

Roanoke Redevelopment and Housing Authority

FINANCIAL STATEMENTS

Roanoke Redevelopment and Housing Authority

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September 30, 2025

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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, 2025 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, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

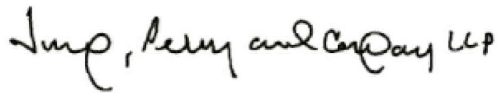
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10, the schedules related to accounting and reporting for pensions on pages 52 and 53 and the schedules related to accounting and reporting for postemployment 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 April 7, 2026, 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
April 7, 2026

ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

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, 2025. 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 2025 major financial highlights included the following:

Total assets and liabilities of the Authority were approximately \$79 million and \$5 million respectively, with a total net position of \$74 million at September 30, 2025.

Total assets increased during the year by approximately \$4.7 million, primarily due to capital assets.

Total liabilities increased \$435,009 due to deferred revenue and other long term liabilities.

Total Revenues (including capital contributions and grants) and expenses were approximately \$41 million and \$37 million respectively.

Revenues are derived from various sources with approximately 84% 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 5% 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, 2025, the Authority owned over 1277 residential units that are leased to low-income families and individuals. In addition, housing assistance was paid to over 1,986 households under the Federal Housing Choice Voucher program for privately owned existing housing.

BASIC FINANCIAL STATEMENTS

The Authority presents this fiscal year 2025 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, 2025 and 2024 for the Authority as a whole:

	<u>2025</u>	<u>2024</u>	<u>NET CHANGE</u>	<u>%</u>
Cash	\$ 24,770,891	\$ 24,478,000	\$ 292,891	1.20%
Current Assets	1,791,858	1,572,591	219,267	13.94%
Non-current Assets	2,405,889	1,920,102	485,787	25.30%
Capital Assets - Net	49,800,309	46,112,365	3,687,944	8.00%
Total Assets	<u>78,768,947</u>	<u>74,083,058</u>	<u>4,685,889</u>	<u>6.33%</u>
Current Liabilities	3,323,178	3,222,202	100,976	3.13%
Non-current Liabilities	1,287,651	953,618	334,033	35.03%
Total Liabilities	<u>4,610,829</u>	<u>4,175,820</u>	<u>435,009</u>	<u>10.42%</u>
Invested in Capital Assets -net of Related Debt	49,800,309	46,112,365	3,687,944	8.00%
Restricted Net Position	156,992	311,462	(154,470)	-49.60%
Unrestricted Net Position	24,200,817	23,483,411	717,406	3.05%
Total Net Position	<u>\$ 74,158,118</u>	<u>\$ 69,907,238</u>	<u>\$ 4,250,880</u>	<u>6.08%</u>

Total assets of the Authority increased \$4,685,889 for the 2025 fiscal year primarily due to an increase in non-current and capital assets . Cash increased slightly by \$293,000 due to increased program escrow accounts and unspent state rental assistance funds. Current assets also increased by \$219,000 as a result of an increase in accounts receivable tenants, landlords, and prepaid expense accounts. Prepaid expenses increased approximately 17.6% due to increased premiums for insurance and annual invoices for leases of security cameras.

Noncurrent assets increased 25% primarily due to an increase in notes/mortgages receivable and net pension asset.

Capital Assets increased \$3.7 million due to increases in land, building and improvements, and equipment as a result of the activity in the Capital Fund Grants and repairs to Public Housing assets.

Total liabilities increased \$435,009 due to increases in both the current and non-current liabilities.

Current liabilities increased due to deferred revenues increases netted against decreases in accounts payable, accrued compensated absences, and contract retainage.

Non-current liabilities increased due to pension and post retirement liabilities as well as an increase in the Family Self Sufficiency program escrow account.

Total net position increased approximately \$4.25 million due to the increases in Capital Assets and Unrestricted Net Position.

Investments in Capital Assets increased due to Capital Fund program expenditures for construction in several large capital improvement projects, land purchases, and large modernization projects.

Restricted Net Position decreased \$154,470 due to a \$171,119 decrease in the HCV program and a \$16,649 increase in the FSS Forfeiture Account.

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, 2025 a total of 20 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 2025 and 2024 for the Authority as a whole:

	<u>2025</u>	<u>2024</u>	<u>NET CHANGE</u>	<u>%</u>
Tenant Rental Revenue	\$ 4,647,751	\$ 4,413,158	\$ 234,593	5.32%
HUD Operating Grants	30,007,098	28,728,508	1,278,590	4.45%
Other Revenue	2,375,764	1,364,040	1,011,724	74.17%
Total Operating Revenue	<u>37,030,613</u>	<u>34,505,706</u>	<u>2,524,907</u>	<u>7.32%</u>
Operating Expenses:				
Administrative	3,444,842	3,623,734	(178,892)	-4.94%
Tenant Services	806,450	720,462	85,988	11.94%
Utilities	2,575,352	2,337,871	237,481	10.16%
Maintenance	6,007,088	5,461,368	545,720	9.99%
Protective Services	454,617	526,445	(71,828)	-13.64%
General Expenses	1,233,190	1,386,734	(153,544)	-11.07%
Housing Assistance Payments	19,987,643	18,407,331	1,580,312	8.59%
Depreciation	2,252,979	2,107,094	145,885	6.92%
Total Operating Expenses	<u>36,762,161</u>	<u>34,571,039</u>	<u>2,191,122</u>	<u>6.34%</u>
Operating Income/(Loss)	268,452	(65,333)	333,785	-510.90%
Non-operating Revenue (Expenses):				
Investment Income/ Mortgage Interest	272	271	1	0.37%
Interest Expense	(105)	(265)	160	100.00%
Casualty losses	<u>(250,537)</u>	<u>(356,725)</u>	<u>106,188</u>	<u>-29.77%</u>
Non-operating Gain/(Loss)	<u>(250,370)</u>	<u>(356,719)</u>	<u>106,349</u>	<u>-29.81%</u>
HUD Capital Grants	<u>4,242,023</u>	<u>4,526,106</u>	<u>(284,083)</u>	<u>-6.28%</u>
Change in net position	<u>4,260,105</u>	<u>4,104,054</u>	<u>156,051</u>	<u>3.80%</u>
Beginning Net Position	69,907,238	65,803,184	4,104,054	6.24%
Equity Adjustments / Prior period adjustment	<u>(9,225)</u>	<u>-</u>	<u>(9,225)</u>	
Total Net Position	<u>\$ 74,158,118</u>	<u>\$ 69,907,238</u>	<u>\$ 4,250,880</u>	<u>6.08%</u>

Total Operating Revenue increased \$2.5 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 2025 than in 2024.

HUD Operating grants increased \$1.3 million due to increased subsidy primarily in the Section 8 and Jobs Plus programs.

Other Revenue increased \$1 million from increased reimbursements from VHDA for certain public housing projects, grants from organizations to aide homeownership, increased lease income from office space, and increased casualty payments due to claims filed during the year.

Total Operating expenses increased 6% due to an increases in expense categories except administration, protective services, and general expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

Administrative expenses decreased 5% due to employee compensation expenses. Hiring and staffing shortages continue to be a challenge for the Authority in 2025 due to changing employment expectations.

Tenant Services expenses increased 12% due to employee compensation and the rent incentive expenses of the Jobs Plus program. Several tenant services positions in the Jobs Plus grant and a new position in the new State of VA Firearm Violence Intervention grant were filled in 2025.

Utility costs increased 10% due to higher costs across all utility types as well as higher usage in electric and gas.

Maintenance expenses increased 10% due to increases in employee compensation, materials, and contract repairs such as building repairs, HVAC, unit turnarounds, plumbing, and exterminating. Supply costs and vendor rates continued to increase in 2025. Significant increases include building repairs of \$116,838 and HVAC repairs of \$92,094.

Protective Services decreased 13.6% due to grant expenditures for camera surveillance leases that were prepaid for four years in 2024. The cost of the fire systems increased \$31,384 and security patrol cost went up \$27,221.

General Expenses decreased 11% due to compensated absences and bad debts. Employee turnover resulted in forfeited compensated absences during the year. Increased evictions and increased tenant payments reduced bad debt.

Compared to FY2024, FY2025's HCV Housing Assistance Payment (HAP+UAP+FSS Escrow) increased by \$1,580,000 (8.6%). This increase was caused by:

1. Rent Payment Standard increased by 3.9%
2. Many HCV tenants experienced at least one of the following situations in FY2025 that led to the average voucher cost increased from \$750/month to \$827/month (10.2%):
 - 2-a, The percentage of their rent increase was higher than the percentage of their income increase.
 - 2-b, Tenant's income decreased while rent stayed the same or barely increased.
 - 2-c, Tenant's household size increased

Depreciation increased 6.9% due to the depreciation of new assets transferred from construction in progress at the end of 2024.

Operating revenues exceeded operating expenses by approximately 1% resulting in an overall operating gain of \$268,000 for 2025.

