

Norfolk Redevelopment and Housing Authority

Financial Statements

June 30, 2022

Norfolk Redevelopment and Housing Authority

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Norfolk Redevelopment and Housing Authority:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Norfolk Redevelopment and Housing Authority, (the "Authority"), as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Norfolk 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Norfolk Redevelopment and Housing Authority, as of June 30, 2022, 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 Norfolk 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.

Emphasis of Matter

As discussed in Note 1x to the financial statements, the Authority adopted new accounting guidelines as detailed in GASB 87 - Leases, during the fiscal year ended June 30, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of the 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 Norfolk 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 Norfolk 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 Norfolk 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, budgetary comparison information, the schedules related to accounting and reporting for pensions and the schedules related to accounting and reporting for postemployment benefits other than pensions, 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 of Norfolk Redevelopment and Housing Authority's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

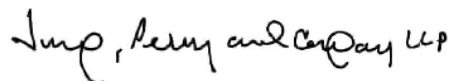
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated March 28, 2023 on our consideration of Norfolk 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Norfolk Redevelopment and Housing Authority's internal control over financial reporting and compliance.

Toms River, New Jersey
March 28, 2023



NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Introduction

The Norfolk Redevelopment and Housing Authority (the Authority or NRHA) is a political subdivision of the Commonwealth of Virginia and is empowered to implement housing, community development, redevelopment, and revitalization programs within the City of Norfolk, Virginia (the City). The City created the Authority in 1940 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 property 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 the local government.

The management of the Authority provides this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022. Please read it in conjunction with the basic financial statements, which begin on page 17.

Overview of the Financial Statements

This 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 components: 1) the basic financial statements and 2) the notes to basic financial statements. The other supplementary information included in the financial section of the report presents required information as well as some information that is not required yet considered areas of interest to readers of the report.

While included in the basic financial statements, the financial results of the discretely presented component units are not addressed in this discussion and analysis.

Financial Highlights for 2022

The Authority's 2022 major financial highlights included the following:

- Total assets and liabilities of the Authority were approximately \$296.7 million and \$69.1 million, respectively; total deferred outflows of resources and deferred inflows of resources were approximately \$15.3 million and \$2.3 million, respectively. Thus, total fund net position was approximately \$212.3 million at June 30, 2022.
- Total revenues (including interest, gains, grants, and capital contributions) and expenses (including interest expense) were approximately \$98.4 million and \$93.6 million, respectively; thus, fund net position increased by approximately \$7.6 million during the fiscal year via operations.

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. As of June 30, 2022, the Authority owned residential units that are leased to low-income families and individuals. units, while not owned, were governed and partially funded through the Authority's contract with HUD. In addition, housing assistance was being paid to under the Federal Housing Choice Voucher program for privately owned existing housing.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

In view of this mission, the Authority's financial reporting objective focuses on the financial activities of the Authority as a whole.

Basic Financial Statements

The Authority is presenting its 2022 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 (similar to a balance sheet) reports all financial and capital assets of the Authority and is presented in a format where assets and deferred outflows of resources, equal liabilities and deferred inflows of resources plus fund net position. Fund net position is broken down into the following three categories:

- *Net investment in capital assets* 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 fund net position* consists of assets that are restricted by constraints placed on the assets by external parties, such as creditors, grantors, contributors, laws, or regulations reduced by liabilities payable from such assets.
- *Unrestricted fund net position* consists of fund net position that does not meet the definition of net investment in capital assets, or restricted fund net position.

The statement of revenues, expenses, and changes in net position (similar to an income statement) includes operating revenues such as tenant revenue; operating expenses such as administrative, utilities, maintenance, and depreciation; and nonoperating revenues and expenses such as investment income, interest expense, and capital contributions/distributions. The statement's focus is the change in fund net position during the fiscal year being reported upon.

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

In addition to the three financial statements, notes to the basic financial statements are also presented with the basic financial statements, which provide additional information that is essential for a full understanding of the financial information presented in the Authority's basic financial statements.

These financial statements represent the financial results of over 40 programs and activities that are administered by the Authority. Most of these programs are financed by grants from HUD, rents, and other user charges resulting from operations of subsidized and unsubsidized housing, by development and financing fees, and by investment income and loan proceeds. The Authority also administers housing and community development activities for which funding is controlled at the City level.

Financial Analysis

The Authority's basic financial statements are presented as a single enterprise fund along. The enterprise fund accounts for the Authority's operations of property development and management concerns similar to private sector counterparts.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Condensed Financial Information

The following table (Table 1) reflects the condensed statement of net position compared with the prior year. Total assets and liabilities of the Authority were approximately \$296.7 million and \$69.1 million, respectively; total deferred outflows of resources and inflows of resources were approximately \$2.3 million and \$15.3 million; respectively, thus, total fund net position was approximately \$212.3 million at June 30, 2022.

Table 1									
Condensed Summary of Fund Net Position									
June 30, 2022 and 2021									
(In millions)									
Description				2022	2021	Change	Percentage change		
Current assets:									
	Cash and investments		\$	41.6	40.6	1		2.5	
	Restricted cash			13.8	12.0	1.8		15.0	
	Assets held for sale			4.8	5.4	-0.6		(11.1)	
Noncurrent assets:									
	Capital assets, net			104.5	102.1	2.4		2.4	
	Other current and noncurrent assets			129.7	122.3	7.4		6.1	
	Total assets		\$	294.4	282.4	12		4.2	
	Deferred Outflows of Resources			2.3	4.6	-2.3		(50.0)	
				296.7	287.0	9.7		3.4	
Current liabilities				\$	9.2	7.8	1.4	17.9	
Noncurrent liabilities					59.9	73.8	-13.9	(18.8)	
	Total liabilities		\$	69.1	81.6	-12.5		(15.3)	
	Deferred Inflows of Resources			15.3	0.1	15.2		15,200.0	
Fund net position:									
	Net Invested in capital assets		\$	67.7	64.8	2.9		4.5	
	Restricted			16.1	18.5	-2.4		(13.0)	
	Unrestricted			128.5	122.0	6.5		5.3	
	Total fund net position		\$	212.3	205.3	7		3.4	
				296.7	287.0	9.7		3.4	

The \$129.7M of other current and noncurrent assets consists Notes Receivable and associated accrued interest receivable on debt instruments used for construction and rehabilitation of projects such as: the Broad Creek Renaissance (BCR) mixed finance project, the rehabilitation revolving loan fund (RLF), and funds due to the Authority from government entities to fund program and administrative costs expensed in the current financial statements.

The authority is reporting an increase in restricted cash resulting from development activities.

Of the \$69.1 million of liabilities, \$9.2 million is current liabilities, which will require payment within twelve months of the reported fiscal year-end and \$59.9 million is noncurrent liabilities for which payments will be made subsequent to the next 12-month period.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Current liabilities are showing an increase from 2021 due to timing of vendor billings from ongoing development activities.

A breakout of the \$59.9 million in long term liabilities is as follows:

- \$36.2 million is long-term debt;
- \$13.8 million is amounts under the rehabilitation revolving loan program requiring re-appropriation by another government before reuse – the \$12.3 million RLF outstanding receivable balance noted above partially offsets this liability;
- \$8.9 million is the Authority's share of the VRS net pension liability representing the reasoning for the reduction from 2021, and
- \$1.0 million consists of various obligations of the Authority including tenant security escrow deposit accounts, vested compensated absences payments due to third parties for services and payments due back to other governmental entities.

Deferred outflows of resources related to pensions totaled \$15.3 million. This increased in 2021 due to actuarial valuations and fluctuations in the financial markets affected by the COVID 19 pandemic. This also includes newly required lease reporting for GASB-87 compliance which necessitated various reporting changes.

Deferred inflows of resources related to pensions totaled \$2.3 million. This amount represents the difference between expected and actual experience. Variance year over year is due to actuarial valuations and fluctuations in financial markets.

The fund net position balance of \$212.3 million is the difference between assets, net deferred inflows/outflows of resources, and liabilities.

Referring back to Table 1, the Authority's fund net position increased \$7.0 million during the year ended June 30, 2022.

While presented in the aggregate in the financial statements, the unrestricted fund net position includes over 40 distinct programs, each controlled by the terms of its own program contract; specific program eligibility rules apply when considering the use of unrestricted net asset balances – consisting of the net of cash in the bank, receivables net of allowances, and other assets less all other liabilities not previously applied.

It is important to state that Unrestricted net position does NOT equate to the agency's operating reserve balance. With the inclusion of HUD's debt reporting procedures, the GASB recordings of pension liability and other items the unrestricted net position does not equate to the unrestricted cash position of the agency.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Revenues, Expenses, and Changes in Fund Net Position

The results of the Authority's operations are reported in the statement of revenues, expenses, and changes in fund net position. In 2022, the Authority realized an increase in fund net position of \$7.0 million. Table 2 below presents a condensed summary from the Authority's statement of revenues, expenses, and changes in fund net position.

Table 2								
Condensed Summary of Revenues, Expenses and Changes in Fund Net Position								
June 30, 2022 and 2021								
(In millions)								
Description		2022	2021	Change		Percentage change		
Total operating revenues	\$	89.8	92.5	(2.7)		(2.9)		
Total operating expenses		91.8	93.0	(1.2)		(1.3)		
Operating gain/loss		(2.0)	(0.5)	(1.5)		(300.0)		
Total nonoperating revenues		4.0	3.9	0.1		2.6		
Total nonoperating expenses		(1.8)	(1.9)	0.1		(5.3)		
Total nonoperating revenue (expense)		2.2	2.0	0.2		10.0		
Gain before capital grants and contributions		0.2	1.5	(1.3)		86.7		
Governmental capital grants		4.6	4.7	(0.1)		(2.1)		
Capital contributions from/to limited partners		—	—	—		—		
Reimbursement to HUD for Overpayment of Operating Subsidy		—	—	—		—		
Change in fund net position (before adjustment)		4.8	6.2	(1.4)		22.6		
Total fund net position – beginning		205.3	199.1	6.2		3.1		
Opening adjustment of net position (note 1)		2.2	—	2.2		100.0		
Total fund net position – ending	\$	212.3	205.3	7.0		3.4		

Fund net position increased \$7.0M.

The following sections discuss revenues and expenses separately. Total revenues (including interest, gains, grants, and capital contributions) and expenses (including interest expense) were approximately \$98.4 million and \$93.6 million, respectively; thus, fund net position increased by approximately \$7.0 million during the fiscal year via operations. A prior period equity adjustment of \$2.2 resulted from the recording of lease entries required by GASB 87.

Revenues

Table 3 provides a comparison of the Authority's operating and nonoperating revenues for 2022 and 2021 and shows that total revenues, gains, and capital contributions decreased \$2.1M.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Table 3									
Summary Comparison of Operating and Nonoperating Revenues									
June 30, 2022 and 2021									
(In millions)									
Description				2022	2021	Change	Percentage change		
Operating revenues:									
	Tenant revenue – rents and other		\$	17.7	17.8	(0.1)	(0.6)		
	Operating grants and subsidies			66.6	70.8	(4.2)	(5.9)		
	Other revenue, net			5.5	3.7	1.8	48.6		
			Total operating revenues	89.8	92.3	(2.5)	(2.7)		
Nonoperating revenues:									
	Interest and investment revenue			4.0	3.9	0.1	2.6		
Capital grants				4.6	4.7	(0.1)	(2.1)		
Capital contributions from limited partners				—	—	—	(100.0)		
			Total revenues	\$ 98.4	100.9	(2.5)	(2.5)		

The \$1.9M million decrease in total revenues is attributable to a variety of factors

Revenues were derived from various providers with approximately:

- Operating grants decreased by \$4.2M due mostly to expiration of the CARES Act relief funds
- 76% or \$66.6 million, received either directly or indirectly from HUD;
- 17.8%, or \$17.7 million, of total revenue received from tenant rental payments;
 - \$7.1 million, was from over 3,000 units of Authority-owned federally assisted housing – Federal Housing and Park Terrace;
 - \$9.2 million, was from 1,160 units of Authority-owned non-assisted affordable housing – Merrimack Landing, Oakmont North, and Mission College; and
 - \$1.4 million, in tenant revenue was from a variety of other commercial or residential customers
- \$10.1 million, is derived from miscellaneous fees for services (i.e., fees and other income) and nonoperating sources (i.e., interest and investment income)

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Table 4									
Summary Comparison of Operating and Nonoperating Expenses									
June 30, 2022 and 2021									
(In millions)									
									Percentage
Description			2022		2021		Change		change
Operating expenses:									
Administrative	\$		16.2		18.3		(2.1)		(11.5)
Housing assistance payments (HAP)			38.4		38.5		(0.1)		(0.3)
Maintenance – routine			9.3		10.7		(1.4)		(13.1)
Depreciation and amortization			6.3		6.2		0.1		1.6
Utilities			10.5		9.8		0.7		7.1
General			6.8		4.2		2.6		61.9
Tenant services			1.6		3.2		(1.6)		(50.0)
Protective services			1.5		1.1		0.4		36.4
Loss on disposal of assets held for sale			—		—		—		(100.0)
Total operating expenses			90.6		92.0		(1.4)		(1.5)
Nonoperating expenses:									
Interest expense			1.8		1.9		(0.1)		(5.3)
Special Items- Impairment			—		—		—		—
Extraordinary maintenance			1.2		1.0		0.2		20.0
Loss on disposal of fixed assets			—		—		—		(100.0)
Total nonoperating expenses			3.0		2.9		0.1		3.4
Capital Contributions to limited partners			—		—		—		(100.0)
Total expenses	\$		93.6		94.9		(1.3)		(1.4)

Expenses

Table 4 provides a comparison of the Authority's operating and nonoperating expenses for 2022 and 2021 and shows that total expenses, losses, and distributions decreased by \$1.3 million (\$94.9 million compared to \$3.6 million).

Variances exceeding 10% within the expense statement are explained as follows:

- Decreases to Administrative expense is noted generally to be caused by GASB adjustments for a stark reduction in unfunded pension liability.
- increases to extraordinary maintenance are due to increased appliance replacement in the public housing units.
- Decrease in routine maintenance were the result of vacancy in Tidewater Gardens as it is vacated for demolition
- Increase of \$2.6M in general expense is due to increase in City Funded property site and demolition work.
- Tenant service decreased due to the expiration of the City funded COVID relief program. This was offset by its own revenue source.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

- Protective service expense increased due to added security contract measures enacted by the NRHA.

Capital Assets

The Authority's capital assets as of June 30, 2022 included land, buildings, improvements, construction in progress, and equipment totaling \$104.5 million (net of depreciation). A breakdown of the Authority's capital assets is shown in Table 5 below.

Table 5									
Composition of Capital Assets									
June 30, 2022 and 2021									
(In millions)									
Description			2022		2021		Change		Percentage change
Nondepreciable assets:									
	Land	\$	20.0		20.1		(0.1)		(0.5)
	Construction in progress		37.4		28.9		8.5		29.4
Other capital assets:									
	Buildings and building improvements		161.4		161.6		(0.2)		(0.1)
	Improvements other than buildings		62.6		62.7		(0.1)		(0.2)
	Equipment		5.3		5.1		0.2		3.9
	Accumulated depreciation		(182.2)		(176.3)		(5.9)		3.3
	Total	\$	104.5		102.1		2.4		2.4

The change in fixed assets is due to a combination of approximately \$8.5M in construction in progress within the Capital Fund and Choice Neighborhoods programs. This was offset by roughly \$5.9M of depreciation expense for the year

Long-Term Debt

The Authority's June 30, 2022 statement of fund net position reflects total debt outstanding of \$36.2 million (excluding vested compensated absences). The Authority's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds), secured by the associated project property or debt backed by other governmental entities.

