	36,604
347	Inter program - due to	-	-	(132,532)	-	-	-	-	-	-	-
348	<b>Loan liability - current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>515</b>	<b>515</b>
310	<b>Total Current Liabilities</b>	<b>11,599</b>	<b>144,394</b>	<b>(132,532)</b>	<b>3,026,272</b>	<b>32,151</b>	<b>25,743</b>	<b>60,286</b>	<b>43,742</b>	<b>162,437</b>	<b>3,188,709</b>
351-010	Long-term debt - CFFP	-	-	-	-	-	-	-	-	-	-
351-020	Long-term - Capital Projects	-	-	-	-	-	-	-	-	-	-
351	<b>LT Debt - Capital Projs / Mortgages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,694,803</b>	<b>2,787,459</b>	<b>557,021</b>	<b>1,912,135</b>	<b>6,951,418</b>	<b>6,951,418</b>
352	LT debt, net of current - operating borrowings	-	-	-	-	-	54,825	-	-	54,825	54,825
353	Non-current liabilities - other	-	-	-	140,501	470,000	55,362	470,153	287,786	1,283,301	1,423,802
354	Accrued compensated absences- NC	-	-	-	-	-	-	-	-	-	-
355	<b>Loan liability - Non-current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218,712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218,712</b>
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-
357-010	Pension Liability	-	-	-	-	-	-	-	-	-	-
357-020	OPEB Liability	46,459	345,912	-	1,036,195	-	-	-	-	-	1,036,195
357	Accrued Pension & OPEB Liability	46,459	345,912	-	1,036,195	-	-	-	-	-	1,036,195
350	<b>Total Non-current liabilities</b>	<b>46,459</b>	<b>345,912</b>	<b>-</b>	<b>1,395,408</b>	<b>2,164,803</b>	<b>2,897,646</b>	<b>1,027,174</b>	<b>2,199,921</b>	<b>8,289,544</b>	<b>9,684,952</b>
<b>300</b>	<b>Total Liabilities</b>	<b>58,058</b>	<b>490,306</b>	<b>(132,532)</b>	<b>4,421,680</b>	<b>2,196,954</b>	<b>2,923,389</b>	<b>1,087,460</b>	<b>2,243,663</b>	<b>8,451,981</b>	<b>12,873,661</b>
400	<b>Deferred Inflow of Resources</b>	<b>2,168</b>	<b>47,750</b>	<b>-</b>	<b>123,593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123,593</b>
508.4	Capital Asset Investmt, net related debt	179,721	147,251	(10,180)	37,493,745	1,391,894	888,372	2,088,418	3,688,099	8,056,783	45,550,528
511.4	Restricted Net Position	-	-	-	93	120,850	139,548	164,326	177,996	603,303	603,396
512.4	Unrestricted Net Position	677,915	2,234,077	-	15,727,977	(438,398)	(96,002)	(306,889)	(60,494)	(809,439)	14,918,538
513	<b>Total Net Position</b>	<b>857,636</b>	<b>2,381,328</b>	<b>(10,180)</b>	<b>53,221,815</b>	<b>1,074,346</b>	<b>931,918</b>	<b>1,945,855</b>	<b>3,805,601</b>	<b>7,850,647</b>	<b>61,072,462</b>
<b>600</b>	<b>Total Liabs, Def. Inflow of Res, &amp; Net Position</b>	<b>917,862</b>	<b>2,919,384</b>	<b>(142,712)</b>	<b>57,767,088</b>	<b>3,271,300</b>	<b>3,855,307</b>	<b>3,033,315</b>	<b>6,049,264</b>	<b>16,302,628</b>	<b>74,069,716</b>