Casualty losses decreased \$106,349 due to smaller auto and fire claims in the public housing program in 2025.

The Authority's overall increase in Net Position for 2025 was \$4,250,880.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The following table summarizes the changes in capital assets between September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>	<u>Net Change</u>	<u>Variance</u>
Land	\$ 15,907,509	\$ 15,280,324	\$ 627,185	4.10%
Infrastructure	3,109,317	3,109,317	-	0.00%
Buildings and Improvements	92,782,258	86,777,488	6,004,770	6.92%
Furniture and Equipment	3,854,470	3,661,010	193,460	5.28%
Construction in Progress	18,441,121	19,414,919	(973,798)	-5.02%
Total	134,094,675	128,243,058	5,851,617	4.56%
Accumulated Depreciation	(84,294,366)	(82,130,693)	(2,163,673)	2.63%
Net Capital Assets	<u>\$ 49,800,309</u>	<u>\$ 46,112,365</u>	<u>\$ 3,687,944</u>	<u>8.00%</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 2025 the Authority received 85% of its funding from HUD.

For the 2025 calendar year, HUD funded Public Housing operating subsidy requests at 102.58% of the eligible amounts.

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 four times, which was 2002, 2010, 2022 and 2025.

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 100.708% for calendar year 2025. This is increased from 99.50% in 2024. HCV Administrative fees were funded at 88.19% for calendar year 2025, 92.83% for 2024, and 97.17% for 2023.

In addition to the uncertainties of federal funding for the 2025 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, 2025

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
CURRENT ASSETS:			
Cash and cash equivalents	\$ 22,392,857	803,932	23,196,789
Accounts receivable - other	1,034,415	3,086	1,037,501
Accounts receivable - tenants, net	247,340	25,042	272,382
Prepaid expenses	<u>510,103</u>	<u>35,401</u>	<u>545,504</u>
Total current assets	<u>24,184,715</u>	<u>867,461</u>	<u>25,052,176</u>
RESTRICTED ASSETS:			
Cash and cash equivalents	<u>2,378,034</u>	<u>628,081</u>	<u>3,006,115</u>
Total restricted assets	<u>2,378,034</u>	<u>628,081</u>	<u>3,006,115</u>
NONCURRENT ASSETS:			
Land, structures and equipment net of accumulated depreciation	<u>49,800,309</u>	<u>12,059,973</u>	<u>61,860,282</u>
Total fixed assets, net	<u>49,800,309</u>	<u>12,059,973</u>	<u>61,860,282</u>
Notes & mortgages receivable, non-current	930,155	-	930,155
Other assets	<u>1,305,840</u>	<u>-</u>	<u>1,305,840</u>
Total assets	<u>78,599,053</u>	<u>13,555,515</u>	<u>92,154,568</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows	<u>169,894</u>	<u>-</u>	<u>169,894</u>
Total deferred outflows of resources	<u>169,894</u>	<u>-</u>	<u>169,894</u>
Total assets and deferred outflows of resources	<u>\$ 78,768,947</u>	<u>13,555,515</u>	<u>92,324,462</u>

Roanoke Redevelopment and Housing Authority
Statement of Net Position (continued)
September 30, 2025

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
CURRENT LIABILITIES:			
Accounts payable	\$ 1,133,947	28,566	1,162,513
Accounts payable - HUD	22,704	-	22,704
Accrued wages and payroll taxes	123,459	-	123,459
Accrued compensated absences	142,897	-	142,897
Accrued interest	-	9,259	9,259
Accrued liability - other	41,291	-	41,291
Tenant security deposits	156,440	33,500	189,940
Notes payable, current portion	-	104,674	104,674
Unearned revenues	1,653,146	12,860	1,666,006
Other current liabilities	<u>49,294</u>	<u>514</u>	<u>49,808</u>
Total current liabilities	<u>3,323,178</u>	<u>189,373</u>	<u>3,512,551</u>
NONCURRENT LIABILITIES:			
Notes payable, excluding current portion	-	6,700,000	6,700,000
Other liabilities	<u>1,085,145</u>	<u>1,283,301</u>	<u>2,368,446</u>
Total noncurrent liabilities	<u>1,085,145</u>	<u>7,983,301</u>	<u>9,068,446</u>
Total liabilities	<u>4,408,323</u>	<u>8,172,674</u>	<u>12,580,997</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows	<u>202,506</u>	<u>-</u>	<u>202,506</u>
Total deferred inflows of resources	<u>202,506</u>	<u>-</u>	<u>202,506</u>
NET POSITION:			
Invested in capital assets, net	49,800,309	5,486,339	55,286,648
Restricted	156,992	597,165	754,157
Unrestricted	<u>24,200,817</u>	<u>(700,663)</u>	<u>23,500,154</u>
Total net position	<u>74,158,118</u>	<u>5,382,841</u>	<u>79,540,959</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 78,768,947</u>	<u>13,555,515</u>	<u>92,324,462</u>

Roanoke Redevelopment and Housing Authority
Statement of Revenues, Expenses, and Changes
in Net Position
For the Year Ended September 30, 2025

	Enterprise Fund	Component Units	Total Reporting Entity
Operating revenues:			
Tenant revenue	\$ 4,647,751	1,042,705	5,690,456
HUD operating grants	30,007,098	-	30,007,098
Other government grants	416,595	-	416,595
Proceeds from the disposition of assets held for sale	209,931	-	209,931
Cost of sale of assets	(109,256)	-	(109,256)
Other revenue	<u>1,858,494</u>	<u>100</u>	<u>1,858,594</u>
 Total operating revenue	 <u>37,030,613</u>	 <u>1,042,805</u>	 <u>38,073,418</u>
Operating expenses:			
Administrative salaries	1,893,857	14,879	1,908,736
Other administrative expenses	1,550,985	104,261	1,655,246
Tenant / community services	806,450	-	806,450
Utility expense	2,575,352	74,749	2,650,101
Maintenance salaries	1,257,571	13,973	1,271,544
Maintenance other	4,749,517	465,548	5,215,065
Contract / protective services	454,617	10,244	464,861
Insurance	428,502	122,563	551,065
Other general expenses	255,146	-	255,146
Credit losses	391,203	46,578	437,781
Payments in lieu of taxes	158,339	130,277	288,616
Housing assistance payments	19,987,643	-	19,987,643
Depreciation	<u>2,252,979</u>	<u>550,983</u>	<u>2,803,962</u>
 Total operating expenses	 <u>36,762,161</u>	 <u>1,534,055</u>	 <u>38,296,216</u>
 Operating income/loss	 <u>268,452</u>	 <u>(491,250)</u>	 <u>(222,798)</u>
Non-operating revenues (expenses):			
Investment income / mortgage interest	272	7,146	7,418
Interest expense	(105)	(114,996)	(115,101)
Casualty losses	<u>(250,537)</u>	<u>(9,000)</u>	<u>(259,537)</u>
 Total non-operating revenues (expenses)	 <u>(250,370)</u>	 <u>(116,850)</u>	 <u>(367,220)</u>
 Gain/loss before capital grants	 18,082	 (608,100)	 (590,018)
Capital grants	<u>4,242,023</u>	<u>-</u>	<u>4,242,023</u>
 Change in net position	 4,260,105	 (608,100)	 3,652,005
 Total net position, beginning	 <u>69,907,238</u>	 <u>5,990,941</u>	 <u>75,898,179</u>
Equity transfers/ Prior Period Adjustments	<u>(9,225)</u>	<u>-</u>	<u>(9,225)</u>
Total net position, end of year	<u>\$ 74,158,118</u>	<u>5,382,841</u>	<u>79,540,959</u>

Roanoke Redevelopment and Housing Authority
Statement of Cash Flows - All Enterprise Funds
For the Year Ended September 30, 2025

Cash Flows from Operating Activities:

Receipts from tenants	\$ 4,612,081
Receipts operating grants and subsidies	30,502,782
Other receipts	1,410,524
Payments to suppliers, employees and tenants	<u>(34,151,559)</u>
Net cash flows provided by operating activities	<u>2,373,828</u>

Cash Flows from Capital and Related Financing Activities:

Purchases of capital assets	(6,050,240)
Disposal of capital assets	109,317
Capital grant contributions	4,242,023
Casualty losses	<u>(250,537)</u>
Net cash flows used in capital and related financing activities	<u>(1,949,437)</u>

Cash Flows from Investing Activities:

Advances on notes receivable	(131,667)
Interest and dividends	<u>167</u>
Net cash flows used in investing activities	<u>(131,500)</u>
Net increase in cash	292,891
Cash at beginning of year	<u>24,478,000</u>
Cash at end of year	<u>\$ 24,770,891</u>

Roanoke Redevelopment and Housing Authority
Statement of Cash Flows (continued) - All Enterprise Funds
For the Year Ended September 30, 2025

Reconciliation of operating income to cash provided by
operating activities

Operating income	\$	268,452
Items which did not provide (use) cash:		
Depreciation		2,252,979
Prior Period Adjustment		(9,225)
Credit losses		391,203
Deferred Outflows of Resources		125,327
Deferred Inflows of Resources		8,065
Working capital changes which provided (used) cash:		
Accounts receivable - tenants		(426,873)
Accounts receivable - other		(107,371)
Other assets		(362,185)
Unearned revenue		315,320
Prepaid expenses		(76,226)
Accounts payable- HUD		22,704
Accounts payable		(122,319)
Accrued expenses		(66,534)
Other liabilities		208,706
Tenant security deposits		2,639
Other current liabilities		<u>(50,834)</u>
Net cash provided by operating activities	\$	<u><u>2,373,828</u></u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements

For the Year Ended September 30, 2025

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 credit loss is established to provide for all accounts that may not be collected in the future for any reason.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Prepaid Items

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

K. Adopted Accounting Pronouncements

On September 30, 2025, the Authority implemented the Governmental Accounting Standards Boards Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. These changes were reviewed for the Authority's September 30, 2025 financial statements and had no effect on the beginning net position of the Authority. Management has determined the implementation of this Statement did not have a significant impact on the Authority's financial statements.

