

Roanoke Redevelopment and Housing Authority

FINANCIAL STATEMENTS

Roanoke Redevelopment and Housing Authority

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September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Roanoke Redevelopment and Housing Authority:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Roanoke Redevelopment and Housing Authority, (the "Authority"), as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the Roanoke Redevelopment and Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units, of the Roanoke Redevelopment and Housing Authority, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10, the schedules related to accounting and reporting for pensions on pages 52 and 53 and the schedules related to accounting and reporting for postemployment benefits other than pensions on page 54, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying financial data schedule is also not a required part of the basic financial statement and is presented for the purpose of additional analysis as required by the U.S. Department of Housing and Urban Development. The Schedule of Expenditures of Federal Awards and the Financial Data Schedule are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2025, on our consideration of the Roanoke Redevelopment and Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Roanoke Redevelopment and Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Roanoke Redevelopment and Housing Authority's internal control over financial reporting and compliance.



Toms River, New Jersey
March 20, 2025

ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2024

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, 2024. Please read this overview of the Authority's financial activities in conjunction with the financial statements beginning on page 12.

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 2024 major financial highlights included the following:

Total assets and liabilities of the Authority were approximately \$74 million and \$4.1 million respectively, with a total net position of \$69.9 million at September 30, 2024.

Total assets increased during the year by approximately \$3.9 million, primarily due to an increase in cash and capital assets.

Total liabilities remained relatively the same for the year with very little change.

Total Revenues (including capital contributions and grants) and expenses were approximately \$39 million and \$35 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 11% of total revenue; the remaining 4% of revenue balance is derived from miscellaneous fees for services, and non-operating 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, 2024, the Authority owned over 1279 residential units that are leased to low-income families and individuals. In addition, housing assistance was paid to over 2,042 households under the Federal Housing Choice Voucher program for privately owned existing housing.

BASIC FINANCIAL STATEMENTS

The Authority is presenting its fiscal year 2024 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 non-operating 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.

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, 2024 and 2023 for the Authority as a whole:

| | <u>2024</u> | <u>2023</u> | <u>NET CHANGE</u> | <u>%</u> |
|--|----------------------|----------------------|---------------------|---------------|
| Cash | \$ 24,478,000 | \$ 22,658,683 | \$ 1,819,317 | 8.03% |
| Current Assets | 1,572,591 | 3,009,536 | (1,436,945) | -47.75% |
| Non-current Assets | 1,920,102 | 1,494,382 | 425,720 | 28.49% |
| Capital Assets - Net | <u>46,112,365</u> | <u>42,953,860</u> | <u>3,158,505</u> | <u>7.35%</u> |
| Total Assets | <u>74,083,058</u> | <u>70,116,461</u> | <u>3,966,597</u> | <u>5.66%</u> |
| Current Liabilities | 3,222,202 | 3,360,629 | (138,427) | -4.12% |
| Non-current Liabilities | <u>953,618</u> | <u>952,648</u> | <u>970</u> | <u>0.10%</u> |
| Total Liabilities | <u>4,175,820</u> | <u>4,313,277</u> | <u>(137,457)</u> | <u>-3.19%</u> |
| Invested in Capital Assets -net of Related Debt | 46,112,365 | 42,953,860 | 3,158,505 | 7.35% |
| Restricted Net Position | 311,462 | 41,839 | 269,623 | 644.43% |
| Unrestricted Net Position | <u>23,483,411</u> | <u>22,807,485</u> | <u>675,926</u> | <u>2.96%</u> |
| Total Net Position | <u>\$ 69,907,238</u> | <u>\$ 65,803,184</u> | <u>\$ 4,104,054</u> | <u>6.24%</u> |

Total assets of the Authority increased \$3,966,597 for the 2024 fiscal year primarily due to an increase in cash and capital assets.

Cash increased approximately \$1,819,317 due to a decrease in A/R due from tenants, HUD, State of VA, and VHDA as well as sales of capital assets which were houses that were available for sale.

Current assets decreased approximately 48% as a result of a decrease in accounts receivable HUD, State of VA, VHDA and tenants.

Prepaid expenses increased approximately 12% due to increased premiums for insurance and annual invoices for leases of security cameras.

Noncurrent assets increased 28.5% primarily due to an increase in notes/mortgages receivable and net pension asset.

Capital Assets increased \$3.2 million due to increases in land, building and improvements, and construction in progress as a result of closing Capital Fund Grants into the Public Housing Program once the grants have been fully expended.

Total liabilities decreased \$137,457 due to accruals for employee compensation, contract retainage, and deferred revenues.

Current liabilities decreased due to participation and liability in the Authority's FSS program.

Non-current liabilities increased slightly due to a decrease in Deferred Inflow of Resources from the Retirement Pension and an increase in the Other Postemployment Benefits (OPEB).

Total net position increased approximately \$4 million due to the increases in Capital Assets and Unrestricted Net Position.

Investments in Capital Assets had larger expenditures in the Capital Fund Program for construction in progress for several large capital improvement projects, land purchases, and large modernization projects.

Restricted Net Position increased \$269,623 due to a \$251,717 increase in the HCV program and a \$20,458 increase in the FSS Forfeiture Account, while the EHV program spent the \$2,552 housing assistance payments received in 2023 during the 2024 fiscal year.

The Emergency Housing Voucher Program (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV HUD is providing public housing authorities with 70,000 housing choice vouchers in order to assist individuals and families who are homeless or at risk of homelessness. Starting July 1, 2021 HUD provided RRHA a total of 26 vouchers to be used for this purpose.

As of September 30, 2024 a total of 21 have been leased.

Unrestricted Net Position increased primarily through operating activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

The following table summarizes the changes in operations between fiscal years 2024 and 2023 for the Authority as a whole:

| | <u>2024</u> | <u>2023</u> | <u>NET CHANGE</u> | <u>%</u> |
|--------------------------------------|----------------------|----------------------|---------------------|----------------|
| Tenant Rental Revenue | \$ 4,413,158 | \$4,270,518 | \$ 142,640 | 3.34% |
| HUD Operating Grants | 28,728,508 | 26,531,419 | 2,197,089 | 8.28% |
| Other Revenue | <u>1,364,040</u> | <u>2,033,438</u> | <u>(669,398)</u> | <u>-32.92%</u> |
| Total Operating Revenue | 34,505,706 | 32,835,375 | 1,670,331 | 5.09% |
| Operating Expenses: | | | | |
| Administrative | 3,623,734 | 3,707,896 | (84,162) | -2.27% |
| Tenant Services | 720,462 | 706,521 | 13,941 | 1.97% |
| Utilities | 2,337,871 | 2,361,581 | (23,710) | -1.00% |
| Maintenance | 5,461,368 | 4,546,642 | 914,726 | 20.12% |
| Protective Services | 526,445 | 279,594 | 246,851 | 88.29% |
| General Expenses | 1,386,734 | 1,401,844 | (15,110) | -1.08% |
| Housing Assistance Payments | 18,407,331 | 16,369,412 | 2,037,919 | 12.45% |
| Depreciation | <u>2,107,094</u> | <u>2,298,523</u> | <u>(191,429)</u> | <u>-8.33%</u> |
| Total Operating Expenses | 34,571,039 | 31,687,393 | 2,883,646 | 9.10% |
| Operating Income/(Loss) | (65,333) | 1,147,982 | (1,213,315) | -105.69% |
| Non-operating Revenue (Expenses): | | | | |
| Investment Income/ Mortgage Interest | 271 | 260 | 11 | 4.23% |
| Interest Expense | (265) | (765) | 500 | 100.00% |
| Casualty losses | <u>(356,725)</u> | <u>(64,174)</u> | <u>(292,551)</u> | <u>455.87%</u> |
| Non-operating Gain/(Loss) | (356,719) | (64,679) | (292,040) | 451.52% |
| HUD Capital Grants | <u>4,526,106</u> | <u>4,262,178</u> | <u>263,928</u> | <u>6.19%</u> |
| Change in net position | <u>4,104,054</u> | <u>5,345,481</u> | <u>(1,241,427)</u> | <u>-23.22%</u> |
| Beginning Net Position | 65,803,184 | 60,457,703 | 5,345,481 | 8.84% |
| Total Net Position | <u>\$ 69,907,238</u> | <u>\$ 65,803,184</u> | <u>\$ 4,104,054</u> | <u>6.24%</u> |

Total Operating Revenue increased \$1.67 million primarily due to an overall increase in HUD and Other government grants.

Tenant Rental Revenue increased slightly due to higher dwelling rents charged to the tenants in 2024 than in 2023.

HUD Operating grants increased \$2.2 million due to increased subsidy in all the federally funded programs.

Other Revenue decreased \$669,398 from reduced reimbursements from VHDA as projects have reached completion for public housing and reduced casualty payments due to fewer casualty losses during the year.

Total Operating expenses increased 9% due to an increase in Housing Assistance Payments and because of higher costs for material and contract costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

Administrative expenses decreased 2% due to employee compensation expenses. Hiring and staffing shortages continued to be a challenge for the Authority in 2024 due to changing employment expectations.

Tenant Services expenses increased 2% due to the rent incentive expenses of the Jobs Plus program.

Utility costs decreased 1% due to lower gas usage.

Maintenance expenses increased 20% due to increases in employee compensation, materials, and contract repairs such as electrical, building repairs, HVAC, unit turnarounds, and routine maintenance. Vendor rates continued to increase in 2024. Significant increases include unit turnarounds \$134,800 and building repairs increased \$165,377.

Protective Services increased 88% due to installation of more cameras at public housing sites in addition to increased costs for fire systems and security patrols. The cost of the fire systems has increased \$21,000 while the security patrols has gone up \$6,400.

General Expenses decreased 1% primarily due to bad debts. There has been a significant increase in Bad Debt write-offs in recent years due to higher receivable balances because of non payment of rents.

Extraordinary Maintenance decreased 100% due to a decrease in non-routine repairs in maintenance of Public Housing sites.

Housing Assistance Payments increased 13% due to an increase in units and costs per unit.

Depreciation decreased 8% due to various assets becoming fully depreciated in 2023.

Operating expenses exceeded operating revenues by approximately 4% resulting in an overall operating loss of \$65,333 for 2024.

Casualty losses increased \$292,551 due to more auto and fire damages in the public housing program in 2024.

The Authority's overall increase in Net Position for 2024 is \$4,104,054.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The following table summarizes the changes in capital assets between September 30, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> | <u>Net Change</u> | <u>Variance</u> |
|----------------------------|----------------------|----------------------|---------------------|-----------------|
| Land | \$ 15,280,324 | \$ 14,821,593 | \$ 458,731 | 3.10% |
| Infrastructure | 3,109,317 | 3,109,317 | - | 0.00% |
| Buildings and Improvements | 86,777,488 | 84,098,195 | 2,679,293 | 3.19% |
| Furniture and Equipment | 3,661,010 | 3,468,770 | 192,240 | 5.54% |
| Construction in Progress | 19,414,919 | 17,610,564 | 1,804,355 | 10.25% |
| Total | <u>128,243,058</u> | <u>123,108,439</u> | <u>5,134,619</u> | <u>4.17%</u> |
| Accumulated Depreciation | <u>(82,130,693)</u> | <u>(80,154,579)</u> | <u>(1,976,114)</u> | <u>2.47%</u> |
| Net Capital Assets | <u>\$ 46,112,365</u> | <u>\$ 42,953,860</u> | <u>\$ 3,158,505</u> | <u>7.35%</u> |

Variances in capital assets were due to Public Housing modernization projects through the HOTMA program and capital funds.

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 2024 the Authority received 85% of its funding from HUD.

For the 2024 calendar year, HUD funded Public Housing operating subsidy requests at 97.12% of the eligible amounts.
 For the 2023 calendar year, HUD funded Public Housing operating subsidy requests at 92.02% of the eligible amounts.
 For the 2022 calendar year, HUD funded Public Housing operating subsidy requests at 104.93% of the eligible amounts.
 For the 2021 calendar year, HUD funded Public Housing operating subsidy requests at 96.74% of the eligible amounts.
 In the last twenty years, Public Housing Agencies have only been fully funded three times, which was 2002, 2010, and 2022.

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 99.50% for calendar year 2024. This is decreased from 100% in 2023. HCV Administrative fees were funded at 91.77% for calendar year 2024, 97.38% for 2023, and 89.55% for 2022.

In addition to the uncertainties of federal funding for the 2024 fiscal year, the Authority also faces the challenge of escalating management costs for their programs and staffing shortages. 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.