Observations of outstanding debt balances are as follows:

- Principle payments for the current year totaled \$.9M.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

Other Economic Factors and Next Year's Budget

Economic Factors

NRHA continues to face uncertainties about the subsidized funding levels for its assisted housing programs. Some uncertainties have an immediate impact; others will be felt over the next couple of years.

In 2022, NRHA continued the first phase of converting its projects from Public Housing projects to Project Based Voucher projects through the use of HUD's Rental Assistance Demonstration (RAD) program and conversion using Section 18 regulations. Under this program, the Project Based Voucher projects will receive subsidy through the Housing Choice Voucher (HCV) program rather than the Public Housing program. This should provide a more reliable stream of subsidy from HUD, since Congress has traditionally provided a higher percentage of subsidy funding for the Housing Choice Voucher program than it has for the Public Housing program.

The effect of COVID 19 related economic factors has and will continue to affect the operations of the NRHA. Tenant rent collection was down in 2020 and remains below normal for 2022. CARES act funding mitigated some of these operating changes in the Public Housing and Housing Choice Voucher Programs.

COVID 19 has also affected the tenant rental payments for the Housing Choice Voucher Programs causing the agency to spend over \$10M more in landlord payments than in 2019. This additional cost will be borne by HUD as we move forward.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

For calendar year 2022, HUD funded public housing authorities at 104.3% of their eligibility under HUD's Public Housing program's operating formula. The 2022 funding at levels exceeding 100% is attributable to funds received under the Covid Aid, Relief and Economic Security (CARES) Act. This funding expired in calendar 2022 and is not likely to be seen going forward.

Public Housing Program									
Calendar		Percentage of		Formula		Actual		over (under)	
year		full eligibility		Amount at		Funded		calculated	Change vs.
		aw arded		100%		amount		funding	Prior Year
2022		104.3		15,196,506		14,569,996		(626,510)	(1,688,926)
2021		109.2		14,888,410		16,258,922		1,370,512	(770,775)
2020		112.0		15,205,087		17,029,697		1,824,610	1,513,572
2019		97.8		15,870,027		15,516,125		(353,902)	687,402
2018		94.7		15,652,019		14,828,723		(823,296)	(79,414)
2017		93.2		15,991,386		14,908,137		(1,083,249)	37,090
2016		90.2		16,484,923		14,871,047		(1,613,876)	102,252
2015		85.4		17,301,775		14,768,795		(2,532,980)	3,972
2014		88.1		16,760,807		14,764,823		(1,995,984)	685,888
2013		82.0		17,169,483		14,078,935		(3,090,548)	(1,899,093)
2012		93.0		17,172,071		15,978,028		(1,194,043)	563,151
2011		100.0		15,414,877		15,414,877		-	(1,026,637)
2010		103.0		15,962,624		16,441,514		478,890	16,441,514

It is anticipated that this pro-ration level of funding will be lower in 2022 and forward.

The Capital Fund Program, which addresses the capital needs of the public housing units, has experienced a roughly flat trajectory since 2018. It is to be noted that this funding will decrease over time with the removal of Tidewater gardens from the Public Housing inventory. The NRHA has been notified that the 2023 grant will be in excess of \$10.3M. It is unknown if this upward trajectory will continue beyond 2023.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

The Housing Choice Voucher (HCV) program has provided adequate funding to cover housing assistance payments to participants each year until CY 2012; for CY 2012, HUD required the use of reserves to cover the projected cost of these payments and systematically reduced new funding to ensure these reserves were used as well as the reduction of service level. In CY 2022 HUD provided an additional \$1.4M to the agency as costs soared attributable to an increase in usage and an increase in Housing Assistance costs brought on by the economic effects of COVID-19. It is expected that this funding will continue to increase.

Housing Choice Voucher Program									
Calendar		HCV				HCV			Percentage of
year		HAP		Change vs.		Adm. Fee		Change vs.	full eligibility
		Amount		Prior Year		amount		Prior Year	awarded
2022		37,215,431		1,427,781		3,156,928		(896,310)	88.0
2021		35,787,650.0		3,181,557		4,053,238		1,171,081	84.0
2020		32,606,093.0		5,302,590		2,882,157		621,130	80.0
2019		27,303,503.0		55,750		2,261,027		(14,990)	77.0
2018		27,247,753.0		1,408,770		2,276,017		409,856	76.0
2017		25,838,983.0		739,206		1,866,161		(24,297)	76.5
2016		25,099,777.0		736,647		1,890,458		86,139	82.0
2015		24,363,130.0		(49,208)		1,804,319		(20,758)	76.5
2014		24,412,338.0		419,351		1,825,077		138,409	77.0
2013		23,992,987.0		2,228,230		1,686,668		(148,825)	69.0
2012		21,764,757.0		(91,043)		1,835,493		(10,150)	82.0
2011		21,855,800.0		598,016		1,845,643		29,252	92.0
2010		21,257,784.0		-		1,816,391		-	95.0

The funding of administrative fees for the administration of the HCV program tells a different story. While the funding remained nearly level for years, the percent of full eligibility awarded has been on a steady decrease – 99.8% of eligible funding was provided in CY 2010 dropping steadily to CY 2022 where HUD provided 88.0% of eligible funding. To date, no appropriation level has been communicated for calendar year 2022; thus, NRHA has no final information on funding for the next 18 months. Despite the decrease in the percentages of eligibility funding, actual funding amounts received from HUD have remained stable or have climbed due to the increase of units leased over the years – units leased increased from 2,445 in CY 2010 to a high of 4,118 at the time of the writing of this document. We anticipate higher whole dollar administrative revenue in 2022 and forward.

Based on HUD's discussions about future funding levels, the Authority is anticipating, at best: a continuation of the current drastic reductions in funding levels in our public housing program subsidy, administrative funding for the housing choice voucher programs, and the capital fund program funding level. To survive fiscal year 2023 and the impact of the uncertainty of a new federal government administration, the Authority has committed to the use of reserves to meet operational needs.

(Continued)

NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY

Management's Discussion and Analysis

June 30, 2022

NRHA's neighborhood development programs rely heavily on federal grant funding provided through a subrecipient relationship with the City. The economic recession at the federal, state, and local levels continues to be impacted by declining revenues and increases in cost of doing business. As recipients of those funding sources, NRHA faces the same challenges in declining revenues. Also, the recent trend of grant funds being diverted to public service agencies for community initiatives have resulted in further reductions of grants contracted to NRHA.

The City's local funding to NRHA through their general revenue bond issuance is reaching their cap, which impacts their ability to fund projects throughout the City.

Other economic factors that may have an impact on spending or meeting objectives now and in the future are: new construction slowdown, housing price declines, and more restrictive lending practices by banks and other financial institutions. Also, changes in eminent domain laws will continue to affect how we acquire property.

These challenges in funding our programs will be monitored closely to determine the precise impact on NRHA and its operations. We will continue to make appropriate adjustments and to be innovative in searching out new funding sources and new partners to achieve our mission.

St. Paul's and Choice Neighborhoods

In fiscal 2020 the NRHA was awarded a \$30M Choice Neighborhoods Initiatives grant to begin work on the transformation of the Tidewater gardens community within the scope of the entire St. Paul's community. The commitment to demolish 618 units of public housing has far reaching financial ramifications to the NRHA. A group of staff is continually analyzing these changes as well as other asset transformation initiatives and modeling the future financial outlook of the agency forward to 2027. The objective is to formulate a sustainable budget strategy to steer the NRHA into the future in a manner in which annual reserve appropriations are not necessary. Work has begun on use of the grant and in starting development activities.

Contacting Authority Management

This financial report is designed to provide the citizens of the City, taxpayers, customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Chief Financial Officer, Norfolk Redevelopment and Housing Authority, 555 East Main Street, Norfolk, Virginia 23510 or visit our Web site at www.nrha.norfolk.va.us.

BASIC FINANCIAL STATEMENTS

Norfolk Redevelopment and Housing Authority

Statement of Net Position

June 30, 2022

	<u>Enterprise Fund</u>	<u>Discrete Component Units</u>	<u>Total Reporting Entity</u>
CURRENT ASSETS:			
Cash and cash equivalents	\$ 41,601,526	3,214,964	44,816,490
Accounts receivable - HUD	1,178,547	-	1,178,547
Accounts receivable - other	3,686,393	55,144	3,741,537
Accounts receivable - tenants, net	818,423	537,497	1,355,920
Investments	22,020	7,846,979	7,868,999
Inventory	502,112	55,797	557,909
Prepaid expenses	174,788	211,273	386,061
Accrued interest receivable	-	48,205	48,205
Assets held for sale	<u>4,896,325</u>	<u>-</u>	<u>4,896,325</u>
Total current assets	<u>52,880,134</u>	<u>11,969,859</u>	<u>64,849,993</u>
RESTRICTED ASSETS:			
Cash and cash equivalents	<u>13,828,518</u>	<u>4,599,165</u>	<u>18,427,683</u>
Total restricted assets	<u>13,828,518</u>	<u>4,599,165</u>	<u>18,427,683</u>
NONCURRENT ASSETS:			
Land, structures and equipment net of accumulated depreciation	<u>104,531,203</u>	<u>96,650,124</u>	<u>201,181,327</u>
Total fixed assets, net	<u>104,531,203</u>	<u>96,650,124</u>	<u>201,181,327</u>
Notes & mortgages receivable, non-current	77,674,176	890,000	78,564,176
Accrued interest receivable	38,543,428	-	38,543,428
Other assets	<u>7,058,553</u>	<u>213,932</u>	<u>7,272,485</u>
Total assets	<u>294,516,012</u>	<u>114,323,080</u>	<u>408,839,092</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows	<u>2,280,214</u>	<u>-</u>	<u>2,280,214</u>
Total deferred outflows of resources	<u>2,280,214</u>	<u>-</u>	<u>2,280,214</u>
Total assets and deferred outflows of resources	<u>\$ 296,796,226</u>	<u>114,323,080</u>	<u>411,119,306</u>

Norfolk Redevelopment and Housing Authority

Statement of Net Position

June 30, 2022

	<u>Enterprise Fund</u>	<u>Discrete Component Units</u>	<u>Total Reporting Entity</u>
CURRENT LIABILITIES:			
Accounts payable	\$ 3,885,537	372,229	4,257,766
Accrued wages and payroll taxes	478,340	7,364	485,704
Accrued compensated absences	108,413	-	108,413
Accrued interest	-	114,967	114,967
Accrued liability - other	797,734	2,412,929	3,210,663
Tenant security deposits	693,442	259,705	953,147
Notes and bonds payable, current portion	636,763	486,191	1,122,954
Unearned revenues	784,102	123,468	907,570
Other current liabilities	<u>1,860,889</u>	<u>64,875</u>	<u>1,925,764</u>
Total current liabilities	<u>9,245,220</u>	<u>3,841,728</u>	<u>13,086,948</u>
NONCURRENT LIABILITIES:			
Accrued compensated absences, excluding current portion	1,145,749	-	1,145,749
Notes and bonds payable, excluding current portion	36,158,435	88,094,773	124,253,208
Other liabilities	<u>22,550,936</u>	<u>5,276,606</u>	<u>27,827,542</u>
Total noncurrent liabilities	<u>59,855,120</u>	<u>93,371,379</u>	<u>153,226,499</u>
Total liabilities	<u>69,100,340</u>	<u>97,213,107</u>	<u>166,313,447</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows	<u>15,331,660</u>	<u>-</u>	<u>15,331,660</u>
Total deferred inflows of resources	<u>15,331,660</u>	<u>-</u>	<u>15,331,660</u>
NET POSITION:			
Invested in capital assets, net	67,736,005	8,069,160	75,805,165
Restricted	16,101,340	4,339,460	20,440,800
Unrestricted	<u>128,526,881</u>	<u>4,701,353</u>	<u>133,228,234</u>
Total net position	<u>212,364,226</u>	<u>17,109,973</u>	<u>229,474,199</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 296,796,226</u>	<u>114,323,080</u>	<u>411,119,306</u>

Norfolk Redevelopment and Housing Authority

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	<u>Enterprise Fund</u>	<u>Discrete Component Units</u>	<u>Total Reporting Entity</u>
Operating revenues:			
Tenant revenue	\$ 17,661,564	10,471,506	28,133,070
HUD operating grants	62,036,972	-	62,036,972
Other government grants	4,600,558	-	4,600,558
Proceeds from the disposition of assets held for sale	236,500	-	236,500
Cost of sale of assets	(540,000)	-	(540,000)
Other revenue	<u>5,177,696</u>	<u>2,670,380</u>	<u>7,848,076</u>
Total operating revenue	<u>89,173,290</u>	<u>13,141,886</u>	<u>102,315,176</u>
Operating expenses:			
Administrative salaries	7,430,345	1,313,256	8,743,601
Other administrative expenses	8,767,655	2,416,316	11,183,971
Tenant / community services	1,601,104	85,895	1,686,999
Utility expense	10,478,082	2,112,722	12,590,804
Maintenance salaries	4,550,970	447,443	4,998,413
Maintenance other	4,736,359	1,418,355	6,154,714
Contract / protective services	1,454,271	190,701	1,644,972
Insurance	891,911	510,689	1,402,600
Other general expenses	4,912,198	16,910	4,929,108
Bad debt	763,511	-	763,511
Payments in lieu of taxes	228,829	349,051	577,880
Housing assistance payments	38,443,881	-	38,443,881
Depreciation	<u>6,269,018</u>	<u>3,416,258</u>	<u>9,685,276</u>
Total operating expenses	<u>90,528,134</u>	<u>12,277,596</u>	<u>102,805,730</u>
Operating income (loss)	<u>(1,354,844)</u>	<u>864,290</u>	<u>(490,554)</u>
Non-operating revenues (expenses):			
Investment income / mortgage interest	4,261,785	850,381	5,112,166
Extraordinary maintenance	(1,242,944)	(42,952)	(1,285,896)
Interest expense	(1,786,688)	(3,051,158)	(4,837,846)
Gain on sale of fixed assets	<u>411,162</u>	<u>-</u>	<u>411,162</u>
Total non-operating revenues (expenses)	<u>1,643,315</u>	<u>(2,243,729)</u>	<u>(600,414)</u>
Income (loss) before capital grants, capital contributions (distributions)	288,471	(1,379,439)	(1,090,968)
Capital grants	4,569,029	-	4,569,029
Capital contributions (distributions) from (to) limited partners	<u>-</u>	<u>5,223,436</u>	<u>5,223,436</u>
Change in net position	4,857,500	3,843,997	8,701,497
Total net position, beginning	205,292,786	13,265,976	218,558,762
Prior period adjustments	<u>2,213,940</u>	<u>-</u>	<u>2,213,940</u>
Total net position, end of year	<u>\$ 212,364,226</u>	<u>17,109,973</u>	<u>229,474,199</u>

Norfolk Redevelopment and Housing Authority

Statement of Cash Flows - All Enterprise Funds

For the Year Ended June 30, 2022

Cash Flows from Operating Activities:

Receipts from tenants	\$ 17,678,875
Receipts from operating grants and subsidies	66,295,963
Other receipts (payments)	4,877,773
Payments to suppliers and employees	<u>(82,944,429)</u>

Net cash flows provided by operating activities	<u>5,908,182</u>
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Cash Flows from Capital and Related Financing Activities:

Purchases of capital assets	(9,188,374)
Disposal of capital assets	508,118
Interest paid on capital debt	(1,786,688)
Principal payments of notes payable	(540,872)
Capital grant contributions	4,569,029
Gain(Loss) on sale of capital assets	411,162
Investment in joint ventures	100,142
Extraordinary maintenance	<u>(1,242,944)</u>

Net cash flows used in capital and related financing activities	<u>(7,170,427)</u>
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Cash Flows from Investing Activities:

Advances on notes receivable	676,278
Interest and dividends	<u>1,100,666</u>

Net cash flows provided by investing activities	<u>1,776,944</u>
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Net increase in cash	514,699
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Cash at beginning of year	<u>54,915,345</u>
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Cash at end of year	<u>\$ 55,430,044</u>
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Norfolk Redevelopment and Housing Authority
Statement of Cash Flows (continued) - All Enterprise Funds
For the Year Ended June 30, 2022

Reconciliation of operating income to cash provided by
operating activities

Operating loss	\$ (1,354,844)
Items which did not provide (use) cash:	
Depreciation	6,269,018
Prior period adjustments	2,213,940
Bad debt	763,511
Deferred outflows of resources	2,311,128
Deferred inflows of resources	15,176,850
Working capital changes which provided (used) cash:	
Accounts receivable, HUD	(428,238)
Accounts receivable - tenants	(746,200)
Accounts receivable - other	86,671
Other assets	(6,850,677)
Unearned revenue	117,560
Investments	3,577
Prepaid expenses	(86,529)
Assets held for sale	540,000
Inventory	(56,061)
Accounts payable- HUD	(2,340)
Accounts payable	1,884,831
Accrued expenses	(102,737)
Other liabilities	(13,468,506)
Tenant security deposits	(40,429)
Other current liabilities	<u>(322,343)</u>
Net cash provided by operating activities	<u>\$ 5,908,182</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements

For the Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

The Norfolk Redevelopment and Housing Authority (the Authority or NRHA) was created by the City of Norfolk (the City), a related organization, on July 30, 1940 under the provisions of the United States Housing Act of 1937. As a chartered political subdivision of the Commonwealth of Virginia, the Authority provides subsidized public housing and administers redevelopment and conservation projects within the City in accordance with state and federal legislation. The seven member board of commissioners (the Board) is appointed by Norfolk's City Council for staggered four year terms. The Board, in turn, elects a chairman and appoints an executive director to administer the affairs of the Authority.

The Authority's operations and relationship with the federal government are governed by contracts allowing the Authority to construct, own, and operate public housing facilities, as well as make housing assistance payments (HAP) for eligible individuals and families. The Board authorizes these contracts with the U.S. Department of Housing and Urban Development (HUD) pursuant to the latter agency's regulations and statutory authorizations.

The accompanying financial statements of the Authority have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as specified by the Governmental Accounting Standards Board (GASB). The Authority's significant accounting policies are described below.

a. The Financial Reporting Entity

The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the appointed officials of the primary government are financially accountable.

Component Units

The accompanying financial statements present the Authority and its blended and discretely presented component units. The financial data of the component units is included in the Authority's reporting entity because of the significance of their operational or financial relationships with the Authority.

Discrete Component Units

AELP, MC1, HRV, NRHA Partrea, L.P., NRHA Grandy Village, L.P. (GVLP), NRHA Diggs Town Phase I, LP and Grandy Village VI, LP are discretely presented component units. Discretely presented component units are entities that are legally separate from the Authority, but for which the Authority is financially accountable, or whose relationships with the Authority are such that exclusion would cause the Authority's basic financial statements to be misleading or incomplete. The component units are reported in separate columns in the financial statements to emphasize that they are legally separate from the Authority. These financial statements have December 31 year ends. The limited partnership's December 31, 2021 year-end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the Director of Finance of Norfolk Redevelopment and Housing Authority, 555 E. Main Street, Norfolk, VA 23501.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

a. The Financial Reporting Entity (continued)

Component Units (continued)

AELP, a Virginia limited partnership, was formed June 13, 2012, to acquire, renovate, and operate the historic Monroe Building located in Norfolk, Virginia. NRHA Monroe GP, LLC, which is wholly owned by NRHA, is the sole 0.01% general partner in the partnership. As general partner, NRHA is responsible for funding all operating deficits. On December 18, 2013, the Community Historic Credit Fund VII, LLC purchased the 99.99% limited partnership interest from NRHA.

MC1, a Virginia limited partnership, was formed to acquire, redevelop, and operate a low income housing project located in Norfolk, Virginia. NRHA Mission College I, LLC is a 0.01% general partner, Hudson Mission College, LLC is a 99.98% limited partner, and Hudson SLP, LLC is a 0.01% special limited partner. NRHA Mission College I, LLC is the only general partner in the partnership. The Authority has interest in NRHA Mission College I, LLC and is, therefore, responsible for all business decisions. On December 28, 2007, MC1 purchased 100% of the capital assets of MCA.

HRV, a Virginia limited liability company, was formed on May 1, 2003. HRV is a qualified community development entity that holds new market tax credit allocation authority to be used for investment in qualified active low income community businesses. The Authority has a 99.9999% membership interest, and Community Development Corporation (CDC) has a 0.0001% interest.

NRHA Partrea, L.P., a Virginia limited partnership, was formed on March 4, 2011, to construct, operate, and lease Cottage Bridge, a 47 unit project based voucher Apartment Complex located in Norfolk, Virginia. NRHA Partrea I, LLC is the sole general partner in the partnership. NRHA has a 79% interest in NRHA Partrea I, LLC, and is, therefore, responsible for all business decisions. The Authority is also the managing agent for the partnership. NRHA Partrea, L.P. is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD.

GVLP, a Virginia limited partnership, was formed March 13, 2007, to acquire, construct, revitalize, and operate a low income public housing complex, which is located in Norfolk, Virginia. NRHA Grandy Village I, LLC is the general partner in the partnership. NRHA has ownership interest in NRHA Grandy Village I, LLC and is, therefore, responsible for all business decisions. The Authority is also the managing agent for the partnership. GVLP is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD under a single ACC. The Authority is not only responsible for all day to day business decisions of GVLP, but is also responsible for funding any operating deficits via an operating loan that will not bear interest and is nonrecourse to the other partners.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

a. *The Financial Reporting Entity (continued)*

Component Units (continued)

NRHA Grandy Village, a Virginia limited partnership, was formed on April 3, 2007, for the purpose of developing, rehabilitation, owning and managing a 275 unit project based voucher Apartment Complex located in Norfolk, Virginia. NRHA Grandy Village is the sole general partner in the partnership. NRHA has interest in NRHA Partrea I, LLC, and is, therefore, responsible for all business decisions. The Authority is also the managing agent for the partnership. NRHA Grandy Village is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD.

NRHA Diggs Town Phase I, L. P., a Virginia limited partnership was formed on April 9, 2016, to renovate, operate, and lease Diggs Town Phase I, a 222-unit project based voucher Apartment Complex located in Norfolk, Virginia. NRHA Diggs Town Phase I GP, LLC is the sole general partner in the partnership. NRHA has a interest in NRHA Diggs Town Phase I GP, LLC, and is, therefore, responsible for all business decisions. The Authority is also the managing agent for the partnership. NRHA Diggs Town Phase I, L.P. is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD.

NRHA Grandy Village VI, L.P., a Virginia limited partnership, was formed on February 13, 2015, for the purpose of developing, rehabilitation, owning and managing a 70 unit project based voucher Apartment Complex located in Norfolk, Virginia. NRHA Grandy Village VI, L.P. is the sole general partner in the partnership. NRHA has a interest in NRHA Grandy Village VI, L.P., and is, therefore, responsible for all business decisions. The Authority is also the managing agent for the partnership. NRHA Grandy Village VI, L.P.. is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD.

The financial information of MCA, NOLP, NRHA Grandy Village V, LLC, NRHA North Wellington, LLC, CVT, and ROI is blended with the primary government's financial information. A blended component unit is so closely related to the primary government that its funds appear as if they are integral parts of the primary government. Generally, a reader of financial statements cannot distinguish between a fund of the primary government and a blended component unit without studying the notes to the basic financial statements. The entities are directly managed by NRHA and are thus reported on NRHA's year end of June 30, 2022.

1. Summary of Significant Accounting Policies (continued)

a. *The Financial Reporting Entity (continued)*

Blended Component Units

MCA, a Virginia limited partnership, was formed to develop and operate a low income housing project located in Norfolk, Virginia. On December 31, 2006, the Authority purchased the 99% limited partnership interest from an unrelated third party and assigned its previously existing 1% general partnership interest to HRVI. HRVI is the only general partner in the partnership. NRHA owns a 99.9999% interest in HRVI and, therefore, is responsible for all business decisions of MCA. Additionally, per the partnership agreement, the Authority is required to fund all deficits of MCA, when necessary. Separate audited financial statements are not available for MCA. On December 28, 2007, MCA sold 100% of its capital assets to MC1.

NOLP, a Virginia limited partnership, was formed to develop and operate Franklin Arms, a 100 unit low income public housing complex for the elderly, which is located in Norfolk, Virginia. On April 5, 2017, the Authority purchased the Limited Partner's interest from an unrelated third party. Norfolk One GP, LLC, is the general partner in the partnership, of which the Authority is the sole partner. The Authority is also the managing agent for the partnership. NOLP is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD under a single annual contributions contract (ACC). The Authority is not only responsible for all day to day business decisions of NOLP, but is also responsible for funding any operating deficits via an operating loan that will not bear interest and is nonrecourse to the other partners. Fees to the Authority are limited to reimbursement for actual costs incurred for the management of the complex, unless there is an operating surplus in which case the Authority will receive an oversight fee. Any excess subsidy the Authority provided to NOLP must be returned to the Authority.

NRHA Grandy Village V, L.L.C., a Virginia limited liability company, was formed on November 18, 2016, to operate and lease Grandy View, a 16 unit project based voucher complex located in Norfolk, Virginia. The Authority is the sole owner of NRHA Grandy View, L.L.C., and is responsible for all business decisions as well as the managing agent for the company. NRHA Grandy View, L.L.C., is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD. This project was converted to project based under HUD's Rental Assistance Demonstration (RAD) program effective August 1, 2018.

1. Summary of Significant Accounting Policies (continued)

a. The Financial Reporting Entity (continued)

Blended Component Units (continued)

NRHA North Wellington, L.L.C., a Virginia limited liability company, was formed on November 18, 2016, to operate and lease North Wellington, a 25 unit project based voucher complex located in Norfolk, Virginia. The Authority is the sole owner of NRHA North Wellington, L.L.C., and is responsible for all business decisions as well as the managing agent for the company. NRHA North Wellington, L.L.C., is an intricate part of the daily operation of the Authority; as the two entities share personnel for daily operations and administrative support, they serve the same clientele, and also share in subsidy funding received from HUD. This project was converted to project based under HUD's Rental Assistance Demonstration (RAD) program effective August 1, 2018.

CVT, City View Tower GP, L.L.C., a Virginia limited liability company was formed on December 15, 2017, to own and operate 555 East Main Street, a 17 story commercial office building located in downtown Norfolk. The Authority is the sole owner of City View Tower GP, L.L.C. The purpose of the acquisition is to develop affordable housing in the downtown area within the next 10 years. Currently, approximately 34% of the building houses the administrative offices of the Authority; the remainder of the building is leased to private commercial enterprises. Project revenue consists of rental income from the commercial leases of office space and the parking garage. The Authority retained Commonwealth Commercial Partners, LLC to manage the property in 2020.

ROI, Residential Options, Inc. is a non-profit foundation organized in 1992 as an IRC 501(c)(3) to house mentally disadvantaged individuals. Residential Options, Inc. was previously operated by Norfolk Community Services Board. The Authority assumed control over operations January 26, 2018. The project consists of: 32 units on Guy Avenue; 5 units on Hugo Street, and one building at 7439 Fenner Street which is projected to be demolished. The project is located in Norfolk, Virginia. The income from this project consists of non-federal rent subsidies and tenant rent.

b. Basis of Accounting and Measurement Focus

The Authority's basic financial statements are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the statement of fund net position. The Authority's statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in fund net position.

1. **Summary of Significant Accounting Policies (continued)**

b. Basis of Accounting and Measurement Focus (continued)

The statement of fund net position and revenues, expenses, and changes in fund net position of the Authority is presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are rental revenue, charges for services, and intergovernmental operating grants. Operating expenses for the Authority include the cost of services, administrative expenses, HAP, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Description of programs:

Low-Rent Public Housing - Funding for the projects was acquired through advances from HUD. The objective of the program is to provide decent, safe and sanitary housing and related facilities for eligible low-income families and the elderly. HUD makes grants to the Authority based on housing needs to ensure the low-income character of the project operated by the Authority.

Housing Choice Voucher Program - The objective of the program, previously known as Section 8, is to help low-income families obtain decent, safe and sanitary housing through a system of rental subsidies. HUD entered into an Annual Contributions Contract (ACC) with the Authority. The Authority enters into housing assistance payments contracts with owners of private dwellings. The owners rent housing to eligible low-income families who typically pay the higher of 30 percent of adjusted income, 10 percent gross income, or the portion of welfare assistance designated to meet housing costs for rent. The Authority in a housing assistance payment contract pays the remaining portion of rent for the unit to the owner.

Capital Fund Programs - This program is a continuation of the Comprehensive Grant Program with the same objective to improve the physical condition of the low-income public housing units and upgrade the management of the program. The program is provided to the Authority based on a physical needs assessment, management's capabilities, personnel training and educational needs and the need for other services and equipment that would enable more efficient and effective use of available funds such as management information systems.

HOME Program - The objectives of this program are to: 1) expand the supply of affordable housing, particularly rental housing, for low and very low-income Americans; 2) to strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing; 3) to provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low-income housing and; 4) to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

b. Basis of Accounting and Measurement Focus (continued)

Community Development Block Grant Program (CDBG) - The objective of this program is to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low and moderate income. The Authority is a sub-recipient of CDBG funds from the City of Norfolk. The Authority acquires property under the terms of the grant. All proceeds from the subsequent sale of these properties for development is required to be returned to the City. For this reason, these expenditures are not capitalized in the Authority's financial statements.

c. Revenue Recognition

Tenant revenues are recognized as rentals become due. Rental payments received in advance, if any, are reported as unearned revenue until earned. The Authority has entered into ACCs with HUD to develop, manage, and own public housing projects and to administer the federal Section 8 housing programs, whereby monthly HAP are made to landlords on behalf of eligible tenants.

Except as discussed in the following paragraph, intergovernmental revenues are recognized in the period in which all grant requirements are satisfied, which is typically when the Authority has expended the funds on allowable costs. Grant funds received in advance of satisfying all requirements are recorded as unearned revenue.

Revenues from the HUD Housing Choice Voucher (HCV) program are recognized, based on the current year's appropriation from HUD, rather than the methodology discussed in the above paragraph, in accordance with HUD requirements.

d. Cash and Cash Equivalents, and Investments

Cash equivalents and investments are stated at fair value. Investments are held in certificates of deposit, U.S. government securities, commercial paper, and repurchase agreements, as authorized by the Code of Virginia, Sections 2.24501 through 2.24512. The Authority's investments in U.S. government securities and commercial paper are valued at amortized cost as they have maturity dates of less than one year. All of the Authority's other investments are short term in nature such that cost and fair value are the same. Securities are held in safekeeping by the respective financial institutions. Repurchase agreements are collateralized by securities at market value sufficient to cover the face values of the investments.