On September 30, 2025, the Authority implemented the Governmental Accounting Standards Boards Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential about risks related to a government's vulnerabilities due to certain concentrations or constraints. Management has determined the implementation of this Statement did not have a significant impact of the Authority's financial statements.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

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, 2024 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 Development, 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 Development, 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, 2024 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, 2024 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 Development, 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, 2024 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, 2025, the carrying amount of the Enterprise fund's cash and cash equivalents (including restricted cash) was \$24,770,891. 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 \$10,783,021 as of September 30, 2025.

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 an administrator of governmental retirement plans qualified under Section 401(a) of the Internal Revenue Code and 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 PERS defined benefit retirement pension plan with separate cost-sharing pools for each locality and is administered by the Virginia Retirement System. All full-time, salaried, permanent employees are required to enroll in the VRS upon employment. Temporary and contract employees are not eligible to participate in the VRS.

The mandatory portion of the pension plan has Defined Benefit and defined Contribution components. A Voluntary Contributions component is available to active Hybrid Employees that includes a required employer contribution match.

8. PENSION PLAN (continued)

The pension plan provides a lifetime monthly benefit during retirement based on a retirement multiplier, which is a percentage of the member's average annual creditable compensation for the highest 60 consecutive months, 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 members, as well as Plan 2 members whose service is before January 1, 2013. 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 between 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, 2024 through June 30, 2026 is 2.67%. 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 .74% 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
Measurement Date	June 30, 2024
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; males 110% of rates females set forward 2 years
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, 2024</u>	<u>June 30, 2023</u>
1. Participants		
a. Actives	69	65
b. Transfers Out	17	12
c. Retirees and Beneficiaries	12	11
d. Retirees and Beneficiaries Elsewhere	-	-
e. LTD	-	-
f. Inactive, Vested	12	12
g. Inactive, Uncontested	<u>166</u>	<u>153</u>
Total	276	253
2. Covered Payroll	3,242,193	3,288,683
3. Expected Retirement Benefits	353,801	329,229
4. Assets		
a. Market Value of Assets	5,758,455	5,209,947
b. Actuarial Value of Assets	5,609,939	5,132,254
5. Actuarial Accrued Liability	4,522,556	4,254,795
6. Funded Ratio		
a. Market Value of Assets	127.33 %	122.45 %
b. Actuarial Value of Assets	124.04 %	120.62 %
7. Unfunded Actuarial Accrued Liability	(1,087,383)	(877,459)
8. Normal Cost Rate		
a. Gross Normal Cost Rate	8.64 %	8.76 %
b. Member Contribution Rate	<u>4.28 %</u>	<u>4.31 %</u>
c. Employer Normal Cost Rate (8a-8b)	4.36 %	4.45 %
9. Recommended Employer Contribution Rate for	Informational for	June 30, 2025 &
Fiscal Year Ending	June 30, 2026	June 30, 2026
a. Employer Normal Cost Rate	4.36 %	4.45 %
b. Amortization Charge	(2.23) %	(1.87) %
c. Administrative Expenses	0.09 %	0.09 %
d. DC Match	- %	- %
e. Plan Surcharge	<u>-</u>	<u>-</u>
f. Total(9a+9b+9c (not less than zero)+ 9d)	2.22 %	2.67 %
g. DC Contribution for Hybrid Members	separate requirement	separate requirement
h. Total Employer Rate (9f+9g)	2.22 %	2.67 %
10. Amortization Period	19-20	20

Normal Cost

	Currently	After Reform*
1. Normal Cost as Percent of Payroll	4.36 %	3.05 %
2. Covered Payroll	3,242,193	3,288,683

8. PENSION PLAN (continued)

Single Discount Rate

The single discount rate applied in the measurement of the total pension liability was 6.75%. The single discount rate was based on the expected rate of return on pension plan investments of 6.75% and municipal long-term bond index rate of 3.97%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contributions rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 20 year forward looking geometric nominal rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Geometric Nominal Rate of Return</u>
Public Equity	33.00 %	6.70 %
Fixed Income	16.00 %	4.80 %
Credit Strategies	14.00 %	8.10 %
Real Assets	14.00 %	7.30 %
Private Equity	16.00 %	8.70 %
PIP-Private Investment Partnerships	2.00 %	8.00 %
Exposure Management Portfolio	- %	7.00 %
Diversifying Strategies	4.00 %	5.80 %
Cash	2.00 %	3.00 %
Leverage	(1.00) %	3.50 %
Total	<u>100.00 %</u>	
Currency Return Addition		0.01 %
Total Fund Expected Rate of Return		7.04 %

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 (5.75%)	Current Discount (6.75%)	1.0% Increase (7.75%)
Net Pension Liability	\$ (560,531)	\$ (1,149,327)	\$ (1,629,625)

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) - (b)
Balance at June 30, 2023	\$ <u>4,390,290</u>	\$ <u>5,209,947</u>	\$ <u>(819,657)</u>
Changes for the year:			
Service Cost	272,428	-	272,428
Interest	307,431	-	307,431
Benefit changes	-	-	-
Difference between expected and actual experience	(144,640)	-	(144,640)
Changes in assumptions	-	-	-
Contributions - employer	-	113,414	(113,414)
Contributions - employee	-	142,560	(142,560)
Net investment income	-	511,850	(511,850)
Benefit payments, including refund of employee contributions	(216,381)	(216,381)	-
Administrative expense	-	(3,056)	3,056
Other changes	-	121	(121)
	<u>218,838</u>	<u>548,508</u>	<u>(329,670)</u>
Balance at June 30, 2024	\$ <u>4,609,128</u>	\$ <u>5,758,455</u>	\$ <u>(1,149,327)</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, 2023	\$ 4,254,796	\$ 4,254,796	\$ 4,390,290
(b) Entry age normal cost for the period June 30, 2023-June 30,2024	272,428	272,428	272,428
(c) Actual benefit payments and refunds for the period June 30, 2023-June 30, 2024	216,381	216,381	216,381
(d) Changes in benefit terms	-	-	-
(e) TPL as of June 30, 2024 = (((a)+(b))*(1.07))-((c)*(1.035))+ (d)	\$ 4,609,128	\$ 4,609,128	\$ 4,753,768
(F) Changes in Assumptions		-	
(G) Difference between expected and actual experience			\$ (144,640)

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, 2025, 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	\$ -	\$ 61,033
Changes of assumptions	-	-
Net differences between projected and actual earnings on plan investments	-	141,473
Employer contributions subsequent to the measurement date	169,894	-
Total	<u>\$ 169,894</u>	<u>\$ 202,506</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:	
2026	\$ (176,475)
2027	35,801
2028	(30,041)
2029	(31,790)
2030	-
Thereafter	-

Pension Expense

	<u>June 30, 2024</u>
Service Cost	\$ 272,428
Interest on the total pension liability	307,431
Current period benefit changes	-
Expensed portion of current period difference between expected and actual experience in the total pension liability	(83,607)
Expensed portion of current period changes of assumptions	-
Member contributions	(142,560)
Projected earnings on plan investments	(352,908)
Expensed portion of current period differences between actual and projected earnings on plan investments	(31,788)
Administrative expense	3,056
Other	(121)
Recognition of beginning deferred outflows of resources as pension expense	100,564
Recognition of beginning deferred inflows of resources as pension expense	<u>(163,424)</u>
Pension expense	\$ <u>(90,929)</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/2025-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, 2025 and carried as a liability by the Authority. The PTO liability as of September 30, 2025 was \$142,897.

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 \$705,348 less an allowance for credit losses of \$458,008 for the year ended September 30, 2025.