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
<b>Income Statement</b>											
70300	Net tenant rental revenue	167,260	-	(144,121)	3,466,441	152,936	151,277	193,643	236,079	733,935	4,200,376
70400	Tenant revenue - other	265	-	-	179,511	1,750	2,362	3,535	3,629	11,276	190,787
70500	<b>Total Tenant Revenue</b>	167,525	-	(144,121)	<b>3,645,952</b>	<b>154,686</b>	<b>153,639</b>	<b>197,178</b>	<b>239,708</b>	<b>745,211</b>	<b>4,391,163</b>
70600	<b>HUD PHA operating grants</b>	-	-	-	<b>19,786,292</b>	-	-	-	-	-	<b>19,786,292</b>
70610	<b>Capital grants</b>	-	-	-	<b>2,894,719</b>	-	-	-	-	-	<b>2,894,719</b>
70710	Management Fee	-	1,746,464	(1,746,464)	-	-	-	-	-	-	-
70720	Asset Management Fee	-	153,000	(153,000)	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	267,352	(267,352)	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	43,439	(43,439)	-	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-	-	-	-	-
70700	<b>Total Fee Revenue</b>	-	<b>2,210,255</b>	<b>(2,210,255)</b>	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	156,298	-	-	-	-	-	156,298
71100-010	Housing Assistance Payment	-	-	-	-	-	-	-	-	-	-
71100-020	Administrative Fee	-	-	-	-	-	-	-	-	-	-
71100	<b>Investment income - unrestricted</b>	-	<b>1,775</b>	-	<b>1,775</b>	<b>528</b>	<b>992</b>	<b>1,043</b>	<b>788</b>	<b>3,351</b>	<b>5,126</b>
71200	Mortgage interest income	-	-	-	4,508	-	-	-	-	-	4,508
71300	Proceeds - disposition of assets held for sale	-	-	-	-	-	-	-	-	-	-
71310	Cost of sale of assets	-	-	-	(4,838)	-	-	-	-	-	(4,838)
71400-010	Housing Assistance Payment	-	-	-	675	-	-	-	-	-	675
71400-020	Administrative Fee	-	-	-	675	-	-	-	-	-	675
71400	<b>Fraud recovery</b>	-	-	-	<b>1,350</b>	-	-	-	-	-	<b>1,350</b>
71500	Other revenue	129,593	30,546	(22,230)	308,779	-	-	-	2,190	2,238	311,017
71600	Gain / loss - sale of capital assets	-	(42,652)	(10,180)	(68,847)	-	-	-	-	-	(68,847)
72000-010	Housing Assistance Payment	-	-	-	-	-	-	-	-	-	-
72000-020	Administrative Fee	-	-	-	-	-	-	-	-	-	-
72000	<b>Investment income - restricted</b>	-	-	-	<b>3,803</b>	-	-	-	-	-	<b>3,803</b>
70000	<b>Total Revenue</b>	<b>297,118</b>	<b>2,199,924</b>	<b>(2,386,786)</b>	<b>26,729,791</b>	<b>155,214</b>	<b>154,631</b>	<b>198,221</b>	<b>242,686</b>	<b>750,800</b>	<b>27,480,591</b>
91100	Administrative salaries	32,569	1,019,128	-	1,783,381	6,173	5,356	5,461	15,210	32,200	1,815,581
91200	Auditing fees	409	6,151	-	40,349	175	175	175	175	3,700	44,049
91300-010	To PHA Administered Program (i.e. COCC)	75,417	-	(1,746,464)	-	8,403	8,690	10,952	13,726	41,771	41,771
91300-020	To Third Party/Outside Entity	-	-	-	-	9,622	9,622	12,988	8,063	40,295	40,295
91300	Management Fees	75,417	-	(1,746,464)	-	18,025	18,312	23,940	21,789	82,066	82,066
91310	Book-Keeping Fee	-	-	(267,352)	-	-	-	-	-	-	-
91400	Advertising and Marketing	845	6,834	-	26,525	76	224	-	-	300	26,825
91500	Employee Benefit contributions - Admin	13,495	400,207	-	697,017	-	-	-	-	-	697,017
91600	Office Expenses	115	253,423	-	560,053	589	1,144	216	569	2,518	562,571
91700	Legal Expense	1,805	41,193	-	103,012	551	280	1,546	622	3,659	106,671
91800	Travel	83	1,517	-	4,206	-	361	215	387	963	5,169
91810	Allocated Overhead	-	-	-	-	-	-	-	-	-	-
91900	Other	15,287	34,216	(23,170)	276,052	746	6,628	1,329	2,106	11,033	287,085
91000	<b>Total Operating-Administrative</b>	<b>140,025</b>	<b>1,762,669</b>	<b>(2,036,986)</b>	<b>3,490,595</b>	<b>26,335</b>	<b>32,480</b>	<b>32,882</b>	<b>40,858</b>	<b>136,439</b>	<b>3,627,034</b>
92000	Asset Management Fee	-	-	(153,000)	-	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	-	425,334	-	-	-	-	-	425,334
92200	Relocation Costs	-	-	-	41,253	-	-	-	-	-	41,253
92300	Employee benefit contribs - tenant services	-	-	-	143,717	-	-	-	-	-	143,717