BASIC FINANCIAL STATEMENTS

Roanoke Redevelopment and Housing Authority
Statement of Net Position
September 30, 2024

| | <u>Enterprise Fund</u> | <u>Component Units</u> | <u>Total Reporting Entity</u> |
|---|------------------------|----------------------------|---------------------------------------|
| CURRENT ASSETS: | | | |
| Cash and cash equivalents | \$ 22,372,615 | 808,077 | 23,180,692 |
| Accounts receivable - other | 927,044 | - | 927,044 |
| Accounts receivable - tenants, net | 211,670 | 32,660 | 244,330 |
| Prepaid expenses | <u>433,877</u> | <u>42,055</u> | <u>475,932</u> |
| Total current assets | <u>23,945,206</u> | <u>882,792</u> | <u>24,827,998</u> |
| RESTRICTED ASSETS: | | | |
| Cash and cash equivalents | <u>2,105,385</u> | <u>578,551</u> | <u>2,683,936</u> |
| Total restricted assets | <u>2,105,385</u> | <u>578,551</u> | <u>2,683,936</u> |
| NONCURRENT ASSETS: | | | |
| Land, structures and equipment net of accumulated depreciation | <u>46,112,365</u> | <u>12,602,955</u> | <u>58,715,320</u> |
| Total fixed assets, net | <u>46,112,365</u> | <u>12,602,955</u> | <u>58,715,320</u> |
| Notes & mortgages receivable, non-current | 798,488 | - | 798,488 |
| Other assets | <u>943,655</u> | <u>-</u> | <u>943,655</u> |
| Total assets | <u>73,905,099</u> | <u>14,064,298</u> | <u>87,969,397</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Deferred outflows | <u>177,959</u> | <u>-</u> | <u>177,959</u> |
| Total deferred outflows of resources | <u>177,959</u> | <u>-</u> | <u>177,959</u> |
| Total assets and deferred outflows of resources | <u>\$ 74,083,058</u> | <u>14,064,298</u> | <u>88,147,356</u> |

Roanoke Redevelopment and Housing Authority
Statement of Net Position (continued)
September 30, 2024

| | <u>Enterprise Fund</u> | <u>Component Units</u> | <u>Total Reporting Entity</u> |
|--|------------------------|----------------------------|---------------------------------------|
| CURRENT LIABILITIES: | | | |
| Accounts payable | \$ 1,256,266 | 19,956 | 1,276,222 |
| Accrued wages and payroll taxes | 130,063 | - | 130,063 |
| Accrued compensated absences | 196,343 | - | 196,343 |
| Accrued interest | - | 9,245 | 9,245 |
| Accrued liability - other | 47,775 | - | 47,775 |
| Tenant security deposits | 153,801 | 31,000 | 184,801 |
| Notes payable, current portion | - | 101,135 | 101,135 |
| Unearned revenues | 1,337,826 | 13,452 | 1,351,278 |
| Other current liabilities | <u>100,128</u> | <u>514</u> | <u>100,642</u> |
| Total current liabilities | <u>3,222,202</u> | <u>175,302</u> | <u>3,397,504</u> |
| NONCURRENT LIABILITIES: | | | |
| Notes payable, excluding current portion | - | 6,614,754 | 6,614,754 |
| Other liabilities | <u>876,439</u> | <u>1,283,301</u> | <u>2,159,740</u> |
| Total noncurrent liabilities | <u>876,439</u> | <u>7,898,055</u> | <u>8,774,494</u> |
| Total liabilities | <u>4,098,641</u> | <u>8,073,357</u> | <u>12,171,998</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Deferred inflows | <u>77,179</u> | <u>-</u> | <u>77,179</u> |
| Total deferred inflows of resources | <u>77,179</u> | <u>-</u> | <u>77,179</u> |
| NET POSITION: | | | |
| Invested in capital assets, net | 46,112,365 | 5,929,601 | 52,041,966 |
| Restricted | 311,462 | 547,639 | 859,101 |
| Unrestricted | <u>23,483,411</u> | <u>(486,299)</u> | <u>22,997,112</u> |
| Total net position | <u>69,907,238</u> | <u>5,990,941</u> | <u>75,898,179</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 74,083,058</u> | <u>14,064,298</u> | <u>88,147,356</u> |

Roanoke Redevelopment and Housing Authority
Statement of Revenues, Expenses, and Changes
in Net Position
For the Year Ended September 30, 2024

| | Enterprise Fund | Component Units | Total Reporting Entity |
|--|-----------------------|----------------------|------------------------------|
| Operating revenues: | | | |
| Tenant revenue | \$ 4,413,158 | 963,101 | 5,376,259 |
| HUD operating grants | 28,728,508 | - | 28,728,508 |
| Other government grants | 312,374 | - | 312,374 |
| Proceeds from the disposition of assets held for sale | 769,584 | - | 769,584 |
| Cost of sale of assets | (1,040,152) | - | (1,040,152) |
| Other revenue | <u>1,322,234</u> | <u>7,722</u> | <u>1,329,956</u> |
| Total operating revenue | <u>34,505,706</u> | <u>970,823</u> | <u>35,476,529</u> |
| Operating expenses: | | | |
| Administrative salaries | 1,900,890 | 9,228 | 1,910,118 |
| Other administrative expenses | 1,722,844 | 100,209 | 1,823,053 |
| Tenant / community services | 720,462 | - | 720,462 |
| Utility expense | 2,337,871 | 68,512 | 2,406,383 |
| Maintenance salaries | 1,157,844 | 3,265 | 1,161,109 |
| Maintenance other | 4,303,524 | 208,691 | 4,512,215 |
| Contract / protective services | 526,445 | 9,997 | 536,442 |
| Insurance | 388,297 | 98,836 | 487,133 |
| Other general expenses | 347,434 | - | 347,434 |
| Credit losses | 488,117 | 80,750 | 568,867 |
| Payments in lieu of taxes | 162,886 | 120,196 | 283,082 |
| Housing assistance payments | 18,407,331 | - | 18,407,331 |
| Depreciation | <u>2,107,094</u> | <u>553,141</u> | <u>2,660,235</u> |
| Total operating expenses | <u>34,571,039</u> | <u>1,252,825</u> | <u>35,823,864</u> |
| Operating loss | <u>(65,333)</u> | <u>(282,002)</u> | <u>(347,335)</u> |
| Non-operating revenues (expenses): | | | |
| Investment income / mortgage interest | 271 | 7,224 | 7,495 |
| Interest expense | (265) | (117,955) | (118,220) |
| Casualty losses | <u>(356,725)</u> | <u>-</u> | <u>(356,725)</u> |
| Total non-operating revenues (expenses) | <u>(356,719)</u> | <u>(110,731)</u> | <u>(467,450)</u> |
| Loss before capital grants | (422,052) | (392,733) | (814,785) |
| Capital grants | <u>4,526,106</u> | <u>-</u> | <u>4,526,106</u> |
| Change in net position | 4,104,054 | (392,733) | 3,711,321 |
| Total net position, beginning | <u>65,803,184</u> | <u>6,393,674</u> | <u>72,196,858</u> |
| Equity transfers | <u>-</u> | <u>(10,000)</u> | <u>(10,000)</u> |
| Total net position, end of year | <u>\$ 69,907,238</u> | <u>5,990,941</u> | <u>75,898,179</u> |

Roanoke Redevelopment and Housing Authority
Statement of Cash Flows - All Enterprise Funds
For the Year Ended September 30, 2024

Cash Flows from Operating Activities:

| | |
|---|---------------------|
| Receipts from tenants | \$ 4,442,947 |
| Receipts operating grants and subsidies | 30,493,873 |
| Other receipts | 958,231 |
| Payments to suppliers, employees and tenants | <u>(32,632,334)</u> |
| Net cash flows provided by operating activities | <u>3,262,717</u> |

Cash Flows from Capital and Related Financing Activities:

| | |
|---|--------------------|
| Purchases of capital assets | (6,882,495) |
| Disposal of capital assets | 688,118 |
| Capital grant contributions | 5,454,884 |
| Casualty losses | <u>(356,725)</u> |
| Net cash flows used in capital and related financing activities | <u>(1,096,218)</u> |

Cash Flows from Investing Activities:

| | |
|---|----------------------|
| Advances on notes receivable | (347,453) |
| Interest and dividends | <u>271</u> |
| Net cash flows used in investing activities | <u>(347,182)</u> |
| Net increase in cash | 1,819,317 |
| Cash at beginning of year | <u>22,658,683</u> |
| Cash at end of year | <u>\$ 24,478,000</u> |

Roanoke Redevelopment and Housing Authority
Statement of Cash Flows (continued) - All Enterprise Funds
For the Year Ended September 30, 2024

Reconciliation of operating income to cash provided by
operating activities

| | | |
|--|----|------------------|
| Operating loss | \$ | (65,333) |
| Items which did not provide (use) cash: | | |
| Depreciation | | 2,107,094 |
| Credit losses | | 488,117 |
| Deferred Outflows of Resources | | 15,168 |
| Deferred Inflows of Resources | | (77,544) |
| Working capital changes which provided (used) cash: | | |
| Accounts receivable - tenants | | (458,328) |
| Accounts receivable - other | | 1,452,991 |
| Other assets | | (93,435) |
| Unearned revenue | | (2,211) |
| Prepaid expenses | | (45,835) |
| Accounts payable | | (116,298) |
| Accrued expenses | | 83,689 |
| Other liabilities | | 78,249 |
| Tenant security deposits | | 561 |
| Other current liabilities | | <u>(104,168)</u> |
| Net cash provided by operating activities | \$ | <u>3,262,717</u> |

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements

For the Year Ended September 30, 2024

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:

2. REPORTING ENTITY DEFINITION (continued)

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.

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, 2023 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.

2. REPORTING ENTITY DEFINITION (continued)

Discretely Presented Component Units (continued)

Indian Village, Limited Partnership (IVLP) (continued) 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, 2023 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.

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, 2023 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.

2. REPORTING ENTITY DEFINITION (continued)

Discretely Presented Component Units (continued)

Hurt Park, Limited Partnership (HPLP) (continued) The responsibility for management of the affairs of the limited partnership is vested with the general partner. The limited partnership's December 31, 2023 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, 2024, the carrying amount of the Enterprise fund's cash and cash equivalents (including restricted cash) was \$24,478,000. 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 \$11,463,176 as of September 30, 2024.

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. For Plan 2 members whose service is before January 1, 2013, the multiplier is also 1.7%. Plan 2 members retirement multiplier changes to 1.65% for service beginning January 1, 2013 and after. For Hybrid members, the multiplier is 1.00%. 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 - December 31, 2013) 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, 2022 through June 30, 2024 is 4.53%. 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 Authority is required to contribute an additional .85% for disability coverage.

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, 2023. The actuarial valuation used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

| | |
|--|---|
| Valuation Date | June 30, 2023 |
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percent of Pay, Closed |
| Remaining Amortization Period | 12-21 years (decreasing by one each year in subsequent valuations until reaching 0 years) |
| Asset Valuation Method | 5-Year, Smoothed Market |
| Investment Rate of Return* | 6.75% / year |
| Inflation Assumption | 2.50% / year |
| Projected Salary Increases* | |
| 1) Non-LEO Members | 3.50% To 5.35% |
| 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 | Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years |
| 2) Post-Retirement | Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year |
| 3) Post-Disablement | Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years |
| 4) Beneficiaries & Survivors | Pub-2010 Amount Weighted General Contingent Annuitant Rates projected generationally |
| 5) Mortality Improvement | Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 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, 2023</u> | <u>June 30, 2022</u> |
|---|----------------------|----------------------|
| 1. Participants | | |
| a. Actives | 65 | 67 |
| b. Transfers Out | 18 | 11 |
| c. Retirees and Beneficiaries | 13 | 13 |
| d. Retirees and Beneficiaries Elsewhere | - | - |
| e. LTD | - | - |
| f. Inactive, Vested | 11 | 9 |
| g. Inactive, Nonvested | <u>124</u> | <u>112</u> |
| Total | 231 | 212 |
| 2. Covered Payroll | 3,224,096 | 2,873,074 |
| 3. Expected Retirement Benefits | 329,229 | 299,428 |
| 4. Assets | | |
| a. Market Value of Assets | 5,209,947 | 4,784,112 |
| b. Actuarial Value of Assets | 5,132,254 | 4,645,189 |
| 5. Actuarial Accrued Liability | 4,254,795 | 3,982,008 |
| 6. Funded Ratio | | |
| a. Market Value of Assets | 122.45 % | 127.46 % |
| b. Actuarial Value of Assets | 120.62 % | 113.68 % |
| 7. Unfunded Actuarial Accrued Liability | (877,459) | (663,181) |
| 8. Normal Cost Rate | | |
| a. Gross Normal Cost Rate | 8.76 % | 8.79 % |
| b. Member Contribution Rate | <u>4.31 %</u> | <u>4.28 %</u> |
| c. Employer Normal Cost Rate (8a-8b) | 4.45 % | 4.51 % |
| 9. Recommended Employer Contribution Rate for | | Informational |
| Fiscal Year Ending | 2025 & 2026 | Purposes Only |
| a. Employer Normal Cost Rate | 4.45 % | 4.51 % |
| b. Amortization Charge | (1.87) % | (1.56) % |
| c. Administrative Expenses | 0.09 % | 0.09 % |
| d. DC Match | - | - |
| e. Plan Surcharge | - | - |
| f. Total(9a+9b+9c (not less than zero)+ 9d) | <u>2.67 %</u> | <u>3.04 %</u> |
| g. DC Contribution for Hybrid Members | separate requirement | 1.21 % |
| h. Total Employer Rate (9f+9g) | 2.67 % | 4.25 % |
| 10. Amortization Period | 20 | 12-21 |

Normal Cost

| | Currently | After Reform* |
|--------------------------------------|-----------|---------------|
| 1. Normal Cost as Percent of Payroll | 4.45 % | 3.10 % |
| 2. Covered Payroll | 3,224,096 | 2,873,074 |

* Pension reforms enacted in 2012 which have not been fully realized are not expected to have a significant impact on the employer cost.