Accounts Receivable - Other

Accounts Receivable - Other, consists of following:

	Enterprise Fund
Accounts receivable - HUD	\$ 346,906
Accounts receivable - fraud recovery	6,974
Account receivable - City of Roanoke & State of VA	142,245
Accounts receivable - management & development fees	48,233
Accounts receivable - miscellaneous	<u>490,057</u>
	<u>\$ 1,034,415</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. Interprogram balances at September 30, 2025 consisted of the following:

Low rent and Capital Fund Program	\$ 203,695
ROSS	(4,850)
Housing Choice Vouchers	8,592
PIH Family Self Sufficiency	(33,141)
COCC	126,965
VHDA PH Revital	(112,819)
FSS Escrow Forfeiture Funds	11,781
Firearm Violence Intervention	(14,145)
Jobs Plus Fund	<u>(186,078)</u>
	<u>\$ -</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

12. RESTRICTED CASH

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

	Enterprise Fund
Restricted for HAP Payments	\$ 1,675,019
Restricted for Emergency Housing Vouchers	22,333
Restricted for Tenant Security	156,440
Restricted for Tenant Services	65,754
Restricted for FSS Escrow	371,150
Restricted for Payment of Current Liability	<u>87,338</u>
	<u>\$ 2,378,034</u>

13. NOTES AND MORTGAGES RECEIVABLE

Notes and mortgages receivable at September 30, 2025 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.	\$ 307,865
Note receivable from Indian Village, LP includes an operating deficit loan of \$87,265 with interest being waived.	87,265
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 \$140,660 with interest being waived.	<u>140,660</u>
Total	930,155
Less: current portion	<u>-</u>
Notes receivable, excluding current portion	<u>\$ 930,155</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, 2025 is as follows:

Enterprise Fund Detail:

	BUSINESS ACTIVITIES	CDBG	PUBLIC HOUSING & CAPITAL FUND	PH Radon
Land and Improvements	\$ 68,204	412,984	15,367,200	-
Construction in Process	-	-	14,673,005	14,550
Infrastructure	-	1,822,317	-	-
Building and Improvements	659,005	-	91,627,757	-
Furniture and Equipment	6,431	-	3,525,153	-
Less: Accumulated Depreciation	<u>(665,436)</u>	<u>(1,175,864)</u>	<u>(80,932,668)</u>	<u>-</u>
Total Property and Equipment	<u>\$ 68,204</u>	<u>1,059,437</u>	<u>44,260,447</u>	<u>14,550</u>

	HOUSING CHOICE VOUCHERS	COCC	STATE/LOCAL	TOTAL
Land and Improvements	\$ -	-	59,121	15,907,509
Construction in Process	-	-	3,753,566	18,441,121
Infrastructure	-	-	1,287,000	3,109,317
Building and Improvements	233,251	262,245	-	92,782,258
Furniture and Equipment	119,726	203,160	-	3,854,470
Less: Accumulated Depreciation	<u>(343,342)</u>	<u>(216,924)</u>	<u>(960,132)</u>	<u>(84,294,366)</u>
Total Property and Equipment	<u>\$ 9,635</u>	<u>248,481</u>	<u>4,139,555</u>	<u>49,800,309</u>

Enterprise Fund Summary:

	October 1, 2024 Balance	Additions	Transfers & Deletions	September 30, 2025 Balance
Land	\$ 15,280,324	270,006	357,179	15,907,509
Construction in Process	<u>19,414,919</u>	<u>5,626,465</u>	<u>(6,600,263)</u>	<u>18,441,121</u>
Total Assets not being depreciated	34,695,243	5,896,471	(6,243,084)	34,348,630
Infrastructure	3,109,317	-	-	3,109,317
Buildings and Improvements	86,777,488	153,769	5,851,001	92,782,258
Furniture and Equipment	<u>3,661,010</u>	<u>-</u>	<u>193,460</u>	<u>3,854,470</u>
Total Property and Equipment	128,243,058	6,050,240	(198,623)	134,094,675
Less: Accumulated Depreciation	<u>(82,130,693)</u>	<u>(2,252,979)</u>	<u>89,306</u>	<u>(84,294,366)</u>
Net Book Value	<u>\$ 46,112,365</u>	<u>3,797,261</u>	<u>(109,317)</u>	<u>49,800,309</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, 2025, is as follows:

	October 1, 2024			September 30, 2025
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Accrued Compensated Absences	\$ 196,343	317,118	370,564	142,897
Accrued OPEB Liabilities	723,912	35,976	6,484	753,404
Other Long Term Liabilities	300,430	199,744	126,052	374,122
Less: Current Portion	<u>(344,246)</u>	<u>(318,353)</u>	<u>(477,321)</u>	<u>(185,278)</u>
Long-Term Liabilities	<u>\$ 876,439</u>	<u>234,485</u>	<u>25,779</u>	<u>1,085,145</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	\$ 80,598
Restricted for FSS Escrow Forfeiture Account	<u>76,394</u>
	<u>\$ 156,992</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, 2025, Stepping Stone, LP owed the Authority \$2,928 for property management services and had paid the Authority \$19,372 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 \$87,265. As of September 30, 2025, Indian Village, LP owed the Authority \$3,267 in accrued management fees and expenses. During the year, the Partnership paid \$15,893 in management fees to the Authority

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

The Authority and Park Street Housing, 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 Housing, LP of \$2,331,528. As of September 30, 2025 Park Street Housing, LP owed the Authority \$3,254 in accrued management fees and expenses. During the year the partnership paid \$16,020 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 \$316,000. RRHA also extended a line of credit to Hurt Park, LP in 2024 which has an outstanding balance of September 30, 2025 of \$140,660. As of September 30, 2025, Hurt Park, LP owed the Authority \$37,877 for property management services and had paid the Authority \$14,894 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, 2024 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, 2024 financial statements for the component units are included in the Authority's September 30, 2025 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, 2024	2,979
Net Transfers from January 1, 2025 to September 30, 2025	<u>(51)</u>
Balance at September 30, 2025	<u><u>2,928</u></u>
<u>RRHA - Due to/Due from Indian Village, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2024	37,521
Net Transfers from January 1, 2025 to September 30, 2025	<u>53,011</u>
Balance at September 30, 2025	<u><u>90,532</u></u>
<u>RRHA - Due to/Due from Park Street Housing, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2024	2,334,590
Net Transfers from January 1, 2025 to September 30, 2025	<u>192</u>
Balance at September 30, 2025	<u><u>2,334,782</u></u>
<u>RRHA - Due to/Due from Hurt Park, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2024	120,015
Net Transfers from January 1, 2025 to September 30, 2025	<u>58,522</u>
Balance at September 30, 2025	<u><u>\$ 178,537</u></u>
<u>RRHA - Due to/Due from RVHC</u>	<u>DR (CR)</u>
Balance at December 31, 2024	-
Net Transfers from January 1, 2025 to September 30, 2025	<u>-</u>
Balance at September 30, 2025	<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, 2025, the Authority expended the following grants:

<u>Grant Number</u>	Expenditures prior to fiscal <u>year 2025</u>	Expenditures for fiscal <u>year 2025</u>	Total <u>Expenditures</u>
Capital Fund			
VA36P011501-20	\$ 3,404,862	324,532	3,729,394
VA36P011501-22	<u>4,383,855</u>	<u>373,848</u>	<u>4,757,703</u>
	<u>\$ 7,788,717</u>	<u>698,380</u>	<u>8,487,097</u>

22. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 7, 2026, 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, 2025, the other postemployment benefits (OPEB) expense was \$38,267.

Roanoke Redevelopment and Housing Authority.

Notes to Financial Statements (continued)

23. OTHER POSTEMPLOYMENT BENEFITS (continued)

Retirement Subsidy Tiers	<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, 2025 was \$596,890.