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
92400	Tenant services - other	275	21,525	(166,351)	247,605					-	247,605
92500	<b>Total Tenant Services</b>	275	<b>21,525</b>	<b>(166,351)</b>	<b>857,909</b>	-	-	-	-	-	857,909
93100	Water	944	6,621		430,911	99	12,841	11,563	1,567	26,070	456,981
93200	Electricity	1,029	9,605		584,360	2,458	3,248		3,948	9,654	594,014
93300	Gas	182	8,342		411,039		3,247			3,247	414,286
93400	Fuel	-	-		-					-	-
93500	Labor	-	-		-					-	-
93600	Sewer	1,829	6,113		437,219	115	9,916	11,964	824	22,819	460,038
93700	Employee benefit contributions - utilities	-	-		-					-	-
93750	HAP Portability-In	-	-		-					-	-
93800	Other utilities expense	-	-		-					-	-
93000	<b>Total Utilities</b>	3,984	<b>30,681</b>	-	<b>1,863,529</b>	<b>2,672</b>	<b>29,252</b>	<b>23,527</b>	<b>6,339</b>	<b>61,790</b>	<b>1,925,319</b>
94100	OMO-labor	11,333	16,689		590,954	679	2,507	678	1,723	5,587	596,541
94200	OMO-materials, other	3,818	1,143		414,564	6,350	4,819	4,076	7,043	22,288	436,852
94300-010	OMO contracts-Trash Removal	2,716	-		262,842	1,050	2,683	6,589	78	10,400	273,242
94300-020	OMO contracts-HVAC	80	-		132,838	1,664	6,289		677	8,630	141,468
94300-030	OMO contracts-Snow Removal	-	-		-					-	-
94300-040	OMO contracts-Elevator Maint	-	-		73,249					-	73,249
94300-050	OMO contracts-Grounds	9,443	-		246,639	7,975	3,620	8,890	8,558	29,043	275,682
94300-060	OMO contracts-Unit Turnaround	-	-		60,949	955		1,719	5,555	8,229	69,178
94300-070	OMO contracts-Electrical	-	-		39,275	158	-	125		283	39,558
94300-080	OMO contracts-Plumbing	5,183	-		121,420	2,208	723	1,088	672	4,691	126,111
94300-090	OMO contracts-Extermination	1,655	-		81,768	880	834	1,106	1,470	4,290	86,058
94300-100	OMO contracts-Janitorial	-	24,713		49,630		347			347	49,977
94300-110	OMO contracts-Routine Maint	-	-	(17,916)	427,171	1,792	12,392	117	2,240	16,541	443,712
94300-120	OMO contracts-Misc	9,001	3,663	(2,353)	60,620	2,035	89		200	2,324	62,944
94300	<b>Ordinary Maint &amp; Operations Contracts</b>	28,078	<b>28,376</b>	<b>(20,269)</b>	<b>1,556,401</b>	<b>18,717</b>	<b>26,977</b>	<b>19,634</b>	<b>19,450</b>	<b>84,778</b>	<b>1,641,179</b>
94500	OMO- Employee benefit contributions	5,481	(29,129)		153,818					-	153,818
94000	<b>Total Maintenance</b>	48,710	<b>17,079</b>	<b>(20,269)</b>	<b>2,715,737</b>	<b>25,746</b>	<b>34,303</b>	<b>24,388</b>	<b>28,216</b>	<b>112,653</b>	<b>2,828,390</b>
95100	Protective services - labor	-	-		-					-	-
95200	Protective services - contract costs (police)	-	199		272,229		2,382		349	2,731	274,960
95300	Protective services - other	-	-		3,049		2,115			2,115	5,164
95500	Protective services - Employee benefit contribs	-	-		-					-	-
95000	<b>Total Protective Services</b>	-	<b>199</b>	-	<b>275,278</b>	-	<b>4,497</b>	-	<b>349</b>	<b>4,846</b>	<b>280,124</b>
96110	Property Insurance	3,246	3,100		157,481	13,694	7,566	14,430	20,720	56,410	213,891
96120	Liability Insurance	1,334	1,084		65,377	5	9,859	1,573	774	13,837	79,214
96130	Workmen's Compensation	1,043	11,690		49,047	149	155	186	248	738	49,785
96140	All other Insurance	20	228		55,811	39	2	55	73	169	55,980
96100	<b>Total insurance Premiums</b>	<b>5,643</b>	<b>16,102</b>	-	<b>327,716</b>	<b>13,887</b>	<b>17,582</b>	<b>16,244</b>	<b>21,815</b>	<b>71,154</b>	<b>398,870</b>
96200	Other general expenses (FSS Escrow)	-	-		71,461					-	71,461
96210	Compensated absences	255	99,117		239,478					-	239,478