For purposes of the accompanying statement of cash flows, all highly liquid investments and certificates of deposit with original maturities of three months or less from date of purchase are considered to be cash equivalents.

e. Inventories, net

Inventories of the Authority are valued at average cost. This inventory consists of expendable materials and supplies. The cost is expensed when the materials and supplies are used (consumption method of accounting).

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

f. Restricted Cash and Cash Equivalents

A certain portion of cash and cash equivalents is reported in a separate restricted asset account on the accompanying statement of fund net position because the use of these amounts is governed by revenue bond indenture provisions or a regulatory agreement.

g. Assets Held for Sale and Extraordinary Maintenance

Assets held for sale are stated at acquisition cost plus improvements, but not in excess of net realizable value. Properties that the Authority intends to donate to the City or others are stated at a net realizable value of \$0, as the Authority does not expect to recover any of the cost of the property. Proceeds received from sales of these properties are required to be remitted to either the City or the federal government and, with the approval of the grantors, can be reprogrammed by the Authority or be used to reduce outstanding indebtedness. Consequently, as a result of this restriction, fund net position associated with the above assets are considered restricted in the accompanying financial statements. Extraordinary maintenance expenses include losses incurred to record assets held for sale at net realizable value and capital outlays with an acquisition cost less than \$5,000.

h. 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 and vacated tenants. An allowance for doubtful accounts is established to provide for all accounts which may not be collected in the future for any reason.

i. Capital Assets

Capital outlays are recorded as assets in the financial statements if the acquisition cost is greater than \$5,000. Capital outlays of the Authority are recorded as capital assets and depreciated over their estimated useful lives on a straight-line basis. All capital assets are valued at historical cost. Donated capital assets are valued at their estimated fair market value on the date donated.

Maintenance, repairs, and minor equipment are expensed when incurred. Amounts that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, improvements, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the statement of revenues, expenses, and changes in fund net position.

Depreciation of capital assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings and improvements	20 to 40 years
Equipment:	
Data processing equipment	3 to 5 years
Vehicles	3 to 7 years
Office furniture and equipment	3 to 5 years

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. **Summary of Significant Accounting Policies (continued)**

j. Compensated Absences

Employees earn annual vacation leave at a rate ranging from 12 days per year, up to a maximum of 24 days per year after 31 years of service. There is no requirement that annual vacation leave be taken, but the maximum permissible accumulation is 36 days. At termination, employees are paid for any accumulated annual vacation leave. Employees also earn annual sick leave at the rate of one day each month. Employees hired prior to December 31, 1997 are paid for 30% of unused sick leave accumulated before that date, upon separation. The current and noncurrent portions of accumulated annual vacation leave and sick leave estimated to be paid upon separation are recorded in the Authority's basic financial statements.

k. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the Authority's statement of net position.

l. Accrued Liabilities

The Authority recognizes a liability for goods and services received but not yet paid as of year-end.

m. Unearned Revenue

The Authority's deferred revenue primarily consists of the prepayment of rent and the receipt of HUD program funding applicable to future periods.

n. Income Taxes

As a political subdivision of the state of Virginia, the Authority is exempt from federal and state income taxes.

o. Statement of Cash Flows

For purposes of the statement of cash flows, the Authority considers all highly liquid investments, including cash with fiscal agents purchased with maturity of three months or less, to be cash equivalents.

p. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Significant items subject to such estimates and assumptions include the carrying amount of assets held for sale, the carrying amount of donated capital assets, useful lives of depreciable capital assets, valuation of receivables, and obligations related to employee benefits. Actual results could differ from those estimates.

1. **Summary of Significant Accounting Policies (continued)**

q. Self-Insurance

The Authority is covered by the City's self-insurance program commissioners' liability insurance. There are no limits set in this self-insurance program. All personal assets of the Board would be defended in civil actions arising from their duties. At June 30, 2022, there are no liabilities for unpaid claims.

r. Pensions

The Authority contributes to the Virginia Retirement System (VRS or the System), an agent multiple-employer public employee retirement system with separate cost-sharing pools for each locality, which acts as a common investment and administrative agent for political subdivisions in the Commonwealth of Virginia. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Retirement Plan and the additions to/deductions from the Authority's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

s. Other Post-employment Benefits Plans

Post-retirement Healthcare Benefits Plan:

At its sole discretion, the Authority offers a Post-retirement Healthcare Benefits Plan (PHBP) subject to eligibility. The plan is a single employer defined benefit OPEB plan. The Authority provides post-retirement health and dental care benefits, in accordance with the federal COBRA law, which requires the Authority to extend access to healthcare benefits for 18 months after termination to any employee participating in the health and dental plan. Under the plan, the Authority has elected to provide access to healthcare for retirees until age 65 or until they are eligible for Medicare. There are nine retirees participating 100% of their own cost. The Authority's regular healthcare provider underwrites the retiree's policies. Benefit terms are established and may be amended by the Authority. The Authority also established the requirements for the employer and nonemployer contributing entities to pay OPEB as the benefits come due.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to PHBP OPEB expense, information about the fiduciary net position of the PHBP and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the PHBP. For this purpose, the PBHP recognizes benefit payments when due and payable in accordance with the benefit terms.

1. **Summary of Significant Accounting Policies (continued)**

s. Other Post-employment Benefits Plans (continued)

Group Life Insurance Program:

The VRS Group Life Insurance (GLI) Program is a multiple-employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI Program was established pursuant to 51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended.

Political Subdivision Employee Virginia Local Disability Program:

The VRS Political Subdivision Employee Virginia Local Disability Program (VLDP) is a multiple-employer, cost-sharing plan. The VLDP was implemented to provide short-term and long-term disability benefits for non work-related and work-related disabilities for employees with VRS Hybrid retirement benefits.

For purposes of measuring the net GLI and VLDP Programs' corresponding OPEB liability, each individual plan's deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the OPEB and the additions to/deductions from the OPEB's fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

t. Fund Net Position

Fund net position is categorized into three components as follows:

- *Net investment in capital assets* - This component of net position consists of capital assets, net of accumulated depreciation and amortization and is reduced by the outstanding balances of any bonds and notes payable or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component.
- *Restricted* - This component of net position consists of restrictions placed on net position as a result of external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Authority's policy to use restricted resources first and the unrestricted resources when they are needed.
- *Unrestricted* - This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

1. Summary of Significant Accounting Policies (continued)

u. Lease Receivables

Lease receivables are measured at the present value of lease payments expected to be received during the lease terms and amortized over the terms of the agreements. The deferred inflow of resources is measured at the value of the lease receivables plus any payments received at or before the commencement of the lease terms that relate to future periods.

v. Cooperative Projects

From time to time, the Authority enters into cooperation agreements with the City related to projects that promote economic development within the City, some of which involve the construction of capital assets. Assets acquired in conjunction with these agreements are recorded on the financial statements of the entity who will ultimately hold and bear responsibility for the assets, which is typically the City.

w. 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 element, deferred outflows of resources, represent 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. The deferred inflow for leases is related to the leases receivable and is being amortized to leases revenue in a systematic and rational manner over the term of the lease.

x. Change in Accounting Principles

At June 30, 2022, the Authority implemented the Governmental Accounting Standards Boards (GASB) Statement No 87, Leases. GASB Statement 87 enhances the relevance and consistency of information of the district's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were reviewed for the Authority's June 30, 2022 financial statements and resulted in an increase in lease receivables of \$5,070,964, and increase of deferred inflows of \$2,746,774 and a prior period adjustment of \$2,324,190. The Authority will review new leases annually to determine proper disclosure.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

2. Deposits and Investments

At June 30, 2022, the carrying value of the Authority's deposits with banks and savings institutions was \$55,430,044 and the bank balance was \$55,925,568, which was either covered by Federal Deposit Insurance Corporation (FDIC), collateralized in accordance with the Virginia Security for Public Deposits Act (the Act), or held in trust accounts. During 2022, there were no funds held in trust accounts with financial institutions that were not listed on the Virginia Department of the Treasury's listing of qualified depositories.

a. Custodial Credit Risk

Under the Act, banks holding public deposits in excess of the amounts insured by the FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. Savings institutions are required to collateralize 100% of deposits in excess of FDIC limits. If any member financial institution fails, the entire collateral becomes available to satisfy the claims of the Authority. If the value of the pool's collateral is inadequate to cover a loss, additional amounts would be assessed on a pro rata basis to the members (banks and savings institutions) of the pool; therefore, these deposits are considered collateralized and as a result are considered insured. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loans.

In accordance with the Authority's investment policy, temporary cash surpluses are invested in repurchase agreements and certificates of deposit. The repurchase agreements are then fully collateralized by the U.S. government and government agency securities pledged in the Authority's name. The collateral would then be held by the pledging financial institution in its own name.

b. Concentration of Credit Risk

The Code of Virginia has authorized the Authority to invest in certificates of deposit with national banks located within the Commonwealth of Virginia, obligations of the United States or its agencies, bankers' acceptances, repurchase agreements, and "prime quality" commercial paper. As of June 30, 2022, the Authority holds notes receivable of \$17,250,420 with separate interest receivable of \$25,370,148 from The Community Builders, see note 3 for further discussion.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

2. Deposits and Investments (continued)

c. *Interest Rate Risk*

In accordance with its investment policy, the Authority manages its exposure to declines in fair value by investing operating funds in securities maturing in periods of up to one year, or a lesser period that coincides with expected disbursements. Investments of reserves not needed for operations are typically held to maturity.

A reconciliation of the carrying value of deposits as reported previously to amounts reported in the accompanying statement of net position for the primary government is as follows:

Deposits	\$ 55,430,044
	<u>\$ 55,430,044</u>
Per Statement of Net Position:	
Cash and cash equivalents	\$ 41,601,526
Cash with fiscal agents	-
Restricted cash and cash equivalents	<u>13,828,518</u>
	<u>\$ 55,430,044</u>

d. *Foreign Currency Risk*

The Authority does not have any foreign investments. The Authority does not have cash held in foreign accounts or accounts denominated in a currency other than United States Dollar.

3. Notes Receivables

The only receivables not expected to be collected within one year are the notes receivable. A summary of notes receivable at June 30, 2022, with specific payment terms, is as follows:

0% promissory notes receivable of the HOME program, due from local citizens on a deferred basis. The loans are made to qualifying homeowners and investors to make improvements to the property located in target neighborhoods in the City. The notes are secured by deeds of trust and are forgivable at varying rates provided that the borrower complies with the terms of the deed of trust. The notes are forgiven at different rates for homeowners than for investors, with investor forgiveness also depending upon the amount of the original note. The notes are fully reserved based on the history of forgiveness of the notes.

\$ 11,568,685

Allowance for doubtful accounts

(11,568,685)
\$ -

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

3. Notes Receivables (continued)

0% promissory notes receivable of the Hope VI program, due from local citizens on a deferred basis. The loans are made to qualifying homeowners and investors to make improvements to the property located in target neighborhoods in the City. The notes are secured by deeds of trust and are forgivable at varying rates provided that the borrower complies with the terms of the deed of trust. The notes are forgiven at different rates for homeowners than for investors, with investor forgiveness also depending upon the amount of the original note. The notes are fully reserved based on the history of forgiveness of the notes.

53,649

Allowance for doubtful accounts

(53,649)

\$ -

Promissory note receivable due from The Community Builders (TCB) Marsh Manor II LP. The funds were provided for the construction of 66 units of rental housing, of which 56 units are reserved for qualified low-income tenants on an ongoing basis. The note earns interest at 5.85%. Interest and principal shall be due in December 2044.

\$ 3,885,753

Promissory note receivable due from TCB. The funds were provided for approved costs of the Marshall Manor II development. The note bears no interest, principal payments to be made from cash flow and/or net proceeds of TCB Marshall Manor II that TCB receives. There is no stated due date.

51,370

Promissory note receivable due from TCB Bowling Green II LP. The funds were provided for the construction of 43 units of rental housing, of which 34 units will be reserved for qualified low-income tenants. The note earns interest at 5.85%. Interest and principal shall be due in December 2044.

2,754,168

Promissory note receivable due from TCB Marshall Manor III LP. The funds were provided for the construction of 58 units of rental housing, of which 46 units will be reserved for qualified low-income tenants. The note earns interest at 5.85%. Interest and principal shall be due in December 2045.

2,470,485

Promissory note receivable due from TCB. The funds were provided for approved costs of the Marshall Manor III development. The note bears no interest, principal payments to be made from cash flow and/or net proceeds of TCB Marshall Manor III that TCB receives. There is no stated due date.

131,211

Promissory note receivable due from TCB Bowling Green III LP. The funds were provided for the construction of 45 units of rental housing, of which 35 units will be reserved for qualified low-income tenants. The note earns interest at 5.85%. Interest and principal shall be due in December 2045.

2,020,387

Promissory note receivable due from TCB Marshall Manor IV LP. The funds were provided for the construction of 38 units of rental housing, of which 38 units will be reserved for qualified low income tenants. The note earns interest at 5.85%. Interest and principal shall be due in December 2046.

1,368,552

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

3. Notes Receivables (continued)

Promissory note receivable due from TCB Marshall Manor IV LP. The funds were provided for the construction of 38 units of rental housing, of which 38 units will be reserved for qualified low income tenants. The note earns interest at 5.36%. Interest and principal shall be due in December 2046. 650,000

Promissory note receivable due from TCB Bowling Green IV LP. The funds were provided for the construction of 43 units of rental housing, of which 34 units will be reserved for qualified low income tenants. The note earns interest at 5.85%. Interest and principal shall be due in December 2046. 1,531,494

Promissory note receivable due from TCB Bowling Green IV LP. The funds were provided for the construction of 43 units of rental housing, of which 34 units will be reserved for qualified low income tenants. The note earns interest at 5.36%. Interest and principal shall be due in December 2046. 650,000

Promissory note receivable due from TCB Broad Creek V LP. The funds were provided for the construction of 50 units of rental housing, of which 50 units will be reserved for qualified low income tenants. The note earns interest at 6%. Interest and principal shall be due in December 2056. 1,737,000

Total notes receivable - The Community Group (TCB) 17,250,420

Broad Creek - 0% promissory notes receivable, due from local citizens on deferred basis to purchase homes located in a targeted neighborhood. The notes are secured by a deed of trust on the homes and are partially forgivable. 39,524

EOV Note Initiatives - 0% promissory note for the purchase of a residence. The note is due when the signor vacates the residence or upon the homeowner's death. The note is secured by a deed of trust on the residence. 195,000

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

3. Notes Receivables (continued)

Program Income - 0% to 8% fixed rate promissory notes receivable due from local citizens and businesses on a deferred basis, forgivable basis, or in monthly installments of principal and interest. Program income consists of gap financing, demo in lieu of acquisition, and other notes. Gap financing is issued to qualifying person(s) to provide second deeds of trust for down payments and closing costs. Demo in lieu of acquisition is issued to qualifying person(s) in which the Authority incurs the cost of demolition and takes a note to be paid at a future date. Other notes are issued to nonprofit agencies for land the Authority has donated to the agency. The note becomes payable if the use of the property is not secured by low to moderate income residents for its affordability period.

54,059

Rehabilitation Loans - 5% to 12% fixed rate promissory notes receivable, due from local citizens either on a deferred basis or in monthly installments of principal and interest. The loans are made to qualifying persons to make improvements to property located in certain redevelopment and rehabilitation areas as designated by the Authority and the City. The notes are secured by deeds of trust on the rehabilitation improvements made to the properties. The source of these funds is generally the City of Norfolk and is offset by the payable included in other liabilities.