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

The chart below presents the net OPEB liability, calculated using the current healthcare cost trend rate of 8.0% decreasing to 4.5%, as well as the net 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>
Net OPEB Liability	552,103	596,890	647,498

Sensitivity of the Net OPEB Liability to Changes in Discount Rate

The chart below presents the net OPEB liability, calculated using the current discount rate of 4.90%, as well as the net OPEB liability calculated using a discount rate that is 1 percentage point lower (3.90%) or 1 percentage point higher (5.90%) than the current rate:

	1% Decrease to <u>3.90%</u>	Current Discount Rate <u>4.90%</u>	1% Increase to <u>5.90%</u>
Net OPEB Liability	642,809	596,890	555,489

There are no assets accumulated in a trust, therefore 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>9/30/25</u>
Total OPEB Liability - Beginning of Year	\$ 599,914
Service Cost	27,068
Interest	24,626
Changes in Benefit Terms	-
Difference between Expected and Actual Experience	(23,533)
Changes in Assumptions	10,106
Benefit Payments	<u>(41,291)</u>
Net Change in Total OPEB Liability	(3,024)
Total OPEB Liability - End of Year	596,890
Covered Employee Payroll	3,442,589
Total OPEB Liability as a Percentage of the Covered Employee Payroll	17.34 %

OPEB Expense	Fiscal Year Ending <u>9/30/25</u>
Service Cost	\$ 27,068
Interest on Total OPEB Liability	24,626
Effect of Plan Changes	-
Administrative Expenses	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Differences between expected and actual experience	(23,533)
Assumption Changes	<u>10,106</u>
OPEB Expense	\$ <u><u>38,267</u></u>

23. OTHER POSTEMPLOYMENT BENEFITS (continued)

Alternative Measurement Method (AMM) Assumptions

Measurement Date	September 30, 2025
Valuation Date	October 1, 2025
Reporting Date	September 30, 2025
Measurement Period	September 30, 2025
Discount Rate	4.90% per year
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>
2026	8.00	2033	6.00
2027	7.75	2034	5.75
2028	7.50	2035	5.50
2029	7.00	2036	5.25
2030	6.75	2037	5.00
2031	6.50	2038	4.75
2032	6.25	2039+	4.50

Mortality	General employees: SOA Pub-2016 General Employees Headcount Weighted Mortality Table fully generational using Scale MP-2021
	Healthy General Retirees: SOA Pub-2016 General Retirees Headcount Weighted Mortality Table fully generational using Scale MP-2021

24. UNCERTAIN TAX POSITIONS

The Authority had no unrecognized tax benefits at September 30, 2025 and no open years prior to September 30, 2022. 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, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 7, 2026.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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
April 7, 2026



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, 2025. 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, 2025.

Basis for Opinion on Each Major Federal Program

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

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

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.

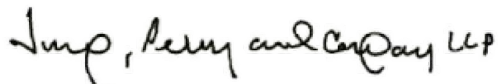
Report on Internal Control over Compliance

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
April 7, 2026

Roanoke Redevelopment and Housing Authority

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2025

<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	\$ 7,142,318
Housing Choice Vouchers	14.871	19,023,443
Emergency Housing Vouchers	14.871	241,133
Mainstream	14.879	<u>1,667,366</u>
Total Cluster		20,931,942
Family Self-Sufficiency Program	14.896	192,953
Resident Opportunity and Support Services	14.870	<u>121,191</u>
Total Cluster		314,144
Jobs Plus Pilot Program Grant	14.895	679,451
Public Housing Capital Fund Program	14.872	<u>4,754,080</u>
		<u>\$33,821,935</u>

Roanoke Redevelopment and Housing Authority

Notes to Schedule of Federal Awards

September 30, 2025

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, 2025, 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, 2025

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: | 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 | \$1,014,658 |
| 5. | Auditee qualified as low risk? | Yes |

6. Major Programs:

<u>Federal Assistance Listing Number</u>	<u>Name of Federal Program</u>
14.872	Public Housing Capital Fund
14.850	Low Rent Public Housing

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

September 30, 2025

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, 2025

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, 2025

Change in the Net Pension Liability	<u>2024</u>	<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>
Total pension liability										
Service cost	272,428	264,963	241,327	238,946	268,863	288,945	307,830	319,415	325,513	345,298
Interest	307,431	283,276	259,595	220,036	189,890	168,610	142,241	125,184	106,466	99,660
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between actual and expected experience	(144,640)	(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>(216,381)</u>	<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>
Net change in total pension liability	218,838	389,230	330,293	349,367	458,460	417,908	359,561	267,833	72,237	272,727
Total pension liability - beginning	<u>4,390,290</u>	<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>
Total pension liability - ending	4,609,128	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
Plan fiduciary net position:										
Contributions - employer	113,414	108,566	122,800	118,472	109,893	131,236	151,251	158,003	169,028	169,738
Contributions - members	142,560	140,975	125,537	121,760	116,581	135,395	140,383	146,283	136,761	141,937
Net investment income	511,850	317,833	(9,459)	1,000,722	67,024	210,329	197,702	272,201	42,160	94,384
Benefit payments including refunds of contributions	(216,381)	(138,671)	(132,477)	(123,210)	(99,496)	(72,649)	(106,918)	(58,583)	(448,927)	(97,929)
Administrative expense	(3,056)	(2,996)	(2,849)	(2,312)	(2,077)	(1,804)	(1,524)	(1,307)	(1,587)	(1,051)
Other	<u>121</u>	<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>
Net change in plan fiduciary net position	548,508	425,836	103,626	1,115,528	191,845	402,372	380,463	516,344	(102,582)	307,057
Plan fiduciary net position - beginning	<u>5,209,947</u>	<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>
Plan fiduciary net position - ending	5,758,455	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
Net pension liability - ending	(1,149,327)	(819,657)	(783,051)	(1,009,718)	(243,557)	(510,172)	(525,708)	(504,806)	(256,295)	(431,114)
Plan fiduciary net position as a percentage of the total pension liability	124.94 %	118.67 %	119.57 %	127.51 %	107.33 %	117.82 %	121.50 %	124.21 %	114.10 %	124.70 %
Covered payroll	3,242,193	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
Net pension liability as a percentage of covered payroll	(35.45)%	(25.42)%	(27.25)%	(34.41)%	(9.03)%	(17.85)%	(17.14)%	(15.83)%	(8.35)%	(14.93)%

Roanoke Redevelopment and Housing Authority

Employer Contribution Schedule

For the Year Ended September 30, 2025

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>
2024	146,871	113,414	33,457	3,242,193	3.50 %
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, 2025

Changes in Total OPEB Liability

<u>Schedule of Changes in Total OPEB Liability</u>	Fiscal Year Ending 9/30/25	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	\$ 599,914	\$ 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 -	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>558,577</u>
Beginning of Year	599,914	601,689	464,119	555,337	1,072,799	1,026,924	1,072,639	997,671	822,516
Service Cost	27,068	24,075	22,082	28,989	42,356	34,938	118,648	114,481	105,935
Interest	24,626	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	(23,533)	55,564	175,595	(68,723)	(511,556)	(1,585)	(121,744)	-	-
Changes in Assumptions	10,106	(62,964)	8,052	7,235	21,801	67,640	-	-	46,784
Benefit Payments	<u>(41,291)</u>	<u>(47,775)</u>	<u>(89,247)</u>	<u>(72,048)</u>	<u>(95,791)</u>	<u>(91,509)</u>	<u>(84,458)</u>	<u>(78,566)</u>	<u>(18,923)</u>
Net Change in Total OPEB Liability	(3,024)	(1,775)	137,570	(91,218)	(517,462)	45,875	(45,715)	74,968	175,155
Total OPEB Liability -									
End of Year	596,890	599,914	601,689	464,119	555,337	1,072,799	1,026,924	1,072,639	997,671
Covered Employee Payroll	3,442,589	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	17.34 %	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 226 14.901	Jobs Plus Fund 602 14.895	FSS Fund 690, 691,693 14.896	ROSS Fund 692 14.870	CDBG Fund 510 14.218
111	Cash- unrestricted	9,013,245	2,845,673	629,526	47,919						115,700
113	Cash-other restricted	166,751	284,997	129,444	22,333	64,613					
114	Cash- tenant security deposits	150,440									
115	Cash - restricted for pymt of curr liability	-	69,990	3,245	11,670						
100	Total Cash	9,330,436	3,200,660	762,215	81,922	64,613		-	-	-	115,700

121	AR - PHA projs	-	1,877								
122-010	AR - HUD other projs - Operating Subsidy	-						197,625	45,750	11,416	
122-020	AR - HUD other projs - Capital fund	79,881									
122-030	AR - HUD other projs - Other	-	-	-	12,234						
122	Accounts receivable - HUD other projs	79,881	-	-	12,234	-	-	197,625	45,750	11,416	-
124	Account receivable - other govt	-									4,491
125-040	Account receivable - misc - Tax Credit	-									
125-050	Account receivable - misc - Other	-	425,902	15,668	1,100						
125	Account receivable - miscellaneous	-	425,902	15,668	1,100	-	-		-	-	-
126	Accounts receivable - tenants	700,101									
126.1	Allowance for doubtful accounts - tenants	(456,310)									
126.2	Allowance for doubtful accounts - other	-	(2,212)					-			-
127	Loans & Mortgages Recvbl - Current	-									
128	Fraud recovery	-	116,180								
128	Allowance for doubtful accounts - fraud	-	(109,206)								
129	Accrued interest receivable	-									-
120	Total Receivables, net allow for doubtful accts	323,672	432,541	15,668	13,334	-	-	197,625	45,750	11,416	4,491

142	Prepaid expenses, Other assets	436,580	24,683								
143	Allowance- obsolete inventories	-									
144	Inter program - due from	207,498	16,570			11,781					
145	Assets held for sale	-									
150	Total Current Assets	10,298,186	3,674,454	777,883	95,256	76,394	-	197,625	45,750	11,416	120,191