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
96300	Payments in lieu of taxes	-	-	-	180,625	22,972	16,536	25,610	42,584	107,702	288,327
96400	Bad debt - tenant rents	(92)	-	-	256,342	4,214	3,900	9,407	17,182	34,703	291,045
96500	Bad debt - mortgages	-	-	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	3,175	-	-	-	-	-	3,175
96800	Severance expense	-	-	-	-	-	-	-	-	-	-
96000	<b>Total Other General Expenses</b>	<b>163</b>	<b>99,117</b>	<b>-</b>	<b>751,081</b>	<b>27,186</b>	<b>20,436</b>	<b>35,017</b>	<b>59,766</b>	<b>142,405</b>	<b>893,486</b>
96710	Interest - Mortgage/Bonds Payable	-	-	-	45,459	36,838	19,006	16,545	57,010	129,399	174,858
96720-010	Interest on EPC Related Debt	-	-	-	-	-	-	-	-	-	-
96720-020	Interest on All Other Debt	-	-	-	-	1	997	-	-	998	998
96720	Interest on Notes Payable (short & long term)	-	-	-	-	1	997	-	-	998	998
96730	Amortization of Bond Issue Costs	-	-	-	-	401	427	339	386	1,553	1,553
96700	<b>Interest expense and Amortization cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,459</b>	<b>37,240</b>	<b>20,430</b>	<b>16,884</b>	<b>57,396</b>	<b>131,950</b>	<b>177,409</b>
<b>96900</b>	<b>Total Operating Expenses</b>	<b>198,800</b>	<b>1,947,372</b>	<b>(2,376,606)</b>	<b>10,327,304</b>	<b>133,066</b>	<b>158,980</b>	<b>148,942</b>	<b>214,739</b>	<b>661,237</b>	<b>10,988,541</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>98,318</b>	<b>252,552</b>	<b>(10,180)</b>	<b>16,402,487</b>	<b>22,148</b>	<b>(4,349)</b>	<b>49,279</b>	<b>27,947</b>	<b>89,563</b>	<b>16,492,050</b>
97100	Extraordinary maintenance	34,895	6,000	-	542,678	-	-	-	-	-	542,678
97200	Casualty losses- Non-capitalized	-	-	-	16,182	-	-	-	14,174	14,174	30,356
97300-010	Mainstream 1 & 5 year	-	-	-	451,762	-	-	-	-	-	451,762
97300-020	Home-Ownership	-	-	-	41,123	-	-	-	-	-	41,123
97300-025	Litigation	-	-	-	-	-	-	-	-	-	-
97300-030	Hope IV	-	-	-	-	-	-	-	-	-	-
97300-035	Moving to Work	-	-	-	-	-	-	-	-	-	-
97300-040	Tenant Protection	-	-	-	47,521	-	-	-	-	-	47,521
97300-050	All Other	-	-	-	11,586,430	-	-	-	-	-	11,586,430
97300	<b>Housing assistance payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,126,836</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,126,836</b>
97350	<b>HAP Portability In</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
97400	Depreciation expense	5,733	26,490	-	2,619,735	181,390	176,455	109,171	216,453	683,469	3,303,204
97500	Fraud losses	-	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-	-
<b>90000</b>	<b>Total Expenses</b>	<b>239,428</b>	<b>1,979,862</b>	<b>(2,376,606)</b>	<b>25,632,735</b>	<b>314,456</b>	<b>335,435</b>	<b>258,113</b>	<b>445,366</b>	<b>1,358,880</b>	<b>26,991,615</b>
10010	Operating transfer in	-	-	(4,385)	-	-	-	-	-	-	-
10020	Operating transfer out	-	-	4,385	-	-	-	-	-	-	-
10080	Special items, net gain/loss	-	-	-	-	-	-	(20,000)	-	(20,000)	(20,000)
10091	Inter AMP Excess Cash Transfer In	-	-	(1,891,984)	-	-	-	-	-	-	-
10092	Inter AMP Excess Cash Transfer Out	-	-	1,891,984	-	-	-	-	-	-	-
10093	Transfers btwn Program & Project - In	-	-	-	-	-	-	-	-	-	-
10094	Transfers btwn Program & Project - Out	-	-	-	-	-	-	-	-	-	-
<b>10100</b>	<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,000)</b>	<b>-</b>	<b>(20,000)</b>	<b>(20,000)</b>
<b>10000</b>	<b>Excess (Deficiency) of Revenues vs Expenses</b>	<b>57,690</b>	<b>220,062</b>	<b>(10,180)</b>	<b>1,097,056</b>	<b>(159,242)</b>	<b>(180,804)</b>	<b>(79,892)</b>	<b>(202,680)</b>	<b>(628,080)</b>	<b>468,976</b>
11020	Required Annual Debt Principal Payments	-	-	-	47,011	20,218	10,493	27,009	25,772	83,492	130,503
<b>11030</b>	<b>Beginning equity</b>	<b>918,720</b>	<b>2,042,492</b>	<b>-</b>	<b>52,124,759</b>	<b>1,233,588</b>	<b>1,112,722</b>	<b>2,025,747</b>	<b>4,008,281</b>	<b>8,478,727</b>	<b>60,603,486</b>
11040-070	Equity Transfers (UNRESTRICTED)	(118,774)	118,774	-	-	-	-	-	-	-	-
11040-080	Equity Transfers (RESTRICTED)	-	-	-	-	-	-	-	-	-	-
<b>11040</b>	<b>Prior Pd adjs, Equity trnfrs, &amp; Error corrections</b>	<b>(118,774)</b>	<b>118,774</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Independent Accountant's Report on Applying  
Agreed-Upon Procedures