10,689,397

Note receivable due from Mission College Apartments, LP in the principal amount of \$5,860,000 at the rate of 4.72% per annum compounding semi-annually. The note is evidenced by a deed of trust on the rental property. Principal and accrued interest are owed out of available cash flow, as defined. Any outstanding principal and accrued interest is due at maturity on June 30, 2030.

5,860,000

Note receivable from the Grandy Village LP in the amount of \$15,861,926. The mortgage note bears interest at the rate of 3% per annum. Any unpaid principal and accrued interest are due at maturity on June 26, 2053. The loan is secured by a deed of trust on the property.

17,201,571

Note receivable from the Grandy Village LP in the amount of \$186,932. The mortgage note bears interest at the rate of 4.5% per annum. Any payments shall be made from surplus cash and any such payments shall be applied first to interest then to the outstanding principal. Any unpaid principal and accrued interest are due at maturity on June 30, 2047. The loan is secured by a deed of trust on the property.

179,714

Note receivable from the Grandy Village LP in the amount of \$8,353,041. The mortgage note bears interest at the rate of 5% per annum. No principal and interest payment are required until maturity. Any unpaid principal and accrued interest are due at maturity on June 26, 2053. The loan is secured by a deed of trust on the property

6,277,177

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

3. Notes Receivables (continued)

Note receivable from the NRHA Partrea LP in the amount of \$6,900,000. The mortgage note bears interest at the rate of 5.0% per annum. Outstanding principle at October 28, 2017 began to be paid down by principle and interest payments of \$14,226 monthly through maturity on October 28, 2035. The loan is secured by a deed of trust on the property. 2,449,318

Note receivable from the NRHA Partrea LP in the amount of \$926,782 "the AHP note". The mortgage note bears interest at the rate of 5.9% per annum. Outstanding principle and interest due at maturity on April 10, 2034. 926,782

Note receivable from NRHA Mission College I LP in the principal amount of \$1,312,894 at the rate of 1% per annum maturing on June 30, 2039. The mortgage is secured by a deed of trust on the rental property. 1,312,894

Note receivable from the NRHA Partrea LP in the amount of \$400,000 "the CDBG note". The mortgage note bears interest at the rate of 5.9% per annum. Outstanding principle and interest due at maturity on February 10, 2034. 400,000

Note receivable from the NRHA Diggs Town Phase I, LP in the amount of \$8,661,871. The mortgage note bears interest at the rate of 4.6% per annum. Any payments shall be made from surplus cash and any such payments shall be applied first to interest then to the outstanding principal. Any unpaid principal and accrued interest are due at maturity on March 26, 2051. The loan is secured by a deed of trust on the property. 8,661,871

Note receivable from NRHA Diggs Town Phase I, LP in the amount of \$5,419,224. The mortgage note bears interest at the rate of 4.6% per annum. Any payments shall be made from surplus cash and any such payments shall be applied first to interest and then to outstanding principal. Any unpaid principal and accrued interest are due at maturity on March 26, 2051. The loan is secured by a deed of trust on the property. 2,195,466

Note receivable from NRHA Grandy VI, LP in the amount of \$5,234,379. The mortgage note bears interest at the rate of 6% per annum. Interest-only payments to December 31, 2020, and monthly principal and interest payments thereafter through maturity on January 1, 2045 upon which the outstanding principal and any accrued interest is required to be paid. The mortgage is secured by a deed of trust on the property. 3,974,133

Rehabilitation Loan - 5% to 12% fixed rate promissory notes receivable, due from local citizens either on a deferred basis or in monthly installments of principal and interest. 6,850

Total notes receivable	77,674,176
Less current portion	-
	<u>\$ 77,674,176</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

4. Capital Assets

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2022:

	Balance, June 30, 2021	Increases	Decreases	Balance, June 30, 2022
Capital assets not being depreciated:				
Land	\$ 20,139,373	-	(102,608)	\$ 20,036,765
Construction in progress	<u>28,938,279</u>	<u>8,480,770</u>	<u>-</u>	<u>37,419,049</u>
Total capital assets not being depreciated	49,077,652	8,480,770	(102,608)	57,455,814
Other capital assets:				
Buildings and building improvements	161,583,076	469,347	(709,078)	161,343,345
Improvements other than buildings	62,661,713	-	(60,926)	62,600,787
Equipment	<u>5,109,003</u>	<u>238,257</u>	<u>-</u>	<u>5,347,260</u>
Total other capital assets	229,353,792	707,604	(770,004)	229,291,392
Less accumulated depreciation for:				
Buildings and building improvements	119,195,550	4,602,300	(303,568)	123,494,282
Improvements other than buildings	52,632,979	1,323,349	(60,926)	53,895,402
Equipment	<u>4,482,950</u>	<u>343,369</u>	<u>-</u>	<u>4,826,319</u>
Total accumulated depreciation	<u>176,311,479</u>	<u>6,269,018</u>	<u>(364,494)</u>	<u>182,216,003</u>
Other capital assets, net	<u>53,042,313</u>	<u>(5,561,414)</u>	<u>(405,510)</u>	<u>47,075,389</u>
Capital assets, net	<u>\$ 102,119,965</u>	<u>2,919,356</u>	<u>(508,118)</u>	<u>\$ 104,531,203</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

5. Accounts Receivable

Accounts receivable - HUD / PHA Programs

Accounts receivable - HUD and Accounts receivable - PHA programs represent amounts due to the Authority for operating grants receivable. The Authority considers these amounts fully collectable and accordingly, have made no allowance for doubtful accounts.

Accounts receivable - tenants

Accounts receivable - tenants are shown net of an allowance for doubtful accounts of \$776,839 for the year ended June 30, 2022.

Accounts receivable - other

Accounts receivable - other consist of amounts due the Authority related to development activities, section 8 fraud recovery, and amounts due from other housing authorities for portability payments. The Authority has loaned nonfederal funds to partnerships and other business enterprises for construction of apartments, and maintenance on properties purchased through CDBG/HOME funds and help by the Authority.

	Primary Government
Accounts receivable - HUD	\$ 1,178,547
Accounts receivable - tenants, net	818,423
Accounts receivable - City of Norfolk	<u>3,686,393</u>
	<u>\$ 5,683,363</u>

6. Long-term Liabilities:

A summary of the Authority's changes in long-term liabilities for the fiscal year ended June 30, 2022 is presented below:

	Amounts payable at 6/30/21	Additions	Retirements and reductions	Amounts payable at 6/30/22	Amounts due within one year
Notes and bonds payable	\$37,336,070	-	(540,872)	36,795,198	\$ 636,763
Accrued compensated absences	1,289,251	-	(35,089)	1,254,162	108,413
Pension liability	18,537,544	-	(13,004,979)	5,532,565	-
Other postemployment benefit liability	3,888,375	-	(545,938)	3,342,437	-
Other liabilities	<u>15,776,754</u>	<u>-</u>	<u>(239,931)</u>	<u>15,536,823</u>	<u>1,860,889</u>
Total	<u>\$76,827,994</u>	<u>-</u>	<u>(14,366,809)</u>	<u>62,461,185</u>	<u>\$ 2,606,065</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

7. Debt

The following summarizes the Authority's long term note and bond obligations at June 30, 2022:

Notes payable:

Note payable to a financial institution for construction of a 47-unit apartment complex in Norfolk, Virginia. On November 22, 2017, principal outstanding of 2.65 million converted to permanent, amortizing over 30 years at 4.58%. \$ 2,446,112

Note payable to a financial institution, not to exceed \$20.5 million, for renovation and construction of a 492-unit apartment complex in Norfolk, Virginia. Interest shall be calculated from the date of each advance at an interest rate of 2.050 percentage points over LIBOR (index rate). LIBOR is subject to change from time to time. Interest is paid monthly and was started on May 1, 2016. Principal and accrued unpaid interest are payable on July 31, 2021. 19,511,921

Note payable to a financial institution for construction of a 47-unit apartment complex in Norfolk, Virginia bearing interest at the rate of 5.9%. Principal and interest are payable annually if surplus cash flow is available. Other principal and interest continue to accrue through April 2034, when all amounts due must be repaid in full. 926,782

Note payable to VHDA assumed for Guy Avenue owned by Residential Options, Inc., a nonprofit acquired by NRHA in 2018. The note was executed in March, 2006. The interest rate is 7.32% and the loan matures in November, 2027. Principal and interest are paid in monthly installments of \$36,601 through November, 2027. 161,333

Note payable to VHDA assumed for Hugo Street owned by Residential Options, Inc., a nonprofit acquired by NRHA in 2018. The note was executed in September, 2007. The interest rate is 4.75% and the loan matures in September, 2037. Principal and interest are paid in monthly installments of \$20,970 through September, 2037. 225,780

Note payable to VHDA assumed for Fenner avenue owned by Residential Options, Inc., a nonprofit acquired by NRHA in 2018. The note was executed in March, 2006. The interest rate is 3.5% and the loan matures in March, 2030. 59,277

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

7. Debt (continued)

Note payable to a financial institution for the purchase of City View Tower A commercial high rise located at 555 East Main street and which serves as the location of the administrative offices of the Authority, interest only for 24 months beginning April 2, 2018 at 4.43% the loan was converted to a permanent loan on April 2, 2020. 9,507,633

Note payable to a financial institution in the amount of \$5,234,379. The mortgage bears interest at the rate of 6.0% per annum. Effective August 31, 2021, outstanding principal shall be amortized in monthly principal and interest payments. The loan is secured by a deed of trust on the property. 3,956,360

Total notes payable	36,795,198
less: current portion	<u>636,763</u>
	<u>\$ 36,158,435</u>

a. *Future Maturities*

Future maturities of the Authority's various debt obligations together with scheduled interest payments are as follows:

	<u>Notes and loan payable</u>	
	<u>Principal</u>	<u>Interest</u>
Fiscal years ending June 30:		
2023	\$ 636,763	1,948,738
2024	838,977	1,911,194
2025	1,111,807	1,864,145
2026	931,763	1,818,410
2027	977,294	1,772,877
2028-2032	5,497,032	8,096,599
2033-2037	7,946,377	6,545,725
2038 and thereafter	<u>18,855,185</u>	<u>7,210,810</u>
	<u>\$36,795,198</u>	<u>31,168,498</u>

8. Defined Benefit Pension Plan

a. Plan Description

All full time, salaried permanent employees of the Authority are automatically covered by the VRS Retirement Plan upon employment. This plan is administered by the VRS along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees - Plan 1, Plan 2, and Hybrid. Each plan has a different eligibility and benefit structure as set forth below:

VRS Plan 1 is a defined benefit plan. Members hired before July 1, 2010 and who were vested as of January 1, 2013 are eligible for Plan 1. The retirement benefit is based on a member's age, creditable service, and average final compensation at retirement using a formula. Employees are eligible for an unreduced retirement benefit at age 65 with five years of service and at age 50 with 30 years of service for participating employers. An optional reduced retirement benefit is available to members of VRS as early as age 50 with at least 10 years of service credit or age 55 with at least five years of service credit.

VRS Plan 2 is a defined benefit plan. Members hired or rehired on or after July 1, 2010 and who have no service credits before July 1, 2010 and are not vested as of January 1, 2013 are covered under Plan 2. The retirement benefit is based on a member's age, creditable service, and average final compensation at retirement using a formula. Employees are eligible for an unreduced benefit 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. An optional reduced retirement benefit is available to Plan 2 members as early as age 60 with at least five years of service credit.

The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Members hired on or after January 1, 2014 are eligible for the Hybrid Plan. The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. The benefit payment payable from the defined contribution plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. Employees are eligible for an unreduced benefit 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. An optional reduced retirement benefit is available as early as age 60 with at least five years of service credit.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. Defined Benefit Pension Plan (continued)

a. Plan Description (continued)

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. The retirement multiplier for the Authority's employees is 1.7% for Plan 1 members, 1.65% for Plan 2 members, and 1.0% for Hybrid Plan members. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2 and the Hybrid Plan, average final compensation is the average of the member's 60 consecutive months of highest compensation. An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. During years of no inflation or deflation per the Consumer Price Index for all Urban Consumers (CPIU), the COLA is 0.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the Authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the plans administered by VRS. A copy of the most recent report may be obtained from the VRS website at <http://www.varetire.org/pdf/publications/2021annualreport.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 232182500.

b. Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

Inactive members of their beneficiaries currently receiving benefits	352
Inactive members:	
Vested inactive members	40
Nonvested inactive members	100
LTD	1
Inactive members active elsewhere in VRS	43
Total inactive members	<u>184</u>
Active members	<u>255</u>
Total covered employees	<u><u>791</u></u>

8. Defined Benefit Pension Plan (continued)***c. Contributions***

The contribution requirement for active employees is governed by §51.1145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5.00% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to five years and the employer is required to provide a salary increase equal to the amount of the increase in the employee paid member contribution.

The Authority's actuarially determined required contribution rate for the year ended June 30, 2022 was 10.49% of covered employee compensation. This rate was actuarially determined from a valuation performed as of June 30, 2015. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$1,226,329 for the year ended June 30, 2022.

d. Net Pension Liability

The Authority's net pension liability recorded as of June 30, 2022 was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020, updated for actuarial assumptions applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

e. Actuarial Assumptions

The total pension liability for employees in the Defined Benefit Pension Plan was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.35%
Investment rate or return, net of pension plan investment expense, including inflation*	6.75%
Cost-of-living adjustment	2.25% - 2.50%

- * Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the longterm expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. Defined Benefit Pension Plan (continued)

e. Actuarial Assumptions (continued)

Deaths assumed to be service related	Mortality assumptions
Pre-retirement	15%
	RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% rates; females 105% of rates.
Post-retirement	RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.
Post-disablement	RP-2014 Disabled Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates, females 125% of rates.

f. Long-Term 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 longterm expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class (strategy)	Target allocation	Arithmetic long-term expected rate of return	Weighted average long-term expected rate of return
Public equity	34.00%	5.00%	1.70%
Fixed income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
Multi-asset Public Strategies	6.00%	3.29%	0.20%
Private Investment Partnership	3.00%	6.84%	0.21%
Total	<u>100.00%</u>		<u>4.89%</u>
Inflation			<u>2.50%</u>
* Expected arithmetic nominal return			<u>7.39%</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. Defined Benefit Pension Plan (continued)

f. Long-Term Expected Rate of Return (continued)

* The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%.

g. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2021, the rate contributed by the employer for the Defined Benefit Pension Plan will be subject to the portion of the VRS Board certified rates that are actually funded by the Virginia General Assembly (which may be higher or lower than the VRS Board certified rate). From July 1, 2021 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Defined Benefit Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the longterm expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

h. Changes in Net Pension Liability

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) - (b)
Balances at June 30, 2020	\$ 102,364,215	83,826,671	18,537,544
Changes for the year:			
Service Cost	1,254,202	-	1,254,202
Interest	6,678,676	-	6,678,676
Changes of assumptions	3,847,062	-	3,847,062
Differences between expected and actual experience	(548,453)	-	(548,453)
Contributions - employer	-	1,320,284	(1,320,284)
Contributions - employee	-	622,161	(622,161)
Net investment income	-	22,350,764	(22,350,764)
Benefit payments, including refunds of employee contributions	(6,841,734)	(6,841,734)	-
Administrative expenses	-	(58,820)	58,820
Other changes	-	2,077	(2,077)
Net changes	<u>4,389,753</u>	<u>17,394,732</u>	<u>(13,004,979)</u>
Balance at June 30, 2021	<u>\$ 106,753,968</u>	<u>101,221,403</u>	<u>5,532,565</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. Defined Benefit Pension Plan (continued)

i. *Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the net pension liability of the Authority using the discount rate of 6.75%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current discount rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 17,152,180	5,532,565	(4,275,191)

j. *Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

For the year ended June 30, 2022, the Authority recognized pension expense of \$457,431 within operating expenses on the Statement of Revenues, Expenses, and Changes in Fund Net Position. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ -	321,683
Changes of assumptions	2,129,624	-
Net difference between projected and actual earnings on pension plan investments	-	11,180,986
Employer contributions subsequent to the measurement date	-	-
Total	\$ <u>2,129,624</u>	<u>11,502,669</u>

Deferred outflows of resources related to pensions totaling \$-, resulting from the Authority's contributions subsequent to the measurement date, will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2023	\$ (1,115,658)
2024	(2,141,660)
2025	(2,558,611)
2026	<u>(3,371,946)</u>
	\$ <u><u>(9,187,875)</u></u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

9. Deferred Compensation Plan

The Authority offers all regular employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees or beneficiaries until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in an annuity contract for the participants. The contract is managed by Voya Financial Partners. The assets are not included in the accompanying basic financial statements as of June 30, 2022.