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 | 32.00 % | 6.70 % | 2.14 % |
| Fixed Income | 16.00 % | 5.40 % | 0.86 % |
| Credit Strategies | 16.00 % | 8.10 % | 1.30 % |
| Real Assets | 15.00 % | 7.20 % | 1.08 % |
| Private Equity | 15.00 % | 8.70 % | 1.31 % |
| PIP-Private Investment Partnerships | 1.00 % | 8.00 % | 0.08 % |
| Diversifying Strategies | 6.00 % | 5.80 % | 0.35 % |
| Cash | 2.00 % | 3.00 % | 0.06 % |
| Leverage | (3.00) % | 3.50 % | (0.11) % |
| | <u>100.00 %</u> | | <u>7.07 %</u> |

*Expected arithmetic nominal return

7.07 %

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 | \$ (229,031) | \$ (819,657) | \$ (1,298,157) |

Changes in Net Pension Liability

| | Total Pension Liability (a) | Plan Fiduciary Net Pension (b) | Net Pension Liability (a) - (b) |
|--|-----------------------------------|--------------------------------------|---------------------------------------|
| Balance at June 30, 2022 | \$ <u>4,001,060</u> | \$ <u>4,784,111</u> | \$ <u>(783,051)</u> |
| Changes for the year: | | | |
| Service Cost | 264,963 | - | 264,963 |
| Interest | 283,276 | - | 283,276 |
| Benefit changes | - | - | - |
| Difference between expected and actual experience | (20,338) | - | (20,338) |
| Changes in assumptions | - | - | - |
| Contributions - employer | - | 108,566 | (108,566) |
| Contributions - employee | - | 140,975 | (140,975) |
| Net investment income | - | 317,833 | (317,833) |
| Benefit payments, including refund of employee contributions | (138,671) | (138,671) | - |
| Administrative expense | - | (2,996) | 2,996 |
| Other changes | <u>-</u> | <u>129</u> | <u>(129)</u> |
| | <u>389,230</u> | <u>425,836</u> | <u>(36,606)</u> |
| Balance at June 30, 2023 | \$ <u>4,390,290</u> | \$ <u>5,209,947</u> | \$ <u>(819,657)</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, 2022 | \$ 3,982,008 | \$ 3,982,008 | \$ 4,001,060 |
| (b) Entry age normal cost for the period June 30, 2022-June 30,2023 | 264,963 | 264,963 | 264,963 |
| (c) Actual benefit payments and refunds for the period June 30, 2022-June 30, 2023 | 138,671 | 138,671 | 138,671 |
| (d) Changes in benefit terms | - | - | - |
| (e) TPL as of June 30, 2023 = (((a)+(b))*(1.07))-((c)*(1.035))+ (d) | \$ 4,390,290 | \$ 4,390,290 | \$ 4,410,628 |
| (f) Changes in Assumptions | | - | |
| (g) Difference between expected and actual experience | | | \$ (20,338) |

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, 2024, 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 | \$ - | \$ 12,182 |
| Changes of assumptions | - | - |
| Net differences between projected and actual earnings on plan investments | - | 64,997 |
| Employer contributions subsequent to the measurement date | <u>177,959</u> | <u>-</u> |
| Total | <u>\$ 177,959</u> | <u>\$ 77,179</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: | |
|---------------------|-------------|
| 2025 | \$ (62,860) |
| 2026 | (83,654) |
| 2027 | 67,589 |
| 2028 | 1,746 |
| 2029 | - |
| Thereafter | - |

Pension Expense

| | <u>June 30, 2023</u> |
|---|----------------------|
| Service Cost | \$ 264,963 |
| Interest on the total pension liability | 283,276 |
| Current period benefit changes | - |
| Expensed portion of current period difference between expected and actual experience in the total pension liability | (10,818) |
| Expensed portion of current period changes of assumptions | - |
| Member contributions | (140,975) |
| Projected earnings on plan investments | (326,572) |
| Expensed portion of current period differences between actual and projected earnings on plan investments | 1,748 |
| Administrative expense | 2,996 |
| Other | (129) |
| Recognition of beginning deferred outflows of resources as pension expense | 111,806 |
| Recognition of beginning deferred inflows of resources as pension expense | <u>(179,760)</u> |
| Pension expense | \$ <u>6,535</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/2023-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, 2024 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 \$699,086 less an allowance for credit losses of \$487,416 for the year ended September 30, 2024.

Accounts Receivable - Other

Accounts Receivable - Other, consists of following:

| | Enterprise Fund |
|--|--------------------|
| Accounts receivable - HUD | \$ 420,247 |
| Accounts receivable - fraud recovery | 5,561 |
| Account receivable - City of Roanoke | 147,993 |
| Accounts receivable - management & development fees | 7,577 |
| Accounts receivable - miscellaneous | 345,666 |
| | <u>\$ 927,044</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, 2024 consisted of the following:

| | |
|-----------------------------------|-------------|
| Low rent and Capital Fund Program | \$ 126,527 |
| State and Local | (142,113) |
| ROSS | (9,997) |
| Housing Choice Vouchers | 25,672 |
| PIH Family Self Sufficiency | (64,714) |
| COCC | 142,113 |
| FSS Escrow Forfeiture Funds | 6,685 |
| Jobs Plus Fund | (84,173) |
| | <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 | \$ 1,527,543 |
| Restricted for Emergency Housing Vouchers | 25,643 |
| Restricted for Tenant Security | 153,801 |
| Restricted for Tenant Services | 54,784 |
| Restricted for FSS Escrow | 237,446 |
| Restricted for Payment of Current Liability | <u>106,168</u> |
| | <u>\$ 2,105,385</u> |

13. NOTES AND MORTGAGES RECEIVABLE

Notes and mortgages receivable at September 30, 2024 are as follows:

| | |
|--|-------------------|
| 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. | \$ 262,165 |
| Note receivable from Indian Village, LP includes an operating deficit loan of \$35,365 with interest being waived. | 35,365 |
| Note receivable from Park Street, LP includes an operating deficit general partner loan of \$42,535 with interest being waived. Full balance due on May 1, 2042. | 42,535 |
| Note receivable from Park Street, LP includes an operating deficit loan of \$35,830 with interest being waived. | 35,830 |
| 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 Hurt Park, LP includes an operating deficit loan of \$106,593 with interest being waived. | <u>106,593</u> |
| Total | 798,488 |
| Less: current portion | <u>-</u> |
| Notes receivable, excluding current portion | <u>\$ 798,488</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, 2024 is as follows:

Enterprise Fund Detail:

| | BUSINESS ACTIVITIES | CDBG | PUBLIC HOUSING & CAPITAL FUND | PH Radon |
|--------------------------------|------------------------|--------------------|----------------------------------|---------------|
| Land and Improvements | \$ 68,204 | 412,984 | 14,740,015 | - |
| Construction in Process | - | - | 16,918,094 | 14,550 |
| Infrastructure | - | 1,822,317 | - | - |
| Building and Improvements | 659,005 | - | 85,622,987 | - |
| Furniture and Equipment | 6,431 | - | 3,331,693 | - |
| Less: Accumulated Depreciation | <u>(665,436)</u> | <u>(1,115,415)</u> | <u>(78,907,052)</u> | <u>-</u> |
| Total Property and Equipment | <u>\$ 68,204</u> | <u>1,119,886</u> | <u>41,705,737</u> | <u>14,550</u> |

| | HOUSING CHOICE VOUCHERS | COCC | STATE/LOCAL | TOTAL |
|--------------------------------|----------------------------|------------------|------------------|---------------------|
| Land and Improvements | \$ - | - | 59,121 | 15,280,324 |
| Construction in Process | - | - | 2,482,275 | 19,414,919 |
| Infrastructure | - | - | 1,287,000 | 3,109,317 |
| Building and Improvements | 233,251 | 262,245 | - | 86,777,488 |
| Furniture and Equipment | 119,726 | 203,160 | - | 3,661,010 |
| Less: Accumulated Depreciation | <u>(338,630)</u> | <u>(186,927)</u> | <u>(917,233)</u> | <u>(82,130,693)</u> |
| Total Property and Equipment | <u>\$ 14,347</u> | <u>278,478</u> | <u>2,911,163</u> | <u>46,112,365</u> |

Enterprise Fund Summary:

| | October 1, 2023 Balance | Additions | Transfers & Deletions | September 30, 2024 Balance |
|---------------------------------------|----------------------------|--------------------|--------------------------|----------------------------------|
| Land | \$ 14,821,593 | 8,392 | 450,339 | 15,280,324 |
| Construction in Process | <u>17,610,564</u> | <u>6,423,386</u> | <u>(4,619,031)</u> | <u>19,414,919</u> |
| Total Assets not being depreciated | 32,432,157 | 6,431,778 | (4,168,692) | 34,695,243 |
| Infrastructure | 3,109,317 | - | - | 3,109,317 |
| Buildings and Improvements | 84,098,195 | 406,050 | 2,273,243 | 86,777,488 |
| Furniture and Equipment | <u>3,468,770</u> | <u>44,667</u> | <u>147,573</u> | <u>3,661,010</u> |
| Total Property and Equipment | 123,108,439 | 6,882,495 | (1,747,876) | 128,243,058 |
| Less: Accumulated Depreciation | <u>(80,154,579)</u> | <u>(2,107,094)</u> | <u>130,980</u> | <u>(82,130,693)</u> |
| Net Book Value | <u>\$ 42,953,860</u> | <u>4,775,401</u> | <u>(1,616,896)</u> | <u>46,112,365</u> |

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

15. ENTERPRISE FUND LONG-TERM LIABILITIES

Enterprise Fund Long-term liability activity for the year ended September 30, 2024, is as follows:

| | October 1, 2023 | | | September 30, 2024 |
|------------------------------|--------------------|------------------|------------------|-----------------------|
| | <u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> |
| Accrued Compensated Absences | \$ 116,970 | 347,434 | 268,061 | 196,343 |
| Accrued OPEB Liabilities | 668,858 | 55,054 | - | 723,912 |
| Other Long Term Liabilities | 175,241 | 194,102 | 68,913 | 300,430 |
| Less: Current Portion | <u>(163,144)</u> | <u>(461,521)</u> | <u>(280,419)</u> | <u>(344,246)</u> |
| Long-Term Liabilities | <u>\$ 797,925</u> | <u>135,069</u> | <u>56,555</u> | <u>876,439</u> |

16. RESTRICTED NET POSITION

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

| | <u>Enterprise Fund</u> |
|--|----------------------------|
| Restricted for HAP Payments | \$ 251,717 |
| Restricted for FSS Escrow Forfeiture Account | <u>\$ 59,745</u> |
| | <u>\$ 311,462</u> |

17. 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.

18. 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, 2024, Stepping Stone, LP owed the Authority \$1,920 for property management services and had paid the Authority \$18,557 in management fees during the year.

18. RELATED PARTY TRANSACTIONS (continued)

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. RRHA has an outstanding loan with Indian Village, LP of \$35,365. As of September 30, 2024, Indian Village, LP owed the Authority \$1,568 in accrued management fees and expenses. During the year, the Partnership paid \$13,627 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 \$2,331,528. As of September 30, 2024 Park Street, LP owed the Authority \$1,911 in accrued management fees and expenses. During the year the partnership paid \$12,652 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. RRHA has an outstanding loan with Hurt Park, LP of \$106,592. As of September 30, 2024, Hurt Park, LP owed the Authority \$2,177 for property management services and had paid the Authority \$12,508 in management fees during the year.

19. 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.

The aforementioned partnership audits for the year ended December 31, 2023 were performed by Dooley and Vicars, LLP, a highly regarded, independent auditing firm in Richmond, VA. All five audits had unmodified opinions with no findings.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

20. 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, 2023 financial statements for the component units are included in the Authority's September 30, 2024 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, 2023 | 1,488 |
| Net Transfers from January 1, 2024 to September 30, 2024 | <u>432</u> |
| Balance at September 30, 2024 | <u><u>1,920</u></u> |
| <u>RRHA - Due to/Due from Indian Village, LP</u> | <u>DR (CR)</u> |
| Balance at December 31, 2023 | 1,185 |
| Net Transfers from January 1, 2024 to September 30, 2024 | <u>35,748</u> |
| Balance at September 30, 2024 | <u><u>36,933</u></u> |
| <u>RRHA - Due to/Due from Park Street Housing, LP</u> | <u>DR (CR)</u> |
| Balance at December 31, 2023 | 2,296,999 |
| Net Transfers from January 1, 2024 to September 30, 2024 | <u>36,440</u> |
| Balance at September 30, 2024 | <u><u>2,333,439</u></u> |
| <u>RRHA - Due to/Due from Hurt Park, LP</u> | <u>DR (CR)</u> |
| Balance at December 31, 2023 | 946 |
| Line of Credit balance from RRHA to Hurt Park, LP | <u>107,823</u> |
| Balance at September 30, 2024 | <u><u>\$ 108,769</u></u> |
| <u>RRHA - Due to/Due from RVHC</u> | <u>DR (CR)</u> |
| Balance at December 31, 2023 | - |
| Net Transfers from January 1, 2024 to September 30, 2024 | <u>-</u> |
| Balance at September 30, 2024 | <u><u>\$ -</u></u> |

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

21. GRANTS

As of the end of the fiscal year September 30, 2024, the Authority expended the following grants:

| <u>Grant Number</u> | Expenditures prior to fiscal <u>year 2024</u> | Expenditures for fiscal <u>year 2024</u> | Total <u>Expenditures</u> |
|---------------------|---|--|------------------------------|
| Capital Fund | | | |
| VA36P011501-19 | \$ 3,382,564 | 61,490 | 3,444,054 |
| VA36P011501-21 | <u>3,812,496</u> | <u>41,409</u> | <u>3,853,905</u> |
| | <u>\$ 7,195,060</u> | <u>102,899</u> | <u>7,297,959</u> |

22. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 20, 2025, 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.