161	Land	15,367,200									412,984
162	Buildings	91,627,757	233,251								
163	Furniture, equip, machinery - dwellings	1,630,481									
164	Furniture, equip, machinery - admin	1,894,672	119,726								
165	Leasehold improvements	-									
166	Accumulated depreciation	(80,932,668)	(343,342)								(1,175,864)
167	Construction in progress	14,673,005					14,550				
168	Infrastructure	-									1,822,317
160	Total capital assets, net accum depreciation	44,260,447	9,635	-	-	-	14,550		-	-	1,059,437

171-040	Loans & mortgs recv - NC - Tax Credit	316,000									
171-050	Loans & mortgs recv - NC - Other	190,265									
171	Loans & Mortgages recvbl - Non-current	506,265	-	-	-	-			-	-	-
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	686,615	121,622								
174	Other assets	686,615	121,622						-	-	-
180	Total Non-current Assets	45,453,327	131,257	-	-		14,550		-	-	1,059,437
190	Total Assets	55,751,513	3,805,711	777,883	95,256	76,394	14,550	197,625	45,750	11,416	1,179,628
200	Deferred Outflow of Resources	76,656	16,497								
290	Total Assets & Deferred Outflow of Resources	55,828,169	3,822,208	777,883	95,256	76,394	14,550	197,625	45,750	11,416	1,179,628

312	Accounts payable <= 90 days	312,442	60,922	3,245	11,670			577			
313	Accounts payable > 90 days past due	-									
321	Accrued wage/payroll taxes payable	83,157	16,293					8,097	9,453	4,257	
322	Accrued compensated absences - curr portion	73,869	11,718					2,873	3,156	2,309	

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 226 14.901	Jobs Plus Fund 602 14.895	FSS Fund 690, 691,693 14.896	ROSS Fund 692 14.870	CDBG Fund 510 14.218
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	371			22,333						
331	Accounts payable - HUD PHA Programs	371	-	-	22,333	-		-	-	-	-
332	Accounts payable - PHA Projects	-									
333	Accounts payable - other govt	158,329	-								121,734
341	Tenant security deposits	150,440									
342-010	Unearned revenue - Operating Subsidy	-									
342-020	Unearned revenue - Capital fund	-									
342-030	Unearned revenue - Other	51,899	-	129,444							
342	Unearned revenue	51,899	-	129,444	-	-		-	-	-	-
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	48,204	1,090								
346	Accrued liabilities - other	41,291	-								
347	Inter program - due to	3,803	7,978					186,078	33,141	4,850	
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	923,805	98,001	132,689	34,003	-	-	197,625	45,750	11,416	121,734
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	168,633	204,399								
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	460,731	65,647								
357	Accrued Pension & OPEB Liability	460,731	65,647	-	-	-	-	-	-	-	-
350	Total Non-current liabilities	629,364	270,046	-	-	-	-	-	-	-	-
300	Total Liabilities	1,553,169	368,047	132,689	34,003	-	-	197,625	45,750	11,416	121,734
400	Deferred Inflow of Resources	91,371	19,663								
508.4	Capital Asset Investmt, net related debt	44,260,447	9,635	-	-	-	14,550		-	-	1,059,437
511.4	Restricted Net Position	-	80,598			76,394	-				
512.4	Unrestricted Net Position	9,923,182	3,344,265	645,194	61,253			-	-	-	(1,543)
513	Total Net Position	54,183,629	3,434,498	645,194	61,253	76,394	14,550	-	-	-	1,057,894
600	Total Liabs, Def. Inflow of Res, & Net Position	55,828,169	3,822,208	777,883	95,256	76,394	14,550	197,625	45,750	11,416	1,179,628

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 226 14.901	Jobs Plus Fund 602 14.895	FSS Fund 690, 691,693 14.896	ROSS Fund 692 14.870	CDBG Fund 510 14.218
Income Statement											
70300	Net tenant rental revenue	4,102,426									
70400	Tenant revenue - other	338,558									
70500	Total Tenant Revenue	4,440,984	-	-	-	-			-	-	-
70600-010	Housing assistance payments	-	17,802,988	1,607,879	231,893						
70600-020	Ongoing administrative fees earned	-	1,558,975	133,724	20,358						
70600-030	FSS Coordinator	-			3,310						
70600-040	Independent public acctant audit costs	-									
70600-050	Total preliminary fees earned	-			-						
70600-060	Interest earned on advances	-			-						
70600-070	Admin fee calculation description	-									
70600	HUD PHA operating grants	7,654,376	19,361,963	1,741,603	255,561	-		679,451	192,953	121,191	
70610	Capital grants	4,242,023								-	-
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	541,072									
71100-010	Housing Assistance Payment	-									
71100-020	Administrative Fee	-									
71100	Investment income - unrestricted	12	-	-	-	-			-	-	-
71200	Mortgage interest income	-									
71300	Proceeds - disposition of assets held for sale	150,000									
71310	Cost of sale of assets	(28,304)									
71400-010	Housing Assistance Payment	-	6,695								
71400-020	Administrative Fee	-	6,695								
71400	Fraud recovery	-	13,390	-	-	-					
71500	Other revenue	379,297	468		27	21,024					
71600	Gain / loss - sale of capital assets	-	-								
72000-010	Housing Assistance Payment	-									
72000-020	Administrative Fee	-									
72000	Investment income - restricted	-	-	-	-	-					
70000	Total Revenue	17,379,460	19,375,821	1,741,603	255,588	21,024	-	679,451	192,953	121,191	-
91100	Administrative salaries	487,546	290,259	33,542	-						
91200	Auditing fees	31,797	2,870	301							
91300-010	To PHA Administered Program (i.e. COCC)	1,667,596	311,795		4,071						
91300-020	To Third Party/Outside Entity	-									
91300	Management Fees	1,667,596	311,795	-	4,071				-	-	-
91310	Book-Keeping Fee	110,757	163,072		1,725						
91400	Advertising and Marketing	21,582	4,258								
91500	Employee Benefit contributions - Admin	126,151	75,205	9,165	-						
91600	Office Expenses	427,224	120,696	284							
91700	Legal Expense	81,447	8,619	895							
91800	Travel	313	1,885	197							
91810	Allocated Overhead	-									
91900	Other	52,765	2,273	12,766	134						
91000	Total Operating-Administrative	3,007,178	980,932	57,150	5,930	-			-	-	-
92000	Asset Management Fee	153,240									
92100	Tenant services - salaries	110,749	-		-			166,683	145,048	83,115	
92200	Relocation Costs	1,174			-						
92300	Employee benefit contribs - tenant services	27,425	-		-			50,127	40,783	24,026	

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 226 14.901	Jobs Plus Fund 602 14.895	FSS Fund 690, 691,693 14.896	ROSS Fund 692 14.870	CDBG Fund 510 14.218
92400	Tenant services - other	39,571	6,519		3,310	4,375		445,941	-	7,572	
92500	Total Tenant Services	178,919	6,519	-	3,310	4,375		662,751	185,831	114,713	-
93100	Water	490,152	1,169	124							
93200	Electricity	832,742	1,949	204							
93300	Gas	683,939	2,190	231							
93400	Fuel	-									
93500	Labor	-									
93600	Sewer	472,753	1,069	112							
93700	Employee benefit contributions - utilities	-									
93750	HAP Portability-In	-									
93800	Other utilities expense	49,798									
93000	Total Utilities	2,529,384	6,377	671	-	-			-	-	-
94100	OMO-labor	1,189,744									
94200	OMO-materials, other	776,717	302								
94300-010	OMO contracts-Trash Removal	299,334									
94300-020	OMO contracts-HVAC	357,882									
94300-030	OMO contracts-Snow Removal	-									
94300-040	OMO contracts-Elevator Maint	43,532									
94300-050	OMO contracts-Grounds	345,172									
94300-060	OMO contracts-Unit Turnaround	424,882									
94300-070	OMO contracts-Electrical	183,215									
94300-080	OMO contracts-Plumbing	252,137									
94300-090	OMO contracts-Extermination	134,834									
94300-100	OMO contracts-Janitorial	3,445	3,210								
94300-110	OMO contracts-Routine Maint	1,561,830									
94300-120	OMO contracts-Misc	-	1,456	521							
94300	Ordinary Maint & Operations Contracts	3,606,263	4,666	521	-	-			-	-	-
94500	OMO- Employee benefit contributions	203,095									
94000	Total Maintenance	5,775,819	4,968	521	-	-			-	-	-
95100	Protective services - labor	-									
95200	Protective services - contract costs (police)	126,154	-								
95300	Protective services - other	326,563									
95500	Protective services - Employee benefit contribs	-									
95000	Total Protective Services	452,717	-	-	-	-			-	-	-
96110	Property Insurance	239,198	692								
96120	Liability Insurance	85,355	1,700	1,145							
96130	Workmen's Compensation	40,396	8,420								
96140	All other Insurance	22,698	117								
96100	Total insurance Premiums	387,647	10,929	1,145	-	-			-	-	-
96200	Other general expenses (FSS Escrow)	-									
96210	Compensated absences	125,696	28,204					16,700	7,122	6,478	
96300	Payments in lieu of taxes	158,330									
96400	Bad debt - tenant rents	390,215									
96500	Bad debt - mortgages	-									
96600	Bad debt - other	-	-								
96800	Severance expense	-									
96000	Total Other General Expenses	674,241	28,204	-	-	-		16,700	7,122	6,478	-
96710	Interest - Mortgage/Bonds Payable	-									
96720-020	Interest on All Other Debt	105									
96720	Interest on Notes Payable (short & long term)	105									
96730	Amortization of Bond Issue Costs	-									
96700	Interest expense and Amortization cost	105	-	-	-	-			-	-	-
96900	Total Operating Expenses	13,159,250	1,037,929	59,487	9,240	4,375	-	679,451	192,953	121,191	-