10. Commitments and Contingencies

a. Federal Award Programs

The Authority participates in a number of federal award programs. Although the Authority is being audited in accordance with Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), these programs are still subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the Authority believes such disallowances, if any, will not be significant.

b. Litigation

Various claims and lawsuits are pending against the Authority. In the opinion of the Authority's counsel, resolution of these cases would not involve a significant liability to the Authority.

c. Letters of Credit

The Authority has eight outstanding letters of credit with a bank for \$3,554,584. Monthly draws have been made against one of the letters of credit to pay interest on bonds issued by the bank. Those letters of credit are repaid from interest escrow accounts kept with the bank. No draws have been made against the other seven letters of credit.

11. Conduit Debt

Periodically, the Authority has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction and rehabilitation of industrial and commercial facilities and multifamily residential facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans.

Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. The Authority is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, there were five issues of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$271,328,609.

12. Other Postemployment Benefits (OPEB) Plan - Authority Plan

a. Plan Description

At its sole discretion, the Authority offers a Postretirement Healthcare Benefit Plan subject to eligibility. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Under the plan, the Authority will offer retirees access to health insurance at the same cost as active employees up through age 65 or until the retiree is eligible for Medicare. To be eligible to participate, the retiree must terminate service with the Authority and be receiving service or disability retirement through the VRS. The dependents of a retiree shall be eligible for coverage to the same extent as for the dependents of active employees.

Medical coverage, including prescription drugs as part of the medical plan, is offered to active employees and pre-65 retirees on a self-funded basis administered by Optima Health Plan. Medical plan options include Value POS, Plus POS, and Out-of-Area PPO for 2015 and Plans A-C and Out-of-Area PPO for 2016 for pre-65 retiree medical coverage. Medical benefits to the retiree, or dependent of retiree, are no longer available once the member is eligible for Medicare (i.e., post-65 retiree).

Dental and vision coverage is also offered to active employees and retirees of the NRHA. Retirees may continue both these coverage's for a long as they choose (i.e., pre-65 and post-65). Three dental plan options are available through Delta Dental, including DeltaCare DHMO, PPO Low option, and PPO High option. One vision plan through UniCare is also available.

Retirees pay 100% of the cost of all benefits (medical, dental, & vision), however, since the NRHA is self-funded with retiree costs blended with active costs, the retiree receives an implicit subsidy from the NRHA for medical coverage. Retirees are not reimbursed for Medicare Part B or Part D premium for retirees and dependents that are Medicare eligible.

b. Contributions

To receive benefits, the employee or their beneficiary must be making the required premium contribution on a timely basis. Retirees pay 100% of the required premiums. The cost of the benefits provided by the PHBP is currently being paid by the Authority on a pay-as-you-go basis.

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>2020</u>
Inactive members or their beneficiaries	7
currently receiving benefits	
Active members	<u>200</u>
Total covered employees and retired members	<u><u>207</u></u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

12. Other Postemployment Benefits (OPEB) Plan - Authority Plan (continued)

c. *PHBP Total OPEB Liability*

The PHBP Total OPEB Liability was \$2,607,120 as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021 which was rolled-forward to the measurement date of June 30, 2022. For the year ended June 30, 2022, the Authority recognized expense of \$58,206 related to the PHBP. There deferred outflows of resources and deferred inflows of resources related to the PHBP as of June 30, 2022 were as follows.

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ -	\$ 258,208
Change in assumptions	-	344,225
Total as of June 30, 2021	<u>\$ -</u>	<u>\$ 602,433</u>

d. *Actuarial Assumptions*

The PHBP Total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method: Entry Age Normal as a Level Percentage of Payroll

Discount rate: 3.50% - The selected discount rate is based on the prescribed discount interest rate methodology under GASB No. 74/75 based on an average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO, S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GA AA 20 Years) as of June 30, 2019.

Health Care Cost Trend
Assumptions:

The following assumptions are used for annual
healthcare cost inflation (trend):

	<u>Year</u>	<u>Pre-65</u>	<u>Post-65</u>
Year 1 Trend	January 1, 2022	7.0	7.0
Ultimate Trend	January 1, 2089 and later	4.24	4.24

Salary Changes: Average salary increase is assumed to be 3.0%.

Mortality: RP 2014 Healthy Male and Female Tables are based on the Employee and Healthy Annuitant Tables for both pre & Post retirement projected with mortality improvements using Projection Scale AA for 3.5 years, (i.e., from date of table to the valuation date), plus ten (10) years additional mortality improvement.

Future Retirees Opting Out: It is assumed that 100% participation for those covered as actives. All eligible active and retiree employee records provided by your organization were valued.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

12. Other Postemployment Benefits (OPEB) Plan - Authority Plan (continued)

d. Actuarial Assumptions (continued)

Turnover Assumptions: This reflects rate of separation from the active plan and excludes retirement and disability. Turnover table varies by years of service with rates of turnover based on VRS.

Disability Assumptions: This reflects disability assumptions from the active plan and is based on age. This is the assumption used for the VRS.

Retirement Assumptions: This reflects rate of retirement from the active plan and is based on age and gender. This is the assumption used for the VRS.

Age and marital status difference: Spouses are valued for benefits similar to retired employees. Employees with spouses are assumed to be married to those spouses at and throughout retirement. Employees that are without spouses (or not covering a spouse) are assumed to be single at and throughout retirement. It is assumed that actives with dependent coverage will elect dependent coverage in retirement 80% of the time since contribution rates are significant. It is assumed that female spouses are three years younger than male employees and male spouses are three years older than female employees unless actual spouse date of birth information was provided. Spousal dates of birth were provided and reflected when available. Surviving dependents who elect coverage receive the same benefits as the retiree.

e. Changes in the Authority Plan OPEB Liability

	Total OPEB Liability
Balance at July 1, 2021	\$ 2,728,474
Changes for the year:	
Service cost	152,773
Interest	84,908
Assumption changes	(300,829)
Difference between actual and expected experience	-
Benefit payments	(58,206)
Net changes	(121,354)
Balance at June 30, 2022	\$ 2,607,120

f. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the PHBP Total OPEB liability as of June 30, 2022 using the discount rate of 3.54%, as well as what the PHBP Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate:

	1% decrease (2.54%)	Current discount rate (3.54%)	1% increase (4.54%)
PHBP OPEB liability as of June 30, 2022	\$ 2,743,490	2,607,120	2,472,130

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

12. Other Postemployment Benefits (OPEB) Plan - Authority Plan (continued)

g. Sensitivity of the PHBP OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the PHBP OPEB liability as of June 30, 2022 as well as what the liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% decrease 5.60%	Heathcare cost trend rates 6.60%	1% increase 7.60%
PHBP OPEB liability as of June 30, 2022	\$ 2,342,104	2,607,120	2,911,360

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans

a. Plan descriptions

(i) Group Life Insurance (GLI) plan

All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the VRS Group Life Insurance Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OBEB plans, for public employer groups in the Commonwealth of Virginia.

The GLI Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program. Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest. Members are also eligible to elect additional coverage for themselves as well as spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the Group Life Insurance Program OPEB.

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans (continued)

a. *Plan descriptions (continued)*

(i) Group Life Insurance (GLI) plan (continued)

The benefits payable under the GLI Program have several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include accidental dismemberment benefits, safety belt benefits, repatriation benefits, felonious assault benefits and accelerated death benefit options. The benefit amounts provided to members covered under the GLI Program are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. The minimum benefit was set at \$8,000 by statute. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment and is currently \$8,722. For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the GLI Program.

(ii) Virginia Local Disability Program (VLDP) plan

All full-time, salaried general employees; including local law enforcement officers, firefighters, or emergency medical technicians of political subdivisions who do not provide enhanced hazardous duty benefits; who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VLDP. This plan is administered by the VRS, along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. Political subdivisions are required by Title 51.1 of the Code of Virginia, as amended to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the VLDP.

The VLDP was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits.

Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. Eligibility includes full-time general employees; including local law enforcement officers, firefighters, or emergency medical technicians who do not have enhanced hazardous duty benefits; of public political subdivisions covered under VRS.

The VLDP provides a short-term disability benefit beginning after a seven-calendar-day waiting period from the first day of disability. Employees become eligible for non-work-related short-term disability coverage after one year of continuous participation in VLDP with their current employer. During the first five years of continuous participation in VLDP with their current employer, employees are eligible for 60% of their pre-disability income if they go out on non-work-related or work-related disability. Once the eligibility period is satisfied, employees are eligible for higher income replacement levels.

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans (continued)

a. *Plan descriptions (continued)*

(ii) Virginia Local Disability Program (VLDP) plan (continued)

The VLDP program provides a long-term disability benefit beginning after 125 workdays of short-term disability. Members are eligible if they are unable to work at all or are working fewer than 20 hours per week. Members approved for long-term disability will receive 60% of their pre-disability income. If approved for work-related long-term disability, the VLDP benefit will be offset by the workers' compensation benefit. Members will not receive a VLDP benefit if their workers' compensation benefit is greater than the VLDP benefit.

b. *Contributions*

The contribution requirements for the GLI Program are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Program was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%).

Employers may elect to pay all or part of the employee contribution; however the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Program from the Authority were \$164,349 for the year ended June 30, 2022.

The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2022 was 0.83% of covered employee compensation for employees in the VLDP. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the Authority to the VLDP were \$31,615 for the year ended June 30, 2022.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans (continued)

c. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the OPEB

At June 30, 2022, the Authority reported a liability of \$744,551 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2021 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation as of that date. The Authority's proportion of the Net GLI OPEB Liability was based on the Authority's actuarially determined employer contributions to the GLI Program for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the Authority's proportion was 0.06395% as compared to 0.06892% at June 30, 2020.

For the year ended June 30, 2022, the Authority recognized GLI OPEB expense of \$12,941. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, the Authority reported a liability of (\$9,234) for its proportionate share of the VLDP Net OPEB Liability. The Net VLDP OPEB Liability was measured as of June 30, 2021 and the total VLDP OPEB liability used to calculate the Net VLDP OPEB Liability was determined by an actuarial valuation as of that date. The Authority's proportion of the Net VLDP OPEB Liability was based on the Authority's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the Authority's proportion of the VLDP was .91229% as compared to 1.04281% at June 30, 2020.

For the year ended June 30, 2022, the Authority recognized VLDP OPEB expense of \$24,888. Since there was a change in proportionate share between June 30, 2020 and June 30, 2021 a portion of the VLDP Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to the GLI and VLDP OPEB plans from the following sources:

	Deferred outflows of <u>resources</u>	Deferred inflows of <u>resources</u>
Differences between expected and actual experience	\$ 90,405	\$ 19,509
Net difference between projected and actual earnings on OPEB plan investments	-	182,861
Investment experience	-	-
Change in assumptions	50,736	91,042
Changes in proportion	9,449	102,264
Employer contributions subsequent to the measurement date	-	-
Total as of June 30, 2021	<u>\$ 150,590</u>	<u>\$ 395,676</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans (continued)

c. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the OPEB (continued)

\$- reported as deferred outflows of resources related to the GLI and VLDP OPEB resulting from the Authority's contributions subsequent to the measurement date of June 30, 2020, will be recognized as a reduction of the Net OPEB Liability in the Fiscal Year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plans will be recognized in the Authority's OPEB expense in future reporting periods as follows:

2023	\$ (56,786)
2024	(52,091)
2025	(53,449)
2026	(76,969)
2027	(24,845)
Thereafter	(3,655)
	<u>\$ (267,795)</u>

d. Actuarial Assumptions

The total GLI Program and VLDP OPEB liabilities were based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, long-term expected rate of return and discount rate consistent with the Defined Pension Plan applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75.
Withdrawal Rates	Adjusted rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 25%

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

13. Other Postemployment Benefit Plans - Virginia Retirement System Plans (continued)

e. VRS Net OPEB Liability

The net OPEB liability represents the VRS's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2021, net OPEB liability amounts are as follows (dollar amounts in thousands):

	GLI	VLDP
Total VRS OPEB liability	\$3,577,344	5,155
Plan fiduciary net position	(2,413,074)	(6,168)
Employers' net VRS OPEB liability	\$1,164,270	(1,013)
Plan fiduciary net position as a percentage of the total OPEB liability	67.45%	119.64%

The total OPEB liability is calculated by VRS' actuary, and each plan's fiduciary net position is reported in the VRS' financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS' notes to the financial statements and required supplementary information.

f. Sensitivity of the Authority's Proportionate Share of the GLI Program and VLDP Net OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net OPEB liability using the current discount rates, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current discount rate (6.75%)	1% Increase (7.75%)
The Authority's proportionate share of the GLI Net OPEB Liability \$	1,087,817	744,551	467,349
The Authority's proportionate share of the VLDP Net OPEB Liability	(4,946)	(9,234)	(12,953)

g. GLI and VLDP Program Fiduciary Net Position

Detailed information about the GLI and VLDP Fiduciary Net Position is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (ACFR). A copy of the 2020 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

14. Leases

The Authority owns a commercial building which houses its office space and also has commercial leases with third parties. The lease terms consist of a base rent plus a charge for common area maintenance. All leases are for office space located at 555 E. Main Street, Norfolk, VA. Deferred inflows related to these leases at June 30, 2022 amounted to \$2,830,882. Leases receivable at June 30, 2022 amounted to \$5,096,297 and is included in other assets on the Statement of Net Position. Leases receivable balances and activity for the year ended June 30, 2022 were as follows:

<u>Lease</u>	<u>Leases Receivable</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Capital Financial Group	\$ 149,261	\$ 21,800	\$ 8,284
Patrick Thrasher, M.D., PC	66,174	16,776	3,725
W.M. Stone Logistics, LLC	200,829	19,702	5,935
PNC Bank	2,441,238	103,199	124,875
Peninsula Child & Family Services	200,075	29,478	7,134
IAT International Inc.	156,447	47,811	9,913
Law office of Eric Korslund	121,335	28,260	6,999
Law office of J.D. LeCruise	72,035	26,950	4,314
Kalbaugh, Pfund & Messersmith, PC	396,603	48,017	21,747
James R. Theurer, PLLC	123,938	22,640	6,170
Tavss, Fltcher, Maiden & Reed	1,001,697	44,023	52,355
B. Cullen Gibson	85,525	17,785	4,938
Virginia Stage Company	81,140	16,064	1,881
Totals	<u>\$ 5,096,297</u>	<u>\$ 442,505</u>	<u>\$ 258,270</u>

Capital Financial Group - On November 1, 2008, the Authority entered into a lease agreement including options with monthly payments through June 30, 2026 with Capital Financial Group.