23. 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, 2024, the other postemployment benefits (OPEB) expense was \$46,000.

Roanoke Redevelopment and Housing Authority.

Notes to Financial Statements (continued)

23. 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, 2024 was \$599,914.

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 8.0% decreasing to 4.5%, as well as the total OPEB liability calculated using a healthcare cost trend rate that is 1 percentage point lower (7.0% decreasing to 3.5%) or 1 percentage point higher (9.0% decreasing to 5.5%) than the current rate:

| | 1% Decrease 7.0% decreasing to <u>3.5%</u> | Current Healthcare Cost Trent Rate 8.0% decreasing to <u>4.5%</u> | 1% Increase 9.0% decreasing to <u>5.5%</u> |
|----------------------|--|---|--|
| Total OPEB Liability | 552,695 | 599,914 | 653,425 |

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 4.06%, as well as the OPEB liability calculated using a discount rate that is 1 percentage point lower (3.06%) or 1 percentage point higher (5.06%) than the current rate:

| | 1% Decrease to <u>3.06%</u> | Current Discount Rate <u>4.06%</u> | 1% Increase to <u>5.06%</u> |
|----------------------|--------------------------------|--|--------------------------------|
| Total OPEB Liability | 642,699 | 599,914 | 561,338 |

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)

23. OTHER POSTEMPLOYMENT BENEFITS (continued)

| Schedule of Changes in Total OPEB Liability | Fiscal Year Ending <u>9/30/24</u> |
|---|---|
| Total OPEB Liability - Beginning of Year | \$ 601,689 |
| Service Cost | 24,075 |
| Interest | 29,325 |
| Changes in Benefit Terms | - |
| Difference between Expected and Actual Experience | (62,964) |
| Changes in Assumptions | 55,564 |
| Benefit Payments | <u>(47,775)</u> |
| Net Change in Total OPEB Liability | (1,775) |
| Total OPEB Liability - End of Year | 599,914 |
| Covered Employee Payroll | 3,611,606 |
| Total OPEB Liability as a Percentage of the Covered Employee Payroll | 16.61 % |

| OPEB Expense | Fiscal Year Ending <u>9/30/24</u> |
|--|---|
| Service Cost | \$ 24,075 |
| Interest on Total OPEB Liability | 29,325 |
| Effect of Plan Changes | - |
| Administrative Expenses | - |
| Recognition of Deferred (Inflows)/Outflows of Resources | |
| Differences between expected and actual experience | (62,964) |
| Assumption Changes | <u>55,564</u> |
| OPEB Expense | <u>\$ 46,000</u> |

23. OTHER POSTEMPLOYMENT BENEFITS (continued)

Alternative Measurement Method (AMM) Assumptions

| | |
|--------------------|---------------------------------------|
| Measurement Date | September 30, 2024 |
| Valuation Date | October 1, 2023 |
| Reporting Date | September 30, 2024 |
| Measurement Period | October 1, 2023 to September 30, 2024 |
| Discount Rate | 4.06% per year |

The discount rate used to measure the total pension liability as of September 30, 2024 was 4.06%. 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> |
|-------------|---------------|-------------|---------------|
| 2024 | Actual | 2029 | 6.00 |
| 2025 | 8.00 | 2030 | 5.50 |
| 2026 | 7.50 | 2031 | 5.00 |
| 2027 | 7.00 | 2032+ | 4.50 |
| 2028 | 6.50 | | |

Mortality SOA Pub 2010 Total Dataset Mortality table fully generated using Scale MP-2020

24. UNCERTAIN TAX POSITIONS

The Authority had no unrecognized tax benefits at September 30, 2024 and no open years prior to September 30, 2021. The Authority files tax returns in the U.S. federal jurisdiction and the State of Virginia.



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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Roanoke Redevelopment and Housing Authority (Authority), as of and for the year ended September 30, 2024, 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 20, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement. 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.



Toms River, New Jersey
March 20, 2025



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

Opinion on Each Major Federal Program

We have audited Roanoke Redevelopment and Housing Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2024. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

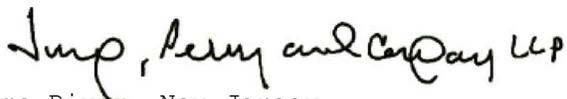
Report on Internal Control over Compliance

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

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

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

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



Toms River, New Jersey
March 20, 2025

Roanoke Redevelopment and Housing Authority

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2024

| <u>Federal Grantor/Program Title</u> | <u>Federal Assistance Listing Number</u> | <u>Grant Expenditures</u> |
|--|--|-------------------------------|
| U.S. Department of Housing and Urban Development: | | |
| Direct Awards: | | |
| Public Housing | 14.850 | \$ 7,220,461 |
| Housing Choice Vouchers | 14.871 | 17,574,363 |
| Emergency Housing Vouchers | 14.871 | 253,645 |
| Mainstream | 14.879 | <u>1,641,480</u> |
| Total Cluster | | 19,469,488 |
| Family Self-Sufficiency Program | 14.896 | 154,686 |
| Resident Opportunity and Support Services | 14.870 | <u>138,588</u> |
| Total Cluster | | 293,274 |
| Jobs Plus Pilot Program Grant | 14.895 | 473,357 |
| Radon Testing and Mitigation Demonstration for Public Housing | 14.901 | 14,550 |
| Public Housing Capital Fund Program | 14.872 | <u>5,026,018</u> |
| | | <u>\$32,497,148</u> |

Roanoke Redevelopment and Housing Authority

Notes to Schedule of Federal Awards

September 30, 2024

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, 2024, 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, 2024

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 Voucher Cluster | 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 | \$974,914 |
| 5. | Auditee qualified as low risk? | Yes |

6. Major Programs:

| Federal Assistance | |
|---------------------------------|--------------------------------|
| <u>Listing Number</u> | <u>Name of Federal Program</u> |
| Housing Choice Voucher Cluster: | |
| 14.871 | Housing Choice Voucher |
| 14.871 | Emergency Housing Vouchers |
| 14.879 | Mainstream |

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

September 30, 2024

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, 2024

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, 2024

| Change in the Net Pension Liability | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total pension liability | | | | | | | | | | |
| Service cost | 264,963 | 241,327 | 238,946 | 268,863 | 288,945 | 307,830 | 319,415 | 325,513 | 345,298 | 349,221 |
| Interest | 283,276 | 259,595 | 220,036 | 189,890 | 168,610 | 142,241 | 125,184 | 106,466 | 99,660 | 75,160 |
| Benefit changes | - | - | - | - | - | - | - | - | - | - |
| Difference between actual and expected experience | (20,338) | (38,152) | (108,705) | 99,203 | (60,196) | 16,408 | (18,918) | 89,185 | (74,302) | - |
| Assumption changes | - | - | 122,300 | - | 93,198 | - | (99,265) | - | - | - |
| Benefit payments, including refunds of contributions | <u>(138,671)</u> | <u>(132,477)</u> | <u>(123,210)</u> | <u>(99,496)</u> | <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 | 389,230 | 330,293 | 349,367 | 458,460 | 417,908 | 359,561 | 267,833 | 72,237 | 272,727 | 373,551 |
| Total pension liability - beginning | <u>4,001,060</u> | <u>3,670,767</u> | <u>3,321,400</u> | <u>2,862,940</u> | <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 | 4,390,290 | 4,001,060 | 3,670,767 | 3,321,400 | 2,862,940 | 2,445,032 | 2,085,471 | 1,817,638 | 1,745,401 | 1,472,674 |
| Plan fiduciary net position: | | | | | | | | | | |
| Contributions - employer | 108,566 | 122,800 | 118,472 | 109,893 | 131,236 | 151,251 | 158,003 | 169,028 | 169,738 | 130,328 |
| Contributions - members | 140,975 | 125,537 | 121,760 | 116,581 | 135,395 | 140,383 | 146,283 | 136,761 | 141,937 | 144,381 |
| Net investment income | 317,833 | (9,459) | 1,000,722 | 67,024 | 210,329 | 197,702 | 272,201 | 42,160 | 94,384 | 241,924 |
| Benefit payments including refunds of contributions | (138,671) | (132,477) | (123,210) | (99,496) | (72,649) | (106,918) | (58,583) | (448,927) | (97,929) | (50,830) |
| Administrative expense | (2,996) | (2,849) | (2,312) | (2,077) | (1,804) | (1,524) | (1,307) | (1,587) | (1,051) | (1,101) |
| Other | <u>129</u> | <u>74</u> | <u>96</u> | <u>(80)</u> | <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 | 425,836 | 103,626 | 1,115,528 | 191,845 | 402,372 | 380,463 | 516,344 | (102,582) | 307,057 | 464,715 |
| Plan fiduciary net position - beginning | <u>4,784,111</u> | <u>4,680,485</u> | <u>3,564,957</u> | <u>3,373,112</u> | <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 | 5,209,947 | 4,784,111 | 4,680,485 | 3,564,957 | 3,373,112 | 2,970,740 | 2,590,277 | 2,073,933 | 2,176,515 | 1,869,458 |
| Net pension liability - ending | (819,657) | (783,051) | (1,009,718) | (243,557) | (510,172) | (525,708) | (504,806) | (256,295) | (431,114) | (396,784) |
| Plan fiduciary net position as a percentage of the total pension liability | 118.67 % | 119.57 % | 127.51 % | 107.33 % | 117.82 % | 121.50 % | 124.21 % | 114.10 % | 124.70 % | 126.94 % |
| Covered payroll | 3,224,096 | 2,873,074 | 2,934,121 | 2,696,680 | 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 | (25.42)% | (27.25)% | (34.41)% | (9.03)% | (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, 2024

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> |
|------------------------------|---|--|---|----------------------------------|--|
| 2023 | 146,052 | 108,566 | 37,486 | 3,224,096 | 3.37 % |
| 2022 | 149,400 | 122,800 | 26,600 | 2,873,074 | 4.27 % |
| 2021 | 152,574 | 118,472 | 34,102 | 2,934,121 | 4.04 % |
| 2020 | 138,070 | 109,893 | 28,177 | 2,696,680 | 4.08 % |
| 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, 2024