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 226 14.901	Jobs Plus Fund 602 14.895	FSS Fund 690, 691,693 14.896	ROSS Fund 692 14.870	CDBG Fund 510 14.218
97000	Excess Operating- Revenue Over Expenses	4,220,210	18,337,892	1,682,116	246,348	16,649	-	-	-	-	-
97100	Extraordinary maintenance	-									
97200	Casualty losses- Non-capitalized	245,729									
97300-010	Mainstream 1 & 5 year	-		1,607,879							
97300-020	Home-Ownership	-	68,919								
97300-025	Litigation	-									
97300-030	Hope IV	-									
97300-035	Moving to Work	-									
97300-040	Tenant Protection	-	48,518								
97300-050	All Other	-	17,863,365		231,893						
97300	Housing assistance payments	-	17,980,802	1,607,879	231,893	-					
97350	HAP Portability In										
97400	Depreciation expense	2,114,922	4,712								60,449
97500	Fraud losses	-									
97800	Dwelling units rent expense	-									
90000	Total Expenses	15,519,901	19,023,443	1,667,366	241,133	4,375	-	679,451	192,953	121,191	60,449
10010	Operating transfer in	22,058									
10020	Operating transfer out	(22,058)									
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	230,000									
10092	Inter AMP Excess Cash Transfer Out	(230,000)									
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	1,859,559	352,378	74,237	14,455	16,649	-	-	-	-	(60,449)
11020	Required Annual Debt Principal Payments	-					-		-		-
11030	Beginning equity	52,324,070	3,082,120	570,957	46,798	59,745	23,775	-	-	-	1,118,343
11040-010	Prior period adjs & correction of errors	-					(9,225)				
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	-									
11040-110	Equity Transfers	-									
11040	Prior Pd adjs, Equity trnfrs, & Error corrections	-	-	-	-	-	(9,225)	-	-	-	-

FDS #	Description	HOME Fund 510 14.239	STATE/ LOCAL	Firearm Violence Intervention Fund 229	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL
111	Cash- unrestricted	36,688	1,666,359		1,110,901	6,926,846		22,392,857
113	Cash-other restricted		1,464,977		-	1,141		2,134,256
114	Cash- tenant security deposits		-		6,000	-		156,440
115	Cash - restricted for pymt of curr liability		-		2,433	-		87,338
100	Total Cash	36,688	3,131,336	-	1,119,334	6,927,987	-	24,770,891
121	AR - PHA projs		-		-	-		1,877
122-010	AR - HUD other projs - Operating Subsidy		-		-	-		254,791
122-020	AR - HUD other projs - Capital fund		-		-	-		79,881
122-030	AR - HUD other projs - Other		-		-	-		12,234
122	Accounts receivable - HUD other projs	-	-	-	-	-	-	346,906
124	Account receivable - other govt	1,389	136,365	23,546	-	-		142,245
125-040	Account receivable - misc - Tax Credit		-		48,233	-		48,233
125-050	Account receivable - misc - Other		3,350		-	44,372		490,392
125	Account receivable - miscellaneous	-	3,350	-	48,233	44,372	-	538,625
126	Accounts receivable - tenants		-		5,247	-		705,348
126.1	Allowance for doubtful accounts - tenants		-		(1,698)	-		(458,008)
126.2	Allowance for doubtful accounts - other		-		-	-		(2,212)
127	Loans & Mortgages Recvbl - Current		-		-	-		-
128	Fraud recovery		-		-	-		116,180
128	Allowance for doubtful accounts - fraud		-		-	-		(109,206)
129	Accrued interest receivable		-		-	-		-
120	Total Receivables, net allow for doubtful accts	1,389	116,169	23,546	51,782	44,372	-	1,281,755
142	Prepaid expenses, Other assets		-		4,921	43,919		510,103
143	Allowance- obsolete inventories		-		-	-		-
144	Inter program - due from		-		-	126,965	(362,814)	-
145	Assets held for sale		-		-	-		-
150	Total Current Assets	38,077	3,271,051	23,546	1,176,037	7,143,243	(362,814)	26,562,749
161	Land		59,121		68,204	-		15,907,509
162	Buildings		-		659,005	262,245		92,782,258
163	Furniture, equip, machinery - dwellings		-		-	28,427		1,658,908
164	Furniture, equip, machinery - admin		-		6,431	174,733		2,195,562
165	Leasehold improvements		-		-	-		-
166	Accumulated depreciation		(960,132)		(665,436)	(216,924)		(84,294,366)
167	Construction in progress		3,753,566		-	-		18,441,121
168	Infrastructure		1,287,000		-	-		3,109,317
160	Total capital assets, net accum depreciation	-	4,139,555	-	68,204	248,481	-	49,800,309
171-040	Loans & mortgs recv - NC - Tax Credit		-		-	306,290		622,290
171-050	Loans & mortgs recv - NC - Other		117,600		-	-		307,865
171	Loans & Mortgages recvbl - Non-current	-	117,600	-	-	306,290	-	930,155
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		-		24,000	473,603		1,305,840
174	Other assets	-	-	-	24,000	473,603	-	1,305,840
180	Total Non-current Assets	-	4,257,155	-	92,204	1,028,374	-	52,036,304
190	Total Assets	38,077	7,528,206	23,546	1,268,241	8,171,617	(362,814)	78,599,053
200	Deferred Outflow of Resources				2,956	73,785		169,894
290	Total Assets & Deferred Outflow of Resources	38,077	7,528,206	23,546	1,271,197	8,245,402	(362,814)	78,768,947
312	Accounts payable <= 90 days		10,145	8,320	2,433	72,045		473,479
313	Accounts payable > 90 days past due		-		-	-		-
321	Accrued wage/payroll taxes payable		778	778	1,424	-		123,459
322	Accrued compensated absences - curr portion		303	303	617	48,052		142,897

FDS #	Description	HOME Fund 510 14.239	STATE/ LOCAL	Firearm Violence Intervention Fund 229	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL
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				-	-		22,704
331	Accounts payable - HUD PHA Programs	-	-	-	-	-	-	22,704
332	Accounts payable - PHA Projects		-		-	-		-
333	Accounts payable - other govt	38,077	342,328			-		660,468
341	Tenant security deposits		-		6,000	-		156,440
342-010	Unearned revenue - Operating Subsidy		-		-	-		-
342-020	Unearned revenue - Capital fund				-	-		-
342-030	Unearned revenue - Other		1,468,327		2,335	1,141		1,653,146
342	Unearned revenue	-	1,468,327	-	2,335	1,141	-	1,653,146
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		-		-	-		49,294
346	Accrued liabilities - other		-		-	-		41,291
347	Inter program - due to		126,964	14,145	-	-	(362,814)	-
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	38,077	1,925,299	23,546	12,809	121,238	(362,814)	3,323,178
			-					
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		-		-	-		373,032
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				44,642	141,093		712,113
357	Accrued Pension & OPEB Liability	-	-	-	44,642	141,093	-	712,113
350	Total Non-current liabilities	-	-	-	44,642	141,093	-	1,085,145
300	Total Liabilities	38,077	1,948,845	23,546	57,451	262,331	(362,814)	4,408,323
400	Deferred Inflow of Resources		-		3,544	87,928		202,506
508.4	Capital Asset Investmt, net related debt	-	4,139,555	-	68,204	248,481		49,800,309
511.4	Restricted Net Position		-		-	-		156,992
512.4	Unrestricted Net Position		1,439,806		1,141,998	7,646,662		24,200,817
513	Total Net Position	-	5,579,361	-	1,210,202	7,895,143	-	74,158,118
600	Total Liabs, Def. Inflow of Res, & Net Position	38,077	7,528,206	23,546	1,271,197	8,245,402	(362,814)	78,768,947