Patrick Thrasher, M.D., PC - On February 1, 2020, the Authority entered into a lease agreement with monthly payments through January 31, 2026, with Patrick Thrasher.

W.M. Stone Logistics, LLC - On December 1, 2021, the Authority entered into a lease agreement with monthly payments through December 31, 2027, with W.M. Stone Logistics, LLC.

PNC Bank - On September 1, 2004, the Authority entered into a lease agreement including options with monthly payments through November 30, 2034, with PNC Bank.

Peninsula Child & Family Services - On November 15, 2021, the Authority entered into a lease agreement with monthly payments through November 15, 2026, with Peninsula Child & Family Services.

IAT International Inc. - On November 1, 2005, the Authority entered into a lease agreement including options with monthly payments through April 30, 2024, with IAT International Inc..

Law office of Eric Korslund - On June 1, 2013, the Authority entered into a lease agreement including options with monthly payments through June 30, 2025, with the Law office of Eric Korslund.

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

14. Leases (continued)

Law office of J.D. LeCruise - On December 1, 2019, the Authority entered into a lease agreement with monthly payments through November 30, 2024, with the Law office of J.D. LeCruise.

Kalbaugh, Pfund & Messersmith, PC - On January 1, 2007, the Authority entered into a lease agreement including options with monthly payments through December 31, 2026, with Kalbaugh, Pfund & Messersmith, PC.

James R. Theurer, PLLC - On May 1, 2016, the Authority entered into a lease agreement including options with monthly payments through April 30, 2026, with James R. Theurer, PLLC.

Tavss, Fltcher, Maiden & Reed - On June 1, 1995, the Authority entered into a lease agreement including options with monthly payments through May 31, 2030, with Tavss, Fltcher, Maiden & Reed.

B. Cullen Gibson - On September 1, 2008, the Authority entered into a lease agreement including options with monthly payments through May 31, 2025, with B. Cullen Gibson.

Virginia Stage Company - On February 1, 2022, the Authority entered into a lease agreement with monthly payments through July 31, 2024, with Virginia Stage Company.

Minimum future lease payments which include principal and interest due to the Authority under the lease agreements are as follows:

Year ending June 30	
2023	\$ 878,886
2024	886,733
2025	772,851
2026	685,308
2027	527,117
2028-2032	1,887,695
2033-2035	<u>730,669</u>
	<u>\$ 6,369,259</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

15. Blended Component Units

Certain component units are blended with the primary government in the Authority's Basic Financial Statements. None of these component units are considered to be major, and therefore, the following condensed combining information is presented in aggregate of all blended component units.

Condensed Summary of Fund Net Position - Blended Component Units

June 30, 2022

Current assets	\$ 4,857,327
Capital assets	18,583,668
Other assets	7,545,116
Deferred outflow of resources	<u>21,563</u>
Total Assets and Deferred outflows of resources	<u>\$ 31,007,674</u>
Current liabilities	\$ 594,818
Noncurrent liabilities	<u>18,843,952</u>
Total Liabilities	<u>19,438,770</u>
Deferred Inflows of resources	<u>2,943,130</u>
Net investment in capital assets	(404,181)
Restricted net position	1,550,619
Unrestricted net position	<u>7,479,336</u>
Total net position	<u>8,625,774</u>
Total Liabilities, Deferred inflows of resources and equity	<u>\$ 31,007,674</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

15. Blended Component Units (continued)

**Condensed Summary of Revenues, Expenses, and Changes in Fund Net Position -
Blended Component Units
June 30, 2022**

Tenant revenue	\$ 1,391,010
Government operating grants	141,185
Other revenue, net	<u>1,718,463</u>
Total Revenue	<u>3,250,658</u>
Administrative	424,580
Asset management fee	16,920
Tenant services	17,180
Utilities	581,156
Maintenance	915,360
Protective services	365,682
Insurance	179,807
Other general expenses	1,825,559
Interest	<u>524,273</u>
Total operating expenses	<u>4,850,517</u>
Operating loss	(1,599,859)
Extraordinary maintenance	89,193
Depreciation expense	<u>740,555</u>
Operating transfers	<u>(1,149,160)</u>
Change in fund net position	(1,280,447)
Total fund net position - beginning	7,582,031
Equity transfers	<u>2,324,190</u>
Total fund net position - ending	<u>\$ 8,625,774</u>

16. Restricted Net Position

The restricted net position as of June 30, 2022 was as follows:

Business Activities	\$ 2,269,733
Low Income Public Housing	\$ 612,043
Housing Choice Vouchers	729,815
Emergency Housing Voucher Program	239,769
State / Local Projects	8,692,560
Urban Renewal Program	282,292
Central Office Cost Center	39,515
Blended Component Units	<u>3,235,613</u>
Total	<u>\$ 16,101,340</u>

Norfolk Redevelopment and Housing Authority

Notes to Financial Statements (continued)

17. Grants

During the fiscal year ended June 30, 2022, the Authority did not close out any grants.

The following schedule summarizes the grants closed during 2022:

<u>Grant Number</u>	<u>Expenditures prior to fiscal 2022</u>	<u>Expenditures for fiscal year 2022</u>	<u>Total Expenditures</u>
Capital Fund:			
VA36P006501-11	\$ 5,532,479	-	5,532,479
VA36P006501-12	4,903,853	-	4,903,853
VA36P006501-13	364,947	-	364,947
VA36R006502-09	348,748	-	348,748
VA36R006502-10	364,217	-	364,217
VA36R006502-11	591,197	-	591,197
	<u>12,105,441</u>	<u>-</u>	<u>12,105,441</u>
Choice Neighborhood Initiative Program:			
VA36P006501-11	246,817	-	246,817
	<u>\$ 12,352,258</u>	<u>-</u>	<u>12,352,258</u>

18. Uncertain Tax Positions

The Authority had no unrecognized tax benefits at June 30, 2022. The Authority files tax returns in the U.S. federal jurisdiction and various states. The Authority has no open years prior to June 30, 2019.

19. Risk and Contingencies

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Therefore, it is uncertain as to the full magnitude that the pandemic will have on the Authority's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity and operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Authority is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial conditions, or liquidity for the year ended June 30, 2022.

20. Subsequent Events

Management has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through March 28, 2023, the date the financial statements were available to be issued.



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
Norfolk 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Norfolk Redevelopment and Housing Authority, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise of the Norfolk Redevelopment and Housing Authority basic financial statements, and have issued our report thereon dated June 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Norfolk 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 Norfolk Redevelopment and Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Norfolk Redevelopment and Housing 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.

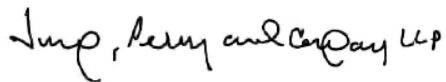
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Norfolk Redevelopment and Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

A handwritten signature in black ink that reads "J. Murphy and Company, LLP". The signature is written in a cursive, flowing style.

Toms River, New Jersey
March 28, 2023



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
Norfolk Redevelopment and Housing Authority:

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

We have audited Norfolk 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 Norfolk Redevelopment and Housing Authority's (the "Authority") major federal programs for the year ended June 30, 2022. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion Norfolk Redevelopment and Housing Authority (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 June 30, 2022.

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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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 Norfolk Redevelopment and Housing 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.

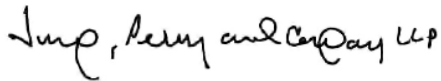
Report on Internal Control Over Compliance

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.

A handwritten signature in cursive script that reads "J. Perry and Company, LLP".

Toms River, New Jersey
March 28, 2023

Norfolk Redevelopment and Housing Authority

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2022

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:		
Direct Awards:		
Public Housing	14.850	\$ 14,569,966
Emergency Housing Vouchers	14.871	281,951
Housing Choice Vouchers	14.871	40,372,359
Mainstream	14.879	<u>158,466</u>
Total Cluster		40,812,776
PIH Family Self-Sufficiency Program	14.896	329,092
Resident Opportunity and Support Services	14.870	<u>176,924</u>
Total Cluster		506,016
Section 8 New Construction and Substantial Rehabilitation	14.182	199,438
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	<u>372,866</u>
Total Cluster		572,304
Public Housing Capital Fund Program	14.872	5,771,055
Choice Neighborhoods Implementation Grants	14.889	3,787,298
Pass-through from City of Norfolk:		
Community Development Block Grant	14.218	<u>586,586</u>
		<u>\$ 66,606,001</u>

Norfolk Redevelopment and Housing Authority

Notes to Schedule of Federal Awards

June 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Norfolk Redevelopment and Housing Authority and is 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 June 30, 2022, 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.

Norfolk Redevelopment and Housing Authority

Schedule of Findings and Questioned Costs

June 30, 2022

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: | |
| | Low Rent Public Housing | Unmodified |
| | Public Housing Capital Fund | 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 | \$1,998,180 |
| 5. | Auditee qualified as low risk? | Yes |
| 6. | <u>Major Programs:</u> | |

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

Norfolk Redevelopment and Housing Authority
Schedule of Findings and Questioned Costs (continued)
June 30, 2022

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

None

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

June 30, 2022

IV. Summary of Prior Audit Findings and Questioned Costs

Findings and Questioned Costs related to Federal Awards:

Finding No. 2021-001: Eligibility CFDA 14.871

Condition: This finding was a significant deficiency stating that tenant's annual income was not calculated in accordance with the relevant program requirements.

Recommendation: The auditor recommended the Authority strengthen controls over its review processes regarding tenant eligibility and rent determinations, including that the correct information is used to determine rent amounts. A secondary review procedure of annual recertifications for tenant files was also recommended.

Current Status: The finding was not corrected during the year ending June 30, 2022.

Norfolk Redevelopment and Housing Authority

Schedule of Findings and Questioned Costs (continued)

June 30, 2022

IV. Summary of Prior Audit Findings and Questioned Costs

Findings and Questioned Costs related to Federal Awards:

Finding No. 2021-001: Eligibility CFDA 14.871

Corrective action plan:

On the first Friday of each month, the Housing Choice Voucher Program staff meets to discuss program policies and procedures for training purposes. During these meetings specific aspects of administering the program are reviewed, along with the related HUD policies. Staff members are given the opportunity to ask any questions on procedures or policies they may not understand. During many meetings, activities from the Nan McKay Rent Calculation training are passed out to staff to complete individually. After staff completes the activity, the answers are reviewed as a group. Staff also answers questions regarding various case studies that may occur in the daily activities of administering the HCV Program. We also have NRHA's Compliance staff provide training to review common errors and to discuss any areas staff may have that are gray with audited files. Staff has also gone through an intensive training on the common errors per NRHA's Compliance Department.

Quarterly Quality Control trainings are held with caseworkers lead by the NRHA Compliance Department to address concerns and common errors. The Admission and Continued Occupancy Policies (ACOP) and Administrative Plan policies and procedures are reviewed to ensure that all staff has a clear understanding of the proper ways of calculating income, applying allowances, using proper payment standards, and approvals of lease ups and completion of certifications.

A departmental quality control team was established to ensure there is consistency of policies and procedures and that when new procedures are implemented the processes are properly documented and disseminated to all staff.

A departmental quality control sub-team was formed after the audit to include the actual custodians of program participant files comprised of:

- 1 Tax Credit PBV Property Manager
- 1 LIPH Property Manager
- 1 Compliance Specialist
- 1 Occupancy Specialist
- 1 Senior HCV Specialist
- 1 Tax Credit Administrative Assistant

NRHA Caseworkers and Administrative Staff have been instructed to triple check all certifications for accuracy to mitigate the possibility for careless errors. The NRHA Compliance Department continues to audit files for the HCV Program to ensure that files are being processed properly; income calculated correctly, verifications are in the file, HAP payments issued are correct, and that units are inspected timely. Findings are noted and must be corrected by the Case Worker or Administrative Staff and the file is re-evaluated by the Compliance Department to ensure findings were corrected.

NRHA will continue to investigate the possibility of increasing the number of program participant files reviewed by the Compliance Department.

Supplementary Information

Norfolk Redevelopment and Housing Authority

Schedule of Changes in Authority's Net Pension Liability and Related Ratios

For the Year Ended June 30, 2022
(Unaudited)

*For the measurement years ended June 30,

Change in the Net Pension Liability	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 1,254,202	\$ 1,291,085	\$ 1,198,522	\$ 1,231,648	1,249,467	1,278,158	1,340,253	1,427,541
Interest	6,678,676	6,603,021	6,579,077	6,476,369	6,595,203	6,522,549	6,529,011	6,395,438
Benefit changes	3,847,062	-	2,418,983	-	-	-	-	-
Difference between actual and expected experience	(548,453)	(100,235)	156,706	224,971	(3,402,034)	(796,693)	(2,014,395)	-
Assumption changes	-	-	-	-	50,823	-	-	-
Benefit payments, including refunds of contributions	<u>(6,841,734)</u>	<u>(6,504,367)</u>	<u>(6,530,791)</u>	<u>(6,400,663)</u>	<u>(5,981,509)</u>	<u>(5,950,690)</u>	<u>(5,943,678)</u>	<u>(5,885,924)</u>
Net change in total pension liability	4,389,753	1,289,504	3,822,497	1,532,325	(1,488,050)	1,053,324	(88,809)	1,937,055
Total pension liability - beginning	<u>102,364,215</u>	<u>101,074,711</u>	<u>97,252,214</u>	<u>95,719,889</u>	<u>97,207,939</u>	<u>96,154,615</u>	<u>96,243,424</u>	<u>94,306,369</u>
Total pension liability - ending	<u>106,753,968</u>	<u>102,364,215</u>	<u>101,074,711</u>	<u>97,252,214</u>	<u>95,719,889</u>	<u>97,207,939</u>	<u>96,154,615</u>	<u>96,243,424</u>
Plan fiduciary net position:								
Contributions - employer	1,320,284	1,248,740	1,262,481	1,666,860	1,646,508	1,875,845	1,857,568	1,722,710
Contributions - members	622,161	671,796	658,066	667,139	656,733	626,173	624,579	654,326
Net investment income	22,350,764	1,636,679	5,534,344	6,107,862	9,331,928	1,312,520	3,594,684	11,213,353
Benefit payments including refunds of contributions	(6,841,734)	(6,504,367)	(6,530,791)	(6,400,663)	(5,981,509)	(5,950,690)	(5,943,678)	(5,885,924)
Administrative expense	(58,820)	(58,430)	(58,371)	(54,990)	(56,368)	(51,265)	(51,962)	(62,862)
Other	<u>2,077</u>	<u>(1,890)</u>	<u>(3,466)</u>	<u>(5,334)</u>	<u>(8,206)</u>	<u>(575)</u>	<u>(750)</u>	<u>592</u>
Net change in plan fiduciary net position	17,394,732	(2,971,472)	862,263	1,980,874	5,589,086	(2,187,992)	80,441	7,642,195
Plan fiduciary net position - beginning	<u>83,826,671</u>	<u>86,798,143</u>	<u>85,935,880</u>	<u>83,955,006</u>	<u>78,365,920</u>	<u>80,553,912</u>	<u>80,473,471</u>	<u>72,831,276</u>
Plan fiduciary net position - ending	<u>101,221,403</u>	<u>83,826,671</u>	<u>86,798,143</u>	<u>85,935,880</u>	<u>83,955,006</u>	<u>78,365,920</u>	<u>80,553,912</u>	<u>80,473,471</u>
Net pension liability - ending	<u>\$ 5,532,565</u>	<u>\$ 18,537,544</u>	<u>\$ 14,276,568</u>	<u>\$ 11,316,334</u>	<u>\$ 11,764,883</u>	<u>\$ 18,842,019</u>	<u>\$ 15,600,703</u>	<u>\$ 15,769,953</u>
Plan fiduciary net position as a percentage of the total pension liability	94.82 %	81.89 %	85.88 %	88.36 %	87.71 %	80.62 %	83.78 %	83.61 %
Covered payroll	13,524,339	13,965,890	13,472,140	13,506,904	13,800,789	12,852,153	12,541,560	12,849,410
Net pension liability as a percentage of covered payroll	40.91 %	132.73 %	105.97 %	83.78 %	85.25 %	146.61 %	124.39 %	122.73 %