Changes in Total OPEB Liability

| <u>Schedule of Changes in Total OPEB Liability</u> | Fiscal Year Ending 9/30/24 | Fiscal Year Ending 9/30/23 | Fiscal Year Ending 9/30/22 | Fiscal Year Ending 9/30/21 | Fiscal Year Ending 9/30/20 | Fiscal Year Ending 9/30/19 | Fiscal Year Ending 9/30/18 | Fiscal Year Ending 9/30/17 |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Total OPEB Liability - | | | | | | | | |
| Beginning of Year | \$ 601,689 | \$ 464,119 | \$ 555,337 | \$ 1,072,799 | \$ 1,026,924 | \$ 1,072,639 | \$ 997,671 | \$ 263,939 |
| Conversion from GASB 45 to 75 Converted OPEB Liability - | - | - | - | - | - | - | - | 558,577 |
| Beginning of Year | 601,689 | 464,119 | 555,337 | 1,072,799 | 1,026,924 | 1,072,639 | 997,671 | 822,516 |
| Service Cost | 24,075 | 22,082 | 28,989 | 42,356 | 34,938 | 118,648 | 114,481 | 105,935 |
| Interest | 29,325 | 21,088 | 13,329 | 25,728 | 36,391 | 41,839 | 39,053 | 41,359 |
| Changes in Benefit Terms | - | - | - | - | - | - | - | - |
| Difference between Expected and Actual Experience | 55,564 | 175,595 | (68,723) | (511,556) | (1,585) | (121,744) | - | - |
| Changes in Assumptions | (62,964) | 8,052 | 7,235 | 21,801 | 67,640 | - | - | 46,784 |
| Benefit Payments | (47,775) | (89,247) | (72,048) | (95,791) | (91,509) | (84,458) | (78,566) | (18,923) |
| Net Change in Total OPEB Liability | (1,775) | 137,570 | (91,218) | (517,462) | 45,875 | (45,715) | 74,968 | 175,155 |
| Total OPEB Liability - | | | | | | | | |
| End of Year | 599,914 | 601,689 | 464,119 | 555,337 | 1,072,799 | 1,026,924 | 1,072,639 | 997,671 |
| Covered Employee Payroll | 3,611,606 | 3,284,567 | 3,358,115 | 2,984,958 | 2,699,961 | 2,981,275 | 3,267,959 | 3,172,776 |
| Total OPEB Liability as a Percentage of the Covered Employee Payroll | 16.61 % | 18.32 % | 13.82 % | 18.60 % | 39.73 % | 34.45 % | 32.82 % | 31.44 % |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|---------|--|-------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 111 | Cash- unrestricted | 10,036,883 | 2,442,936 | 559,225 | 44,604 | | | | | |
| 113 | Cash-other restricted | 112,915 | 376,248 | 3,129 | 25,643 | 53,060 | | | | |
| 114 | Cash- tenant security deposits | 148,115 | | | | | | | | |
| 115 | Cash - restricted for pymt of curr liability | 24,579 | 67,299 | 13,716 | 574 | | | | | |
| 100 | Total Cash | 10,322,492 | 2,886,483 | 576,070 | 70,821 | 53,060 | | | | |
| 121 | AR - PHA projs | - | 1,877 | | | | | | | |
| 122-010 | AR - HUD other projs - Operating Subsidy | - | | | | | | 101,982 | 74,774 | 15,623 |
| 122-020 | AR - HUD other projs - Capital fund | 218,177 | | | | | | | | |
| 122-030 | AR - HUD other projs - Other | - | - | - | 466 | | 9,225 | | | |
| 122 | Accounts receivable - HUD other projs | 218,177 | - | - | 466 | - | 9,225 | 101,982 | 74,774 | 15,623 |
| 124 | Account receivable - other govt | - | | | | | | | | |
| 125-040 | Account receivable - misc - Tax Credit | - | | | | | | | | |
| 125-050 | Account receivable - misc - Other | - | 306,315 | 11,732 | 1,728 | | | | | |
| 125 | Account receivable - miscellaneous | - | 306,315 | 11,732 | 1,728 | - | - | - | - | - |
| 126 | Accounts receivable - tenants | 696,284 | | | | | | | | |
| 126.1 | Allowance for doubtful accounts - tenants | (486,706) | | | | | | | | |
| 126.2 | Allowance for doubtful accounts - other | - | (2,212) | | | | | | | |
| 127 | Loans & Mortgages Recvbl - Current | - | | | | | | | | |
| 128 | Fraud recovery | - | 114,767 | | | | | | | |
| 128 | Allowance for doubtful accounts - fraud | - | (109,206) | | | | | | | |
| 129 | Accrued interest receivable | - | | | | | | | | |
| 120 | Total Receivables, net allow for doubtful accts | 427,755 | 311,541 | 11,732 | 2,194 | - | 9,225 | 101,982 | 74,774 | 15,623 |
| 142 | Prepaid expenses, Other assets | 368,247 | 22,194 | | | | | | | |
| 143 | Allowance- obsolete inventories | - | | | | | | | | |
| 144 | Inter program - due from | 126,527 | 32,357 | | | 6,685 | | | | |
| 145 | Assets held for sale | - | | | | | | | | |
| 150 | Total Current Assets | 11,245,021 | 3,252,575 | 587,802 | 73,015 | 59,745 | 9,225 | 101,982 | 74,774 | 15,623 |
| 161 | Land | 14,740,015 | | | | | | | | |
| 162 | Buildings | 85,622,987 | 233,251 | | | | | | | |
| 163 | Furniture, equip, machinery - dwellings | 1,437,021 | | | | | | | | |
| 164 | Furniture, equip, machinery - admin | 1,894,672 | 119,726 | | | | | | | |
| 165 | Leasehold improvements | - | | | | | | | | |
| 166 | Accumulated depreciation | (78,907,052) | (338,630) | | | | | | | |
| 167 | Construction in progress | 16,918,094 | | | | | 14,550 | | | |
| 168 | Infrastructure | - | | | | | | | | |
| 160 | Total capital assets, net accum depreciation | 41,705,737 | 14,347 | - | - | - | 14,550 | - | - | - |
| 171-040 | Loans & mortgs recv - NC - Tax Credit | 316,000 | | | | | | | | |
| 171-050 | Loans & mortgs recv - NC - Other | 144,565 | | | | | | | | |
| 171 | Loans & Mortgages recvbl - Non-current | 460,565 | - | - | - | - | - | - | - | - |
| 172-040 | Loans & Mortgs recvbl - NC past due - Tax Credit | - | | | | | | | | |
| 172-050 | Loans & Mortgs recvbl - NC past due - Other | - | | | | | | | | |
| 172 | Loans & Mortgs recvbl - Non-current, past due | - | - | - | - | - | - | - | - | - |
| 173 | Grants receivable - Non-current | - | | | | | | | | |
| 174-040 | Other assets - Tax Credit | - | | | | | | | | |
| 174-050 | Other assets - Other | 507,729 | 90,367 | | | | | | | |
| 174 | Other assets | 507,729 | 90,367 | - | - | - | 14,550 | - | - | - |
| 180 | Total Non-current Assets | 42,674,031 | 104,714 | - | - | - | 14,550 | - | - | - |
| 190 | Total Assets | 53,919,052 | 3,357,289 | 587,802 | 73,015 | 59,745 | 23,775 | 101,982 | 74,774 | 15,623 |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|---------|--|------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 200 | Deferred Outflow of Resources | 85,776 | 19,024 | | | | | | | |
| 290 | Total Assets & Deferred Outflow of Resources | 54,004,828 | 3,376,313 | 587,802 | 73,015 | 59,745 | 23,775 | 101,982 | 74,774 | 15,623 |
| 312 | Accounts payable <= 90 days | 506,415 | 28,446 | 13,716 | 574 | | | 6,083 | | 50 |
| 313 | Accounts payable > 90 days past due | - | | | | | | | | |
| 321 | Accrued wage/payroll taxes payable | 88,605 | 20,435 | | | | | 8,185 | 6,508 | 4,716 |
| 322 | Accrued compensated absences - curr portion | 69,004 | 11,785 | | | | | 3,541 | 3,552 | 860 |
| 324 | Accrued contingency liability | - | | | | | | | | |
| 325 | Accrued interest payable | - | | | | | | | | |
| 331-010 | AP - HUD PHA Programs - Operating Subsidy | - | | | | | | | | |
| 331-020 | AP - HUD PHA Programs - Capital fund | - | | | | | | | | |
| 331-030 | AP - HUD PHA Programs - Other | - | | | | | | | | |
| 331 | Accounts payable - HUD PHA Programs | - | - | - | - | - | - | - | - | - |
| 332 | Accounts payable - PHA Projects | - | | | | | | | | |
| 333 | Accounts payable - other govt | 162,895 | - | | | | | | | |
| 341 | Tenant security deposits | 148,115 | | | | | | | | |
| 342-010 | Unearned revenue - Operating Subsidy | - | | | | | | | | |
| 342-020 | Unearned revenue - Capital fund | - | | | | | | | | |
| 342-030 | Unearned revenue - Other | 31,491 | | 3,129 | 25,643 | | | | | |
| 342 | Unearned revenue | 31,491 | - | 3,129 | 25,643 | - | | - | - | - |
| 343-010 | CFFP | - | | | | | | | | |
| 343-020 | Capital Projects/ Mortgage Revenue | - | | | | | | | | |
| 343 | Curr portion LT debt - capital projs | - | | | | | | | | |
| 344 | Curr portion LT debt - operating borrowings | - | | | | | | | | |
| 345 | Other current liabilities | 67,960 | 32,168 | | | | | | | |
| 346 | Accrued liabilities - other | 47,775 | - | | | | | | | |
| 347 | Inter program - due to | - | 6,685 | | | | | 84,173 | 64,714 | 9,997 |
| 348-020 | Loan liability - current - Partnership | - | | | | | | | | |
| 348-040 | Loan liability - current - Tax Credit | - | | | | | | | | |
| 348-050 | Loan liability - current - Other | - | | | | | | | | |
| 348 | Loan liability - current | - | - | - | - | - | - | - | - | - |
| 310 | Total Current Liabilities | 1,122,260 | 99,519 | 16,845 | 26,217 | - | - | 101,982 | 74,774 | 15,623 |
| 351-010 | Long-term debt - CFFP | - | | | | | | | | |
| 351-020 | Long-term - Capital Projects | - | | | | | | | | |
| 351 | LT Debt - Capital Projs / Mortgages | - | | | | | | | | |
| 352 | LT debt, net of current - operating borrowings | - | | | | | | | | |
| 353 | Non-current liabilities - other | 75,771 | 124,531 | | | | | | | |
| 354 | Accrued compensated absences- NC | - | | | | | | | | |
| 355-040 | Loan liability - NC - Tax Credit | - | | | | | | | | |
| 355-050 | Loan liability - NC - Other | - | | | | | | | | |
| | Other - Comment | | | | | | | | | |
| 355 | Loan liability - Non-current | - | - | - | - | - | - | - | - | - |
| 356 | FASB 5 Liabilities | - | | | | | | | | |
| 357-010 | Pension Liability | - | | | | | | | | |
| 357-020 | OPEB Liability | 445,527 | 61,893 | | | | | | | |
| 357 | Accrued Pension & OPEB Liability | 445,527 | 61,893 | - | - | - | - | - | - | - |
| 350 | Total Non-current liabilities | 521,298 | 186,424 | - | - | - | - | - | - | - |
| 300 | Total Liabilities | 1,643,558 | 285,943 | 16,845 | 26,217 | - | - | 101,982 | 74,774 | 15,623 |
| 400 | Deferred Inflow of Resources | 37,200 | 8,250 | | | | | | | |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|-------|--|-------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 508.4 | Capital Asset Investmt, net related debt | 41,705,737 | 14,347 | - | - | - | 14,550 | | - | - |
| 511.4 | Restricted Net Position | - | 251,717 | | - | 59,745 | - | | - | - |
| 512.4 | Unrestricted Net Position | 10,618,333 | 2,816,056 | 570,957 | 46,798 | | 9,225 | - | - | - |
| 513 | Total Net Position | 52,324,070 | 3,082,120 | 570,957 | 46,798 | 59,745 | 23,775 | - | - | - |
| 600 | Total Liabs, Def. Inflow of Res, & Net Position | 54,004,828 | 3,376,313 | 587,802 | 73,015 | 59,745 | 23,775 | 101,982 | 74,774 | 15,623 |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|-------------------------|--|-------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| Income Statement | | | | | | | | | | |
| 70300 | Net tenant rental revenue | 3,910,608 | | | | | | | | |
| 70400 | Tenant revenue - other | 311,185 | | | | | | | | |
| 70500 | Total Tenant Revenue | 4,221,793 | - | - | - | - | | | - | - |
| 70600-010 | Housing assistance payments | - | 16,704,851 | 1,569,862 | 241,290 | | | | | |
| 70600-020 | Ongoing administrative fees earned | - | 1,464,960 | 222,157 | 19,712 | | | | | |
| 70600-030 | FSS Coordinator | - | | | 3,922 | | | | | |
| 70600-040 | Independent public acctant audit costs | - | | | | | | | | |
| 70600-050 | Total preliminary fees earned | - | | | - | | | | | |
| 70600-060 | Interest earned on advances | - | | | 200 | | | | | |
| 70600-070 | Admin fee calculation description | - | | | | | | | | |
| 70600 | HUD PHA operating grants | 7,720,373 | 18,169,811 | 1,792,019 | 265,124 | - | 14,550 | 473,357 | 154,686 | 138,588 |
| 70610 | Capital grants | 4,526,106 | | | | | | | | - |
| 70710 | Management Fee | - | | | | | | | | |
| 70720 | Asset Management Fee | - | | | | | | | | |
| 70730 | Book-Keeping Fee | - | | | | | | | | |
| 70740 | Front Line Service Fee | - | | | | | | | | |
| 70750 | Other Fees | - | | | | | | | | |
| 70700 | Total Fee Revenue | - | - | - | - | - | - | - | - | - |
| 70800 | Other government grants | 240,296 | | | | | | | | |
| 71100-010 | Housing Assistance Payment | - | | | | | | | | |
| 71100-020 | Administrative Fee | - | | | | | | | | |
| 71100 | Investment income - unrestricted | 11 | - | - | - | - | | | - | - |
| 71200 | Mortgage interest income | - | | | | | | | | |
| 71300 | Proceeds - disposition of assets held for sale | 416,322 | | | | | | | | |
| 71310 | Cost of sale of assets | (149,016) | | | | | | | | |
| 71400-010 | Housing Assistance Payment | - | 6,611 | | | | | | | |
| 71400-020 | Administrative Fee | - | 6,612 | | | | | | | |
| 71400 | Fraud recovery | - | 13,223 | - | - | - | | | | |
| 71500 | Other revenue | 232,588 | 468 | | 200 | 24,164 | | | | |
| 71600 | Gain / loss - sale of capital assets | - | - | | | | | | | |
| 72000-010 | Housing Assistance Payment | - | | | | | | | | |
| 72000-020 | Administrative Fee | - | | | | | | | | |
| 72000 | Investment income - restricted | - | - | - | - | - | | | | |
| 70000 | Total Revenue | 17,208,473 | 18,183,502 | 1,792,019 | 265,324 | 24,164 | 14,550 | 473,357 | 154,686 | 138,588 |
| 91100 | Administrative salaries | 529,903 | 314,766 | 38,255 | 32 | | | | | |
| 91200 | Auditing fees | 31,303 | 3,454 | 394 | | | | | | |
| 91300-010 | To PHA Administered Program (i.e. COCC) | 1,645,889 | 292,992 | | 3,942 | | | | | |
| 91300-020 | To Third Party/Outside Entity | - | | | | | | | | |
| 91300 | Management Fees | 1,645,889 | 292,992 | - | 3,942 | | | | - | - |
| 91310 | Book-Keeping Fee | 110,639 | 162,690 | | 1,897 | | | | | |
| 91400 | Advertising and Marketing | 39,363 | 1,582 | | | | | | | |
| 91500 | Employee Benefit contributions - Admin | 162,942 | 91,102 | 11,237 | 10 | | | | | |
| 91600 | Office Expenses | 421,457 | 139,737 | 1,303 | - | | | | | |
| 91700 | Legal Expense | 82,708 | 10,188 | 1,108 | | | | | | |
| 91800 | Travel | 505 | 1,067 | 121 | | | | | | |
| 91810 | Allocated Overhead | - | | | | | | | | |
| 91900 | Other | 35,377 | 19,864 | 16,537 | - | | | | | |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|-----------|--|------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 91000 | Total Operating-Administrative | 3,060,086 | 1,037,442 | 68,955 | 5,881 | - | | | - | - |
| 92000 | Asset Management Fee | 153,240 | | | | | | | | |
| 92100 | Tenant services - salaries | 103,121 | - | | - | | | 123,634 | 114,246 | 90,606 |
| 92200 | Relocation Costs | 3,370 | | | 164 | | | | | |
| 92300 | Employee benefit contribs - tenant services | 30,648 | - | | - | | | 36,690 | 34,773 | 24,261 |
| 92400 | Tenant services - other | 44,782 | 5,344 | | 3,758 | 3,706 | | 307,470 | - | 16,134 |
| 92500 | Total Tenant Services | 181,921 | 5,344 | - | 3,922 | 3,706 | | 467,794 | 149,019 | 131,001 |
| 93100 | Water | 487,646 | 1,173 | 121 | | | | | | |
| 93200 | Electricity | 787,453 | 1,452 | 164 | | | | | | |
| 93300 | Gas | 513,567 | 1,812 | 207 | | | | | | |
| 93400 | Fuel | - | | | | | | | | |
| 93500 | Labor | - | | | | | | | | |
| 93600 | Sewer | 460,116 | 1,051 | 107 | | | | | | |
| 93700 | Employee benefit contributions - utilities | - | | | | | | | | |
| 93750 | HAP Portability-In | - | | | | | | | | |
| 93800 | Other utilities expense | 43,877 | | | | | | | | |
| 93000 | Total Utilities | 2,292,659 | 5,488 | 599 | - | - | | | - | - |
| 94100 | OMO-labor | 1,127,830 | | | | | | | | |
| 94200 | OMO-materials, other | 706,247 | 412 | | | | | | | |
| 94300-010 | OMO contracts-Trash Removal | 281,666 | | | | | | | | |
| 94300-020 | OMO contracts-HVAC | 270,096 | | | | | | | | |
| 94300-030 | OMO contracts-Snow Removal | - | | | | | | | | |
| 94300-040 | OMO contracts-Elevator Maint | 80,987 | | | | | | | | |
| 94300-050 | OMO contracts-Grounds | 248,229 | | | | | | | | |
| 94300-060 | OMO contracts-Unit Turnaround | 387,840 | | | | | | | | |
| 94300-070 | OMO contracts-Electrical | 259,400 | | | | | | | | |
| 94300-080 | OMO contracts-Plumbing | 231,774 | | | | | | | | |
| 94300-090 | OMO contracts-Extermination | 71,219 | | | | | | | | |
| 94300-100 | OMO contracts-Janitorial | 1,569 | 2,958 | | | | | | | |
| 94300-110 | OMO contracts-Routine Maint | 1,473,556 | | | | | | | | |
| 94300-120 | OMO contracts-Misc | - | 3,444 | 886 | | | | | | |
| 94300 | Ordinary Maint & Operations Contracts | 3,306,336 | 6,402 | 886 | - | - | | | - | - |
| 94500 | OMO- Employee benefit contributions | 226,796 | | | | | | | | |
| 94000 | Total Maintenance | 5,367,209 | 6,814 | 886 | - | - | | | - | - |
| 95100 | Protective services - labor | - | | | | | | | | |
| 95200 | Protective services - contract costs (police) | 96,895 | 1,056 | | | | | | | |
| 95300 | Protective services - other | 267,613 | | | | | | | | |
| 95500 | Protective services - Employee benefit contribs | - | | | | | | | | |
| 95000 | Total Protective Services | 364,508 | 1,056 | - | - | - | | | - | - |
| 96110 | Property Insurance | 219,552 | 1,044 | | | | | | | |
| 96120 | Liability Insurance | 75,585 | 1,532 | 1,178 | | | | | | |
| 96130 | Workmen's Compensation | 36,313 | 7,729 | | | | | | | |
| 96140 | All other Insurance | 19,988 | 122 | | | | | | | |
| 96100 | Total insurance Premiums | 351,438 | 10,427 | 1,178 | - | - | | | - | - |
| 96200 | Other general expenses (FSS Escrow) | - | | | | | | | | |
| 96210 | Compensated absences | 135,844 | 28,188 | | | | | 5,563 | 5,667 | 7,587 |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|-----------|--|-------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 96300 | Payments in lieu of taxes | 162,886 | | | | | | | | |
| 96400 | Bad debt - tenant rents | 484,947 | | | | | | | | |
| 96500 | Bad debt - mortgages | - | | | | | | | | |
| 96600 | Bad debt - other | - | 5,264 | | | | | | | |
| 96800 | Severance expense | - | | | | | | | | |
| 96000 | Total Other General Expenses | 783,677 | 33,452 | - | - | - | | 5,563 | 5,667 | 7,587 |
| 96710 | Interest - Mortgage/Bonds Payable | - | | | | | | | | |
| 96720-020 | Interest on All Other Debt | 265 | | | | | | | | |
| 96720 | Interest on Notes Payable (short & long term) | 265 | | | | | | | | |
| 96730 | Amortization of Bond Issue Costs | - | | | | | | | | |
| 96700 | Interest expense and Amortization cost | 265 | - | - | - | - | | | - | - |
| 96900 | Total Operating Expenses | 12,555,003 | 1,100,023 | 71,618 | 9,803 | 3,706 | - | 473,357 | 154,686 | 138,588 |
| 97000 | Excess Operating- Revenue Over Expenses | 4,653,470 | 17,083,479 | 1,720,401 | 255,521 | 20,458 | 14,550 | - | - | - |
| 97100 | Extraordinary maintenance | - | | | | | | | | |
| 97200 | Casualty losses- Non-capitalized | 356,725 | | | | | | | | |
| 97300-010 | Mainstream 1 & 5 year | - | | 1,569,862 | | | | | | |
| 97300-020 | Home-Ownership | - | 59,127 | | | | | | | |
| 97300-025 | Litigation | - | | | | | | | | |
| 97300-030 | Hope IV | - | | | | | | | | |
| 97300-035 | Moving to Work | - | | | | | | | | |
| 97300-040 | Tenant Protection | - | 42,200 | | | | | | | |
| 97300-050 | All Other | - | 16,355,786 | | 243,842 | | | | | |
| 97300 | Housing assistance payments | - | 16,457,113 | 1,569,862 | 243,842 | - | | | | |
| 97350 | HAP Portability In | | | | | | | | | |
| 97400 | Depreciation expense | 1,972,482 | 17,227 | | | | | | | |
| 97500 | Fraud losses | - | | | | | | | | |
| 97800 | Dwelling units rent expense | - | | | | | | | | |
| 90000 | Total Expenses | 14,884,210 | 17,574,363 | 1,641,480 | 253,645 | 3,706 | - | 473,357 | 154,686 | 138,588 |
| 10010 | Operating transfer in | 19,912 | | | | | | | | |
| 10020 | Operating transfer out | (19,912) | | | | | | | | |
| 10030-010 | Not For Profit | - | | | | | | | | |
| 10030-020 | Partnership | - | | | | | | | | |
| 10030-030 | Joint Venture | - | | | | | | | | |
| 10030-040 | Tax Credit | - | | | | | | | | |
| 10030-050 | Other | - | | | | | | | | |
| 10030 | Operating transfers from / to primary govt | - | | | | | | | - | |
| 10040 | Operating transfers from / to component unit | - | | | | | | | | |
| 10070 | Extraordinary items, net gain/loss | - | | | | | | | | |
| 10080 | Special items, net gain/loss | - | | | | | | | | |
| 10091 | Inter AMP Excess Cash Transfer In | 250,000 | | | | | | | | |
| 10092 | Inter AMP Excess Cash Transfer Out | (250,000) | | | | | | | | |
| 10093 | Transfers btwn Program & Project - In | - | | | | | | | | |
| 10094 | Transfers btwn Program & Project - Out | - | | | | | | | | |
| 10100 | Total other financing sources (uses) | - | - | - | - | - | - | - | - | - |
| 10000 | Excess (Deficiency) of Revenues vs Expenses | 2,324,263 | 609,139 | 150,539 | 11,679 | 20,458 | 14,550 | - | - | - |