FDS #	Description	HOME Fund 510 14.239	STATE/ LOCAL	Firearm Violence Intervention Fund 229	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL
Income Statement								
70300	Net tenant rental revenue		-		206,380	-		4,308,806
70400	Tenant revenue - other		-		387			338,945
70500	Total Tenant Revenue	-	-	-	206,767	-	-	4,647,751
70600-010	Housing assistance payments							19,642,760
70600-020	Ongoing administrative fees earned		-					1,713,057
70600-030	FSS Coordinator							3,310
70600-040	Independent public acctant audit costs							-
70600-050	Total preliminary fees earned							-
70600-060	Interest earned on advances							-
70600-070	Admin fee calculation description							-
70600	HUD PHA operating grants	-	-	-	-	-		30,007,098
70610	Capital grants		-		-	-		4,242,023
70710	Management Fee				-	2,071,892	(2,071,892)	-
70720	Asset Management Fee					153,240	(153,240)	-
70730	Book-Keeping Fee					275,554	(275,554)	-
70740	Front Line Service Fee					117,099	(117,099)	-
70750	Other Fees					-		-
70700	Total Fee Revenue	-	-	-	-	2,617,785	(2,617,785)	-
70800	Other government grants		209,997	23,546	39,900	-	(374,374)	416,595
71100-010	Housing Assistance Payment				-	-		-
71100-020	Administrative Fee		-		-	-		-
71100	Investment income - unrestricted	-	-	-	-	260	-	272
71200	Mortgage interest income		-		-	-		-
71300	Proceeds - disposition of assets held for sale		59,931		-	-		209,931
71310	Cost of sale of assets		(80,952)		-	-		(109,256)
71400-010	Housing Assistance Payment							6,695
71400-020	Administrative Fee							6,695
71400	Fraud recovery		-		-	-	-	13,390
71500	Other revenue		1,257,468		161,963	24,857	-	1,845,104
71600	Gain / loss - sale of capital assets		-		-	-		-
72000-010	Housing Assistance Payment							-
72000-020	Administrative Fee							-
72000	Investment income - restricted				-	-	-	-
70000	Total Revenue	-	1,446,444	23,546	408,630	2,642,902	(2,992,159)	41,272,908
91100	Administrative salaries		3,833		39,368	1,039,309		1,893,857
91200	Auditing fees		33		533	4,815		40,349
91300-010	To PHA Administered Program (i.e. COCC)		-		88,430	-	(2,071,892)	-
91300-020	To Third Party/Outside Entity		-		-	-		-
91300	Management Fees	-	-	-	88,430	-	(2,071,892)	-
91310	Book-Keeping Fee		-		-	-	(275,554)	-
91400	Advertising and Marketing		-		473	7,107		33,420
91500	Employee Benefit contributions - Admin		1,043		8,553	265,899		486,016
91600	Office Expenses		38		9,100	228,954		786,296
91700	Legal Expense		1,519		4,974	47,257		144,711
91800	Travel		22		6	465		2,888
91810	Allocated Overhead		-		-	-		-
91900	Other		2,676		65	42,624	(55,998)	57,305
91000	Total Operating-Administrative	-	9,164	-	151,502	1,636,430	(2,403,444)	3,444,842
92000	Asset Management Fee						(153,240)	-
92100	Tenant services - salaries		3,502	3,502	-	(2,832)		506,265
92200	Relocation Costs		-		-	-		1,174
92300	Employee benefit contribs - tenant services		-		-	(19,039)		123,322

FDS #	Description	HOME Fund 510 14.239	STATE/ LOCAL	Firearm Violence Intervention Fund 229	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL
92400	Tenant services - other		19,741	19,741	262	22,772	(374,374)	175,689
92500	Total Tenant Services	-	-	23,243	262	901	(374,374)	806,450
93100	Water		15		148	6,552		498,160
93200	Electricity		6		1,772	10,885		847,558
93300	Gas		26		-	12,117		698,503
93400	Fuel		-		-	-		-
93500	Labor		-		-	-		-
93600	Sewer		78		275	5,967		480,254
93700	Employee benefit contributions - utilities		-		-	-		-
93750	HAP Portability-In		-		-	-		-
93800	Other utilities expense		10		923	146		50,877
93000	Total Utilities	-	135	-	3,118	35,667	-	2,575,352
94100	OMO-labor		-		24,573	43,254		1,257,571
94200	OMO-materials, other		-		7,899	3,437		788,355
94300-010	OMO contracts-Trash Removal		164		2,621	-		302,119
94300-020	OMO contracts-HVAC		-		8,140	-		366,022
94300-030	OMO contracts-Snow Removal		-		-	-		-
94300-040	OMO contracts-Elevator Maint		-		-	-		43,532
94300-050	OMO contracts-Grounds		105		6,335	-		351,612
94300-060	OMO contracts-Unit Turnaround		-		-	-		424,882
94300-070	OMO contracts-Electrical		-		5,612	-		188,827
94300-080	OMO contracts-Plumbing		-		47,233	-		299,370
94300-090	OMO contracts-Extermination		-		1,713	-		136,547
94300-100	OMO contracts-Janitorial		-		-	17,105		23,760
94300-110	OMO contracts-Routine Maint		-		78,345	-	(56,428)	1,583,747
94300-120	OMO contracts-Misc		1,260		19,085	4,194	(4,673)	21,843
94300	Ordinary Maint & Operations Contracts	-	1,529	-	169,084	21,299	(61,101)	3,742,261
94500	OMO- Employee benefit contributions		-		5,203	10,603		218,901
94000	Total Maintenance	-	1,529	-	206,759	78,593	(61,101)	6,007,088
95100	Protective services - labor		-		-	-		-
95200	Protective services - contract costs (police)		-		-	1,900		128,054
95300	Protective services - other		-		-	-		326,563
95500	Protective services - Employee benefit contribs		-		-	-		-
95000	Total Protective Services	-	-	-	-	1,900	-	454,617
96110	Property Insurance		-		3,859	2,766		246,515
96120	Liability Insurance		131		1,729	5,542		95,602
96130	Workmen's Compensation		-		674	13,860		63,350
96140	All other Insurance		-		10	210		23,035
96100	Total insurance Premiums	-	131	-	6,272	22,378	-	428,502
96200	Other general expenses (FSS Escrow)		-		-	-		-
96210	Compensated absences		303	303	1,644	68,999		255,146
96300	Payments in lieu of taxes		9		-	-		158,339
96400	Bad debt - tenant rents		-		988	-		391,203
96500	Bad debt - mortgages		-		-	-		-
96600	Bad debt - other		-		-	-		-
96800	Severance expense		-		-	-		-
96000	Total Other General Expenses	-	9	303	2,632	68,999	-	804,688
96710	Interest - Mortgage/Bonds Payable		-		-	-		-
96720-020	Interest on All Other Debt		-		-	-		105
96720	Interest on Notes Payable (short & long term)		-		-	-		105
96730	Amortization of Bond Issue Costs		-		-	-		-
96700	Interest expense and Amortization cost	-	-	-	-	-	-	105
96900	Total Operating Expenses	-	10,968	23,546	370,545	1,844,868	(2,992,159)	14,521,644

FDS #	Description	HOME Fund 510 14.239	STATE/ LOCAL	Firearm Violence Intervention Fund 229	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL
97000	Excess Operating- Revenue Over Expenses	-	1,411,930	-	38,085	798,034	-	26,751,264
97100	Extraordinary maintenance		-		-	-		-
97200	Casualty losses- Non-capitalized		-		5,000	(192)		250,537
97300-010	Mainstream 1 & 5 year				-	-		1,607,879
97300-020	Home-Ownership				-	-		68,919
97300-025	Litigation				-	-		-
97300-030	Hope IV				-	-		-
97300-035	Moving to Work				-	-		-
97300-040	Tenant Protection				-	-		48,518
97300-050	All Other		167,069		-	-		18,262,327
97300	Housing assistance payments			-	-	-	-	19,987,643
97350	HAP Portability In							-
97400	Depreciation expense		42,899		-	29,997		2,252,979
97500	Fraud losses		-		-	-		-
97800	Dwelling units rent expense		-		-	-		-
90000	Total Expenses	-	244,482	23,546	375,545	1,874,673	(2,992,159)	37,012,803
10010	Operating transfer in		-		-	-		22,058
10020	Operating transfer out		-		-	-		(22,058)
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		-		-	-		230,000
10092	Inter AMP Excess Cash Transfer Out		-		-	-		(230,000)
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	-	1,201,962	-	33,085	768,229	-	4,260,105
11020	Required Annual Debt Principal Payments		-		-	-		-
11030	Beginning equity		4,377,399		1,177,117	7,126,914	-	69,907,238
11040-010	Prior period adjs & correction of errors		-		-	-		(9,225)
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		-		-	-		-
11040-110	Equity Transfers		-		-	-		-
11040	Prior Pd adjs, Equity trnfrs, & Error corrections	-	-	-	-	-	-	(9,225)



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, 2025, and have issued our reports thereon dated April 7, 2026. 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 April 7, 2026, 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

April 7, 2026
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