To Roanoke Redevelopment and Housing Authority:

We have performed the procedure described in the second paragraph of this report, which was agreed to by Roanoke Redevelopment and Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with the related hard copy documents included within the reporting package. Roanoke Redevelopment and Housing Authority is responsible for accuracy and completeness of the electronic submission. Roanoke Redevelopment and Housing Authority is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of Roanoke Redevelopment and Housing Authority and REAC. Consequently, we make no representation regarding the sufficiency of the procedure described below for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged to perform an audit in accordance with Audits of States, Local Governments, and Non-profit Organizations, of the financial statements of Roanoke Redevelopment and Housing Authority as of and for the year ended September 30, 2020, and have issued our reports thereon dated March 16, 2021. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the supplemental financial data templates dated March 16, 2021, was expressed in relation to the basic financial statements of Roanoke Redevelopment and Housing Authority taken as a whole.

A copy of the financial statement package required by the Uniform Guidance, which includes the auditor's reports is available in its entirety from Roanoke Redevelopment and Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of Roanoke Redevelopment and Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

March 16, 2021  
Toms River, New Jersey



Attachment to Independent Accountant's Report on Applying  
Agreed-Upon Procedures

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet and Revenue and Expense (data line items 111 to 1121)	Financial Data Schedules, all CFDAs	Agrees
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
Type of Opinion on the Financial Data Schedule (data element G5100-010)	Auditor's supplemental report on Financial Data Schedule	Agrees
Audit Findings Narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	Agrees
General information (data element series G2000, G2100, G2200, G2300, G9000, G9100)	OMB Data Collection Form	Agrees
Financial statement report information (data element G3000-010 to G3000-050, G3100-010 to G3100-030, G3200-010 to G3200-030, G3300-010 to G3300-060, G3400-010 to G3400-020)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form.	Agrees
Federal program report information (data element G4000-010 to G4000-040)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form.	Agrees
Federal agencies required to receive reporting package (data element G4000-050)	OMB Data Collection Form	Agrees
Basic financial statements and auditor's reports required to be submitted electronically.	Basic financial statements (inclusive of auditor reports)	Agrees