| FDS # | Description | PH Total AMPs | S8 HCV Fund 306 14.871 | S8 MAINSTREAM Fund 310 14.879 | EHV Fund 360 14.EHV | FSS Escrow Forfeiture Account 14.EFA | PH Radon Grant 14.901 | Jobs Plus Fund 602 14.895 | FSS Fund 690, 691 14.896 | ROSS Fund 688, 692 14.870 |
|-----------|--|------------------|---------------------------------|--|---------------------------|--|-----------------------------|---------------------------------|--------------------------------|---------------------------------|
| 11020 | Required Annual Debt Principal Payments | - | | | | | - | | - | |
| 11030 | Beginning equity | 49,999,807 | 2,472,981 | 420,418 | 35,119 | 39,287 | 9,225 | - | - | - |
| 11040-010 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-020 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-030 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-040 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-050 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-060 | Prior period adjs & correction of errors | - | | | | | | | | |
| 11040-070 | Equity Transfers (UNRESTRICTED) | - | | | | | | | | |
| 11040-080 | Equity Transfers (RESTRICTED) | - | | | | | | | | |
| 11040-090 | Equity Transfers | - | | | | | | | | |
| 11040-100 | Equity Transfers | 398,931 | | | | | | | | |
| 11040-110 | Equity Transfers | (398,931) | | | | | | | | |
| 11040 | Prior Pd adjs, Equity trnfrs, & Error corrections | - | - | - | - | - | - | - | - | - |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|---------|--|----------------------------|----------------------------|------------------|-------------------|----------------------------|------------------|-------------------|-----------------------------|----------------------|
| 111 | Cash- unrestricted | 116,425 | 36,688 | 1,699,598 | 1,130,595 | 6,305,661 | | 22,372,615 | 808,077 | 23,180,692 |
| 113 | Cash-other restricted | | | 1,272,697 | - | 1,724 | | 1,845,416 | 547,639 | 2,393,055 |
| 114 | Cash- tenant security deposits | | | - | 5,686 | - | | 153,801 | 30,912 | 184,713 |
| 115 | Cash - restricted for pymt of curr liability | | | - | - | - | | 106,168 | - | 106,168 |
| 100 | Total Cash | 116,425 | 36,688 | 2,972,295 | 1,136,281 | 6,307,385 | - | 24,478,000 | 1,386,628 | 25,864,628 |
| 121 | AR - PHA projs | | | - | - | - | | 1,877 | - | 1,877 |
| 122-010 | AR - HUD other projs - Operating Subsidy | | | | | | | 192,379 | - | 192,379 |
| 122-020 | AR - HUD other projs - Capital fund | | | | | | | 218,177 | - | 218,177 |
| 122-030 | AR - HUD other projs - Other | | | | | | | 9,691 | - | 9,691 |
| 122 | Accounts receivable - HUD other projs | - | - | - | - | - | - | 420,247 | - | 420,247 |
| 124 | Account receivable - other govt | 4,491 | 1,389 | 142,113 | - | - | | 147,993 | - | 147,993 |
| 125-040 | Account receivable - misc - Tax Credit | | | | 7,577 | - | | 7,577 | - | 7,577 |
| 125-050 | Account receivable - misc - Other | | | 998 | - | 25,228 | | 346,001 | - | 346,001 |
| 125 | Account receivable - miscellaneous | - | - | 998 | 7,577 | 25,228 | - | 353,578 | - | 353,578 |
| 126 | Accounts receivable - tenants | | | - | 2,802 | - | | 699,086 | 192,755 | 891,841 |
| 126.1 | Allowance for doubtful accounts - tenants | | | - | (710) | - | | (487,416) | (160,095) | (647,511) |
| 126.2 | Allowance for doubtful accounts - other | - | - | - | - | - | | (2,212) | - | (2,212) |
| 127 | Loans & Mortgages Recvbl - Current | | | - | - | - | | - | - | - |
| 128 | Fraud recovery | | | - | - | - | | 114,767 | - | 114,767 |
| 128 | Allowance for doubtful accounts - fraud | | | - | - | - | | (109,206) | - | (109,206) |
| 129 | Accrued interest receivable | - | - | - | - | - | | - | - | - |
| 120 | Total Receivables, net allow for doubtful accts | 4,491 | 1,389 | 143,111 | 9,669 | 25,228 | - | 1,138,714 | 32,660 | 1,171,374 |
| 142 | Prepaid expenses, Other assets | | | - | 5,074 | 38,362 | | 433,877 | 42,055 | 475,932 |
| 143 | Allowance- obsolete inventories | | | - | - | - | | - | - | - |
| 144 | Inter program - due from | | | - | - | 142,113 | (307,682) | - | - | - |
| 145 | Assets held for sale | | | - | - | - | | - | - | - |
| 150 | Total Current Assets | 120,916 | 38,077 | 3,115,406 | 1,151,024 | 6,513,088 | (307,682) | 26,050,591 | 1,461,343 | 27,511,934 |
| 161 | Land | 412,984 | | 59,121 | 68,204 | - | | 15,280,324 | 3,299,483 | 18,579,807 |
| 162 | Buildings | | | - | 659,005 | 262,245 | | 86,777,488 | 19,871,935 | 106,649,423 |
| 163 | Furniture, equip, machinery - dwellings | | | - | - | 28,427 | | 1,465,448 | 264,931 | 1,730,379 |
| 164 | Furniture, equip, machinery - admin | | | - | 6,431 | 174,733 | | 2,195,562 | - | 2,195,562 |
| 165 | Leasehold improvements | | | - | - | - | | - | - | - |
| 166 | Accumulated depreciation | (1,115,415) | | (917,233) | (665,436) | (186,927) | | (82,130,693) | (10,833,394) | (92,964,087) |
| 167 | Construction in progress | | | 2,482,275 | - | - | | 19,414,919 | - | 19,414,919 |
| 168 | Infrastructure | 1,822,317 | | 1,287,000 | - | - | | 3,109,317 | - | 3,109,317 |
| 160 | Total capital assets, net accum depreciation | 1,119,886 | - | 2,911,163 | 68,204 | 278,478 | - | 46,112,365 | 12,602,955 | 58,715,320 |
| 171-040 | Loans & mortgs recv - NC - Tax Credit | | | - | - | 220,323 | | 536,323 | - | 536,323 |
| 171-050 | Loans & mortgs recv - NC - Other | | | 117,600 | - | - | | 262,165 | - | 262,165 |
| 171 | Loans & Mortgages recvbl - Non-current | - | - | 117,600 | - | 220,323 | - | 798,488 | - | 798,488 |
| 172-040 | Loans & Mortgs recvbl - NC past due - Tax Credit | | | - | - | - | | - | - | - |
| 172-050 | Loans & Mortgs recvbl - NC past due - Other | | | - | - | - | | - | - | - |
| 172 | Loans & Mortgs recvbl - Non-current, past due | - | - | - | - | - | - | - | - | - |
| 173 | Grants receivable - Non-current | | | - | - | - | | - | - | - |
| 174-040 | Other assets - Tax Credit | | | - | - | - | | - | - | - |
| 174-050 | Other assets - Other | | | - | 17,317 | 328,242 | | 943,655 | - | 943,655 |
| 174 | Other assets | - | - | - | 17,317 | 328,242 | - | 943,655 | - | 943,655 |
| 180 | Total Non-current Assets | 1,119,886 | - | 3,028,763 | 85,521 | 827,043 | - | 47,854,508 | 12,602,955 | 60,457,463 |
| 190 | Total Assets | 1,240,802 | 38,077 | 6,144,169 | 1,236,545 | 7,340,131 | (307,682) | 73,905,099 | 14,064,298 | 87,969,397 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|---------|---|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|---------------|-----------------------------|----------------------|
| 200 | Deferred Outflow of Resources | | | | 961 | 72,198 | | 177,959 | - | 177,959 |
| 290 | Total Assets & Deferred Outflow of Resources | 1,240,802 | 38,077 | 6,144,169 | 1,237,506 | 7,412,329 | (307,682) | 74,083,058 | 14,064,298 | 88,147,356 |
| 312 | Accounts payable <= 90 days | | | 8,261 | 5,654 | 20,935 | | 590,134 | 19,956 | 610,090 |
| 313 | Accounts payable > 90 days past due | | | - | - | - | | - | - | - |
| 321 | Accrued wage/payroll taxes payable | | | - | 1,614 | - | | 130,063 | - | 130,063 |
| 322 | Accrued compensated absences - curr portion | | | - | 841 | 106,760 | | 196,343 | - | 196,343 |
| 324 | Accrued contingency liability | | | - | - | - | | - | - | - |
| 325 | Accrued interest payable | - | | - | - | - | | - | 9,245 | 9,245 |
| 331-010 | AP - HUD PHA Programs - Operating Subsidy | | | | - | - | | - | - | - |
| 331-020 | AP - HUD PHA Programs - Capital fund | | | | - | - | | - | - | - |
| 331-030 | AP - HUD PHA Programs - Other | | | | - | - | | - | - | - |
| 331 | Accounts payable - HUD PHA Programs | - | - | - | - | - | - | - | - | - |
| 332 | Accounts payable - PHA Projects | | | - | - | - | | - | - | - |
| 333 | Accounts payable - other govt | 122,459 | 38,077 | 342,701 | - | - | | 666,132 | - | 666,132 |
| 341 | Tenant security deposits | | | - | 5,686 | - | | 153,801 | 31,000 | 184,801 |
| 342-010 | Unearned revenue - Operating Subsidy | | | - | - | - | | - | - | - |
| 342-020 | Unearned revenue - Capital fund | | | - | - | - | | - | - | - |
| 342-030 | Unearned revenue - Other | | | 1,273,695 | 2,144 | 1,724 | | 1,337,826 | 13,452 | 1,351,278 |
| 342 | Unearned revenue | - | - | 1,273,695 | 2,144 | 1,724 | - | 1,337,826 | 13,452 | 1,351,278 |
| 343-010 | CFFP | | | | - | - | | - | - | - |
| 343-020 | Capital Projects/ Mortgage Revenue | | | | - | - | | - | - | - |
| 343 | Curr portion LT debt - capital projs | | | - | - | - | | - | 101,135 | 101,135 |
| 344 | Curr portion LT debt - operating borrowings | | | - | - | - | | - | - | - |
| 345 | Other current liabilities | | | - | - | - | | 100,128 | - | 100,128 |
| 346 | Accrued liabilities - other | | | - | - | - | | 47,775 | - | 47,775 |
| 347 | Inter program - due to | | | 142,113 | - | - | (307,682) | - | - | - |
| 348-020 | Loan liability - current - Partnership | | | | - | - | | - | 514 | 514 |
| 348-040 | Loan liability - current - Tax Credit | | | | - | - | | - | - | - |
| 348-050 | Loan liability - current - Other | | | | - | - | | - | - | - |
| 348 | Loan liability - current | - | - | - | - | - | - | - | 514 | 514 |
| 310 | Total Current Liabilities | 122,459 | 38,077 | 1,766,770 | 15,939 | 129,419 | (307,682) | 3,222,202 | 175,302 | 3,397,504 |
| 351-010 | Long-term debt - CFFP | | | | | - | | - | | - |
| 351-020 | Long-term - Capital Projects | | | | - | - | | - | | - |
| 351 | LT Debt - Capital Projs / Mortgages | | | - | - | - | - | - | 6,572,219 | 6,572,219 |
| 352 | LT debt, net of current - operating borrowings | | | - | - | - | | - | 42,535 | 42,535 |
| 353 | Non-current liabilities - other | | | - | - | - | | 200,302 | 1,283,301 | 1,483,603 |
| 354 | Accrued compensated absences- NC | | | - | - | - | | - | - | - |
| 355-040 | Loan liability - NC - Tax Credit | | | | - | - | | - | - | - |
| 355-050 | Loan liability - NC - Other | | | | - | - | | - | - | - |
| | Other - Comment | | | | - | - | | - | - | - |
| 355 | Loan liability - Non-current | - | - | - | - | - | - | - | - | - |
| 356 | FASB 5 Liabilities | | | - | - | - | | - | - | - |
| 357-010 | Pension Liability | | | | | - | | - | | - |
| 357-020 | OPEB Liability | | | | 44,033 | 124,684 | | 676,137 | | 676,137 |
| 357 | Accrued Pension & OPEB Liability | | | - | 44,033 | 124,684 | - | 676,137 | - | 676,137 |
| 350 | Total Non-current liabilities | - | - | - | 44,033 | 124,684 | - | 876,439 | 7,898,055 | 8,774,494 |
| 300 | Total Liabilities | 122,459 | 38,077 | 1,766,770 | 59,972 | 254,103 | (307,682) | 4,098,641 | 8,073,357 | 12,171,998 |
| 400 | Deferred Inflow of Resources | | | - | 417 | 31,312 | | 77,179 | - | 77,179 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|-------|--|----------------------------|----------------------------|------------------|-------------------|----------------------------|------------------|-------------------|-----------------------------|----------------------|
| | | | | | | | | - | | |
| 508.4 | Capital Asset Investmt, net related debt | 1,119,886 | - | 2,911,163 | 68,204 | 278,478 | | 46,112,365 | 5,929,601 | 52,041,966 |
| 511.4 | Restricted Net Position | | | - | - | - | | 311,462 | 547,639 | 859,101 |
| 512.4 | Unrestricted Net Position | (1,543) | | 1,466,236 | 1,108,913 | 6,848,436 | | 23,483,411 | (486,299) | 22,997,112 |
| 513 | Total Net Position | 1,118,343 | - | 4,377,399 | 1,177,117 | 7,126,914 | - | 69,907,238 | 5,990,941 | 75,898,179 |
| | | | | | | | | - | | |
| 600 | Total Liabs, Def. Inflow of Res, & Net Position | 1,240,802 | 38,077 | 6,144,169 | 1,237,506 | 7,412,329 | (307,682) | 74,083,058 | 14,064,298 | 88,147,356 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|-------------------------|--|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|---------------|-----------------------------|----------------------|
| Income Statement | | | | | | | | - | | |
| 70300 | Net tenant rental revenue | | | - | 190,788 | - | | 4,101,396 | 955,533 | 5,056,929 |
| 70400 | Tenant revenue - other | | | - | 577 | | | 311,762 | 7,568 | 319,330 |
| 70500 | Total Tenant Revenue | - | - | - | 191,365 | - | - | 4,413,158 | 963,101 | 5,376,259 |
| | | | | | | | | - | | |
| 70600-010 | Housing assistance payments | | | | | | | 18,516,003 | - | 18,516,003 |
| 70600-020 | Ongoing administrative fees earned | | | - | | | | 1,706,829 | - | 1,706,829 |
| 70600-030 | FSS Coordinator | | | | | | | 3,922 | - | 3,922 |
| 70600-040 | Independent public acctant audit costs | | | | | | | - | - | - |
| 70600-050 | Total preliminary fees earned | | | | | | | - | - | - |
| 70600-060 | Interest earned on advances | | | | | | | 200 | - | 200 |
| 70600-070 | Admin fee calculation description | | | | | | | - | - | - |
| 70600 | HUD PHA operating grants | | - | - | | - | | 28,728,508 | - | 28,728,508 |
| 70610 | Capital grants | - | | - | - | - | | 4,526,106 | - | 4,526,106 |
| | | | | | | | | - | | |
| 70710 | Management Fee | | | | - | 2,022,722 | (2,022,722) | - | - | - |
| 70720 | Asset Management Fee | | | | | 153,240 | (153,240) | - | - | - |
| 70730 | Book-Keeping Fee | | | | | 275,226 | (275,226) | - | - | - |
| 70740 | Front Line Service Fee | | | | | 82,473 | (82,473) | - | - | - |
| 70750 | Other Fees | | | | | - | - | - | - | - |
| 70700 | Total Fee Revenue | - | - | - | - | 2,533,661 | (2,533,661) | - | - | - |
| | | | | | | | | - | | |
| 70800 | Other government grants | | | 311,874 | - | - | (239,796) | 312,374 | - | 312,374 |
| 71100-010 | Housing Assistance Payment | | | | - | - | - | - | - | - |
| 71100-020 | Administrative Fee | | | - | | - | - | - | - | - |
| 71100 | Investment income - unrestricted | - | - | - | - | 260 | - | 271 | 7,224 | 7,495 |
| 71200 | Mortgage interest income | | | - | - | - | - | - | - | - |
| 71300 | Proceeds - disposition of assets held for sale | | | 353,262 | - | - | - | 769,584 | - | 769,584 |
| 71310 | Cost of sale of assets | | | (891,136) | - | - | - | (1,040,152) | - | (1,040,152) |
| 71400-010 | Housing Assistance Payment | | | | | | | 6,611 | - | 6,611 |
| 71400-020 | Administrative Fee | | | | | | | 6,612 | - | 6,612 |
| 71400 | Fraud recovery | | | - | - | - | - | 13,223 | - | 13,223 |
| 71500 | Other revenue | | | 929,084 | 92,617 | 29,890 | - | 1,309,011 | 7,722 | 1,316,733 |
| 71600 | Gain / loss - sale of capital assets | | | - | - | - | - | - | - | - |
| 72000-010 | Housing Assistance Payment | | | | | | | - | - | - |
| 72000-020 | Administrative Fee | | | | | | | - | - | - |
| 72000 | Investment income - restricted | | | - | - | - | - | - | - | - |
| 70000 | Total Revenue | - | - | 703,084 | 283,982 | 2,563,811 | (2,773,457) | 39,032,083 | 978,047 | 40,010,130 |
| | | | | | | | | - | | |
| 91100 | Administrative salaries | | | 3,511 | 10,189 | 1,004,234 | | 1,900,890 | 9,228 | 1,910,118 |
| 91200 | Auditing fees | | | 35 | 485 | 5,529 | | 41,200 | 9,260 | 50,460 |
| 91300-010 | To PHA Administered Program (i.e. COCC) | | | - | 79,899 | - | (2,022,722) | - | 54,205 | 54,205 |
| 91300-020 | To Third Party/Outside Entity | | | - | - | - | - | - | 24,146 | 24,146 |
| 91300 | Management Fees | - | - | - | 79,899 | - | (2,022,722) | - | 78,351 | 78,351 |
| 91310 | Book-Keeping Fee | | | - | - | - | (275,226) | - | - | - |
| 91400 | Advertising and Marketing | | | - | 128 | 9,762 | | 50,835 | - | 50,835 |
| 91500 | Employee Benefit contributions - Admin | | | 1,017 | 3,392 | 308,097 | | 577,797 | - | 577,797 |
| 91600 | Office Expenses | | | 116 | 5,281 | 231,860 | | 799,754 | 10,085 | 809,839 |
| 91700 | Legal Expense | | | 5,349 | 5,008 | 58,567 | | 162,928 | 2,263 | 165,191 |
| 91800 | Travel | | | 10 | 5 | 4,918 | | 6,626 | 68 | 6,694 |
| 91810 | Allocated Overhead | | | - | - | - | | - | - | - |
| 91900 | Other | | | 1,460 | 199 | 46,588 | (36,321) | 83,704 | 182 | 83,886 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|-----------|--|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|---------------|-----------------------------|----------------------|
| 91000 | Total Operating-Administrative | - | - | 11,498 | 104,586 | 1,669,555 | (2,334,269) | 3,623,734 | 109,437 | 3,733,171 |
| 92000 | Asset Management Fee | | | | | | (153,240) | - | - | - |
| 92100 | Tenant services - salaries | | | - | - | 10,227 | | 441,834 | - | 441,834 |
| 92200 | Relocation Costs | | | - | - | - | | 3,534 | - | 3,534 |
| 92300 | Employee benefit contribs - tenant services | | | - | - | (19,305) | | 107,067 | - | 107,067 |
| 92400 | Tenant services - other | | | - | 141 | 26,488 | (239,796) | 168,027 | - | 168,027 |
| 92500 | Total Tenant Services | - | - | - | 141 | 17,410 | (239,796) | 720,462 | - | 720,462 |
| 93100 | Water | | | 26 | 1,801 | 6,521 | | 497,288 | 22,203 | 519,491 |
| 93200 | Electricity | | | 1,525 | 3,058 | 8,364 | | 802,016 | 21,111 | 823,127 |
| 93300 | Gas | | | 18 | - | 10,183 | | 525,787 | 3,836 | 529,623 |
| 93400 | Fuel | | | - | - | - | | - | - | - |
| 93500 | Labor | | | - | - | - | | - | - | - |
| 93600 | Sewer | | | 243 | 458 | 5,839 | | 467,814 | 20,556 | 488,370 |
| 93700 | Employee benefit contributions - utilities | | | - | - | - | | - | - | - |
| 93750 | HAP Portability-In | | | - | - | - | | - | - | - |
| 93800 | Other utilities expense | | | 268 | 821 | - | | 44,966 | 806 | 45,772 |
| 93000 | Total Utilities | - | - | 2,080 | 6,138 | 30,907 | - | 2,337,871 | 68,512 | 2,406,383 |
| 94100 | OMO-labor | | | - | 7,058 | 22,956 | | 1,157,844 | 3,265 | 1,161,109 |
| 94200 | OMO-materials, other | | | - | 7,508 | 3,572 | | 717,739 | 42,234 | 759,973 |
| 94300-010 | OMO contracts-Trash Removal | | | 218 | 2,621 | - | | 284,505 | 13,207 | 297,712 |
| 94300-020 | OMO contracts-HVAC | | | - | 3,502 | - | | 273,598 | 13,041 | 286,639 |
| 94300-030 | OMO contracts-Snow Removal | | | - | - | - | | - | - | - |
| 94300-040 | OMO contracts-Elevator Maint | | | - | - | - | | 80,987 | - | 80,987 |
| 94300-050 | OMO contracts-Grounds | | | 5,835 | 16,205 | 5,750 | | 276,019 | 53,430 | 329,449 |
| 94300-060 | OMO contracts-Unit Turnaround | | | - | - | - | | 387,840 | 19,953 | 407,793 |
| 94300-070 | OMO contracts-Electrical | | | - | - | - | | 259,400 | 4,724 | 264,124 |
| 94300-080 | OMO contracts-Plumbing | | | - | 2,159 | - | | 233,933 | 6,215 | 240,148 |
| 94300-090 | OMO contracts-Extermination | | | - | 1,677 | - | | 72,896 | 5,548 | 78,444 |
| 94300-100 | OMO contracts-Janitorial | | | - | - | 20,419 | | 24,946 | 13,615 | 38,561 |
| 94300-110 | OMO contracts-Routine Maint | | | - | 13,888 | - | (41,619) | 1,445,825 | 29,889 | 1,475,714 |
| 94300-120 | OMO contracts-Misc | | | 83 | 7,375 | 1,724 | (4,533) | 8,979 | 6,835 | 15,814 |
| 94300 | Ordinary Maint & Operations Contracts | - | - | 6,136 | 47,427 | 27,893 | (46,152) | 3,348,928 | 166,457 | 3,515,385 |
| 94500 | OMO- Employee benefit contributions | | | - | 1,754 | 8,307 | | 236,857 | - | 236,857 |
| 94000 | Total Maintenance | - | - | 6,136 | 63,747 | 62,728 | (46,152) | 5,461,368 | 211,956 | 5,673,324 |
| 95100 | Protective services - labor | | | - | - | - | | - | - | - |
| 95200 | Protective services - contract costs (police) | | | - | - | 2,881 | | 100,832 | 386 | 101,218 |
| 95300 | Protective services - other | | | 158,000 | - | - | | 425,613 | 9,611 | 435,224 |
| 95500 | Protective services - Employee benefit contribs | | | - | - | - | | - | - | - |
| 95000 | Total Protective Services | - | - | 158,000 | - | 2,881 | - | 526,445 | 9,997 | 536,442 |
| 96110 | Property Insurance | | | - | 4,036 | 1,818 | | 226,450 | 81,219 | 307,669 |
| 96120 | Liability Insurance | | | 109 | 1,489 | 4,641 | | 84,534 | 16,808 | 101,342 |
| 96130 | Workmen's Compensation | | | - | 564 | 12,392 | | 56,998 | 792 | 57,790 |
| 96140 | All other Insurance | | | - | 9 | 196 | | 20,315 | 17 | 20,332 |
| 96100 | Total insurance Premiums | - | - | 109 | 6,098 | 19,047 | - | 388,297 | 98,836 | 487,133 |
| 96200 | Other general expenses (FSS Escrow) | | | - | - | - | | - | - | - |
| 96210 | Compensated absences | | | - | 1,171 | 163,414 | | 347,434 | - | 347,434 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|-----------|--|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|---------------|-----------------------------|----------------------|
| 96300 | Payments in lieu of taxes | | | - | - | - | | 162,886 | 120,196 | 283,082 |
| 96400 | Bad debt - tenant rents | | | - | (2,094) | - | | 482,853 | 80,750 | 563,603 |
| 96500 | Bad debt - mortgages | | | - | - | - | | - | - | - |
| 96600 | Bad debt - other | | | - | - | - | | 5,264 | - | 5,264 |
| 96800 | Severance expense | | | - | - | - | | - | - | - |
| 96000 | Total Other General Expenses | - | - | - | (923) | 163,414 | - | 998,437 | 200,946 | 1,199,383 |
| 96710 | Interest - Mortgage/Bonds Payable | | | - | - | - | | - | 116,479 | 116,479 |
| 96720-020 | Interest on All Other Debt | | | - | - | - | | 265 | - | 265 |
| 96720 | Interest on Notes Payable (short & long term) | | | - | - | - | | 265 | - | 265 |
| 96730 | Amortization of Bond Issue Costs | | | - | - | - | | - | 1,476 | 1,476 |
| 96700 | Interest expense and Amortization cost | - | - | - | - | - | - | 265 | 117,955 | 118,220 |
| 96900 | Total Operating Expenses | - | - | 177,823 | 179,787 | 1,965,942 | (2,773,457) | 14,056,879 | 817,639 | 14,874,518 |
| 97000 | Excess Operating- Revenue Over Expenses | - | - | 525,261 | 104,195 | 597,869 | - | 24,975,204 | 160,408 | 25,135,612 |
| 97100 | Extraordinary maintenance | | | - | - | - | | - | - | - |
| 97200 | Casualty losses- Non-capitalized | | | - | - | - | | 356,725 | - | 356,725 |
| 97300-010 | Mainstream 1 & 5 year | | | - | - | - | | 1,569,862 | - | 1,569,862 |
| 97300-020 | Home-Ownership | | | - | - | - | | 59,127 | - | 59,127 |
| 97300-025 | Litigation | | | - | - | - | | - | - | - |
| 97300-030 | Hope IV | | | - | - | - | | - | - | - |
| 97300-035 | Moving to Work | | | - | - | - | | - | - | - |
| 97300-040 | Tenant Protection | | | - | - | - | | 42,200 | - | 42,200 |
| 97300-050 | All Other | | | 136,514 | - | - | | 16,736,142 | - | 16,736,142 |
| 97300 | Housing assistance payments | | | - | - | - | - | 18,407,331 | - | 18,407,331 |
| 97350 | HAP Portability In | | | - | - | - | | - | - | - |
| 97400 | Depreciation expense | 60,717 | | 42,899 | 166 | 13,603 | | 2,107,094 | 553,141 | 2,660,235 |
| 97500 | Fraud losses | | | - | - | - | | - | - | - |
| 97800 | Dwelling units rent expense | | | - | - | - | | - | - | - |
| 90000 | Total Expenses | 60,717 | - | 357,236 | 179,953 | 1,979,545 | (2,773,457) | 34,928,029 | 1,370,780 | 36,298,809 |
| 10010 | Operating transfer in | | | - | - | - | | 19,912 | - | 19,912 |
| 10020 | Operating transfer out | | | - | - | - | | (19,912) | - | (19,912) |
| 10030-010 | Not For Profit | | | - | - | - | | - | - | - |
| 10030-020 | Partnership | | | - | - | - | | - | - | - |
| 10030-030 | Joint Venture | | | - | - | - | | - | - | - |
| 10030-040 | Tax Credit | | | - | - | - | | - | - | - |
| 10030-050 | Other | | | - | - | - | | - | - | - |
| 10030 | Operating transfers from / to primary govt | - | - | - | - | - | | - | - | - |
| 10040 | Operating transfers from / to component unit | | | - | - | - | | - | - | - |
| 10070 | Extraordinary items, net gain/loss | | | - | - | - | | - | - | - |
| 10080 | Special items, net gain/loss | | | - | - | - | | - | - | - |
| 10091 | Inter AMP Excess Cash Transfer In | | | - | - | - | | 250,000 | - | 250,000 |
| 10092 | Inter AMP Excess Cash Transfer Out | | | - | - | - | | (250,000) | - | (250,000) |
| 10093 | Transfers btwn Program & Project - In | | | - | - | - | | - | - | - |
| 10094 | Transfers btwn Program & Project - Out | | | - | - | - | | - | - | - |
| 10100 | Total other financing sources (uses) | - | - | - | - | - | - | - | - | - |
| 10000 | Excess (Deficiency) of Revenues vs Expenses | (60,717) | - | 345,848 | 104,029 | 584,266 | - | 4,104,054 | (392,733) | 3,711,321 |

| FDS # | Description | CDBG Fund 510 14.218 | HOME Fund 510 14.239 | STATE/ LOCAL | Business Activity | Central Office Fund 900 | Eliminations | RRHA TOTAL | TOTAL COMPONENT UNITS | ENTITY WIDE TOTAL |
|-----------|---|----------------------------|----------------------------|-----------------|-------------------|----------------------------|--------------|---------------|-----------------------------|----------------------|
| | | | | | | | | - | | |
| 11020 | Required Annual Debt Principal Payments | - | - | - | - | - | - | - | 97,776 | 97,776 |
| | | | | | | | | - | | |
| 11030 | Beginning equity | 1,179,060 | - | 4,031,551 | 1,073,088 | 6,542,648 | - | 65,803,184 | 6,393,674 | 72,196,858 |
| | | | | | | | | - | | |
| 11040-010 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-020 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-030 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-040 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-050 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-060 | Prior period adjs & correction of errors | | | - | - | - | | - | - | - |
| 11040-070 | Equity Transfers (UNRESTRICTED) | | | - | - | | | - | (10,000) | (10,000) |
| 11040-080 | Equity Transfers (RESTRICTED) | | | - | - | | | - | - | - |
| 11040-090 | Equity Transfers | | | - | - | | | - | - | - |
| 11040-100 | Equity Transfers | | | - | - | | | 398,931 | - | 398,931 |
| 11040-110 | Equity Transfers | | | - | - | | | (398,931) | - | (398,931) |
| 11040 | Prior Pd adjs, Equity trnfrs, & Error corrections | - | - | - | - | - | - | - | (10,000) | (10,000) |



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 within the audit reporting package. 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, 2024, and have issued our reports thereon dated March 20, 2025. 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 20, 2025, was expressed in relation to the basic financial statements of Roanoke Redevelopment and Housing Authority taken as a whole.

A copy of the reporting package required by the OMB 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.

Jump, Perry and Company LLP

March 20, 2025
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 federal assistance listing numbers | 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 |