Norfolk Redevelopment and Housing Authority

Employer Contribution Schedule

For the Year Ended June 30, 2022
(Unaudited)

Year Ended <u>June 30</u>	Actuarially determined contribution <u>(a)</u>	Contributions in relation to actuarially determined contribution <u>(b)</u>	Contribution deficiency (Excess) <u>(c)</u>	Employer's covered employee payroll <u>(d)</u>	Contributions as a % of covered employee payroll <u>(b)/(d)</u>
2022	1,320,284	1,320,284	-	13,533,058	9.76 %
2021	1,386,741	1,386,741	-	13,524,339	10.25 %
2020	1,340,196	1,340,196	-	13,965,890	9.60 %
2019	1,262,589	1,262,589	-	13,472,140	9.37 %
2018	1,666,752	1,666,752	-	13,506,904	12.34 %
2017	1,646,508	1,646,508	-	13,800,789	11.93 %
2016	1,875,845	1,875,845	-	12,852,153	14.60 %
2015	1,858,138	1,858,138	-	12,541,560	14.82 %
2014	1,722,710	1,722,710	-	12,849,410	13.41 %

Norfolk Redevelopment and Housing Authority

Schedule of Changes in Total OPEB Liability

For the Year Ended June 30, 2022
(Unaudited)

Year Ended <u>June 30</u>	<u>Program</u>	Contractually required contribution <u>(a)</u>	Contractually required contributions <u>(b)</u>	Contractually deficiency (excess) <u>(c)</u>	Employer's covered Payroll <u>(d)</u>	As a percentage of covered payroll <u>(b)/(d)</u>
2021	GLI	71,495	71,495	-	13,239,815	0.54 %
2021	VLDP	30,448	30,448	-	3,582,118	0.85 %
2020	GLI	73,759	73,759	-	14,184,337	0.52 %
2020	VLDP	26,174	26,174	-	3,635,282	0.72 %
2019	GLI	180,948	180,948	-	13,801,027	1.31 %
2019	VLDP	23,202	23,202	-	3,222,482	0.72 %
2018	GLI	181,131	181,131	-	13,826,767	1.31 %
2018	VLDP	16,604	16,604	-	2,767,340	0.60 %
2017	GLI	70,517	70,517	-	13,560,912	0.52 %
2017	VLDP	13,235	13,235	-	2,205,898	0.60 %

Norfolk Redevelopment and Housing Authority

Schedule of Changes in Total OPEB Liability

For the Year Ended June 30, 2022
(Unaudited)

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<u>GLI Plan:</u>					
Authority's proportion of the net GLI OPEB liability	0.06395 %	0.06892 %	0.07040 %	0.07271 %	0.07352 %
Authority's proportionate share of net GLI OPEB liability	744,551	1,150,162	1,145,596	1,104,000	1,106,000
Employer's covered payroll	13,239,815	14,184,337	13,801,027	13,826,767	13,560,912
Employer's proportionate share of the net GLI OPEB liability as a percentage of payroll	5.62 %	8.11 %	8.30 %	7.98 %	8.16 %
Plan fiduciary net position as a percentage of the total GLI OPEB liability	67.45 %	52.64 %	67.45 %	51.22 %	48.86 %
<u>VLDP:</u>					
Authority's proportion of the net VLDP OPEB liability	0.91221 %	0.97561 %	1.04281 %	1.13973 %	1.20128 %
Authority's proportionate share of net VLDP OPEB liability	(9,234)	9,739	21,125	9,000	7,000
Employer's covered payroll	3,582,118	3,635,282	3,222,482	2,767,340	2,205,898
Employer's proportionate share of the net VLDP OPEB liability as a percentage of payroll	(0.26)%	0.27 %	0.66 %	0.33 %	0.32 %
Plan fiduciary net position as a percentage of the total VLDP OPEB liability	119.64 %	49.21 %	49.21 %	51.39 %	38.40 %

* The Authority's net OPEB liability related to its participation in the VRS GLI and VLDP OPEB plans as of June 30, 2022 is measured as of June 30, 2021.

Norfolk Redevelopment and Housing Authority

Schedule of Changes in Total OPEB Liability

For the Year Ended June 30, 2022
(Unaudited)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
<u>PHBP Total OPEB liability:</u>					
Service cost	152,773	171,750	169,023	163,307	56,067
Interest	84,908	54,662	100,339	93,809	95,497
Differences between expected and actual experience	(300,829)	(389,212)	-	(40,100)	-
Changes in assumptions or other inputs	-	(151,854)	-	(7,304)	-
Benefit payments	<u>(58,206)</u>	<u>(57,161)</u>	<u>(71,775)</u>	<u>(69,348)</u>	<u>(235,412)</u>
Net changes in total OPEB liability	(121,354)	(371,815)	197,587	140,364	(83,848)
PHBP Total OPEB liability - beginning	<u>2,728,474</u>	<u>3,100,289</u>	<u>2,902,702</u>	<u>2,762,338</u>	<u>2,846,186</u>
PHBP Total OPEB liability - ending (a)	<u>2,607,120</u>	<u>2,728,474</u>	<u>3,100,289</u>	<u>2,902,702</u>	<u>2,762,338</u>
Covered-employee payroll (b)	11,161,797	10,836,696	14,058,138	13,801,027	13,826,767
Authority's total OPEB liability as a percentage of covered-employee payroll ((a)/(b))	23.36%	25.18%	22.05%	21.03%	19.98%

Norfolk Redevelopment and Housing Authority

Notes to Required Supplementary Information

For the Year Ended June 30, 2022
(Unaudited)

1. Changes in Benefit Terms

There have been no actuarially material changes to the VRS benefit provisions since the prior actuarial valuation.

2. Changes in Assumptions

The following changes in pension and GLI Program and VLDP OPEB actuarial assumptions were made effective June 30, 2019 based on the most recent experience study of the System for the four-year period ending June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019.

- Mortality Rates were updated to a more current mortality table - RP-2014 projected to 2020;
- Retirement Rates were lowered at older ages and changed final retirement from 70 to 75;
- Withdrawal Rates were adjusted to better fit experience at each year age and service through 9 years of service;
- Line of Duty Disability Rates were increased;
- Disability Rates were lowered;

There were no changes to the PHBP OPEB actuarial assumptions.

3. Years Presented in Schedules

The Schedule of Changes in the Authority's Net Pension Liability and Related Ratios and the Schedule of Employer Contributions to Defined Benefit Pension Plan are required to be presented for the last ten fiscal years. However, the Authority has only presented the information since the beginning of fiscal year 2015, as 2015 was the year of implementation.

The Schedule of Authority's Share of VRS Net OPEB Liability, Schedule of the Changes in PHBP Total OPEB Liability and Related Ratios, and the Schedule of VRS OPEB Plan Employer Contributions are required to be presented for the last ten fiscal years. However, the Authority has only presented the information since the beginning of fiscal year 2019, as 2019 was the year of implementation.

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$8,989,885				\$3,214,964
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$874,870				\$4,339,460
114 Cash - Tenant Security Deposits	\$332,278				\$259,705
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$10,197,033	\$0	\$0	\$0	\$7,814,129
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$441,797				
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$5,969				\$55,144
126 Accounts Receivable - Tenants	\$443,208				\$542,660
126.1 Allowance for Doubtful Accounts -Tenants	-\$151,053				-\$5,163
126.2 Allowance for Doubtful Accounts - Other	\$0				\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					\$48,205
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$739,921	\$0	\$0	\$0	\$640,846
131 Investments - Unrestricted					\$7,846,979
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$211,273
143 Inventories	\$167,112				\$55,797

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
143.1 Allowance for Obsolete Inventories	\$0				\$0
144 Inter Program Due From	\$0				
145 Assets Held for Sale			\$946,430		
150 Total Current Assets	\$11,104,066	\$0	\$946,430	\$0	\$16,569,024
161 Land	\$7,769,019				\$10,967,469
162 Buildings	\$90,027,374				\$101,096,236
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	\$1,137,626				\$1,763,326
165 Leasehold Improvements	\$55,140,840				\$6,843,189
166 Accumulated Depreciation	-\$131,162,748				-\$24,020,096
167 Construction in Progress	\$25,824,529				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$48,736,640	\$0	\$0	\$0	\$96,650,124
171 Notes, Loans and Mortgages Receivable - Non-Current	\$33,980,968				\$890,000
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$0				\$213,932
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$82,717,608	\$0	\$0	\$0	\$97,754,056
200 Deferred Outflow of Resources	\$450,537		\$6,507		\$0
290 Total Assets and Deferred Outflow of Resources	\$94,272,211	\$0	\$952,937	\$0	\$114,323,080

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$1,485,118		\$13,250		\$191,545
313 Accounts Payable >90 Days Past Due					\$12,498
321 Accrued Wage/Payroll Taxes Payable					\$7,364
322 Accrued Compensated Absences - Current Portion	\$20,525				
324 Accrued Contingency Liability					
325 Accrued Interest Payable					\$114,967
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$81,027				\$168,186
341 Tenant Security Deposits	\$332,278				\$259,705
342 Unearned Revenue	\$115,550				\$123,468
343 Current Portion of Long-term Debt - Capital					\$486,191
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$5,536		\$500		\$64,875
346 Accrued Liabilities - Other	\$730,099				\$2,412,929
347 Inter Program - Due To	\$60,778		\$164,276		
348 Loan Liability - Current					
310 Total Current Liabilities	\$2,830,911	\$0	\$178,026	\$0	\$3,841,728
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					\$88,094,773
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$209,582				\$5,276,606
354 Accrued Compensated Absences - Non Current	\$216,913				
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

Norfolk Redevelopment & Housing Authority (VA006)
NORFOLK, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
357 Accrued Pension and OPEB Liabilities	\$1,753,574		\$25,325		
350 Total Non-Current Liabilities	\$2,180,069	\$0	\$25,325	\$0	\$93,371,379
300 Total Liabilities	\$5,010,980	\$0	\$203,351	\$0	\$97,213,107
400 Deferred Inflow of Resources	\$2,345,430		\$33,872		
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$48,736,641				\$8,069,160
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$612,043				\$4,339,460
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$37,567,117	\$0	\$715,714	\$0	\$4,701,353
513 Total Equity - Net Assets / Position	\$86,915,801	\$0	\$715,714	\$0	\$17,109,973
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$94,272,211	\$0	\$952,937	\$0	\$114,323,080

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue	\$6,183,647				\$10,448,905
70400 Tenant Revenue - Other	\$115,844				\$22,601
70500 Total Tenant Revenue	\$6,299,491	\$0	\$0	\$0	\$10,471,506
70600 HUD PHA Operating Grants	\$15,771,992		\$586,586		
70610 Capital Grants	\$4,569,029				
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					
71100 Investment Income - Unrestricted	\$125				\$830,391
71200 Mortgage Interest Income	\$889,009				\$19,990
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$57,655				\$2,670,380
71600 Gain or Loss on Sale of Capital Assets	\$365,812				
72000 Investment Income - Restricted					
70000 Total Revenue	\$27,953,113	\$0	\$586,586	\$0	\$13,992,267
91100 Administrative Salaries	\$939,605		\$45,949		\$1,313,256

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
91200 Auditing Fees	\$15,583				\$21,150
91300 Management Fee	\$1,781,360		\$26,948		
91310 Book-keeping Fee	\$173,779				
91400 Advertising and Marketing	\$1,020				
91500 Employee Benefit contributions - Administrative	\$514,078		\$23,211		\$494,723
91600 Office Expenses	\$475,074		\$21		\$1,299,982
91700 Legal Expense	\$78,297				\$97,842
91800 Travel					\$37,905
91810 Allocated Overhead					
91900 Other	\$119,370		\$69,067		\$464,714
91000 Total Operating - Administrative	\$4,098,166	\$0	\$165,196	\$0	\$3,729,572
92000 Asset Management Fee	\$258,510				
92100 Tenant Services - Salaries	\$303,854				\$67,105
92200 Relocation Costs	\$305,265				\$1,829
92300 Employee Benefit Contributions - Tenant Services	-\$8,422				
92400 Tenant Services - Other	\$44,648		\$415,904		\$16,961
92500 Total Tenant Services	\$645,345	\$0	\$415,904	\$0	\$85,895
93100 Water	\$4,132,205				\$972,847
93200 Electricity	\$1,396,037				\$618,987
93300 Gas	\$570,898				\$75,220
93400 Fuel					
93500 Labor					
93600 Sewer	\$2,075,751				\$408,563
93700 Employee Benefit Contributions - Utilities					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
93800 Other Utilities Expense	\$332,625				\$37,105
93000 Total Utilities	\$8,507,516	\$0	\$0	\$0	\$2,112,722
94100 Ordinary Maintenance and Operations - Labor	\$1,683,348				\$447,443
94200 Ordinary Maintenance and Operations - Materials and	\$364,027				\$105,686
94300 Ordinary Maintenance and Operations Contracts	\$4,020,733				\$1,312,669
94500 Employee Benefit Contributions - Ordinary Maintenance	\$43,407				
94000 Total Maintenance	\$6,111,515	\$0	\$0	\$0	\$1,865,798
95100 Protective Services - Labor	\$156,544				
95200 Protective Services - Other Contract Costs	\$716,406				\$190,701
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services	-\$25,899				
95000 Total Protective Services	\$847,051	\$0	\$0	\$0	\$190,701
96110 Property Insurance	\$285,293				\$381,112
96120 Liability Insurance	\$139,775				\$57,287
96130 Workmen's Compensation					
96140 All Other Insurance	\$774				\$72,290
96100 Total insurance Premiums	\$425,842	\$0	\$0	\$0	\$510,689
96200 Other General Expenses	\$24,780				\$16,910
96210 Compensated Absences	\$32,743				
96300 Payments in Lieu of Taxes	\$81,661				\$349,051
96400 Bad debt - Tenant Rents	\$56,432				
96500 Bad debt - Mortgages					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$195,616	\$0	\$0	\$0	\$365,961
96710 Interest of Mortgage (or Bonds) Payable					\$3,007,710
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					\$43,448
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$3,051,158
96900 Total Operating Expenses	\$21,089,561	\$0	\$581,100	\$0	\$11,912,496
97000 Excess of Operating Revenue over Operating Expenses	\$6,863,552	\$0	\$5,486	\$0	\$2,079,771
97100 Extraordinary Maintenance	\$745,357				\$42,952
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$3,476,193				\$3,416,258
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$25,311,111	\$0	\$581,100	\$0	\$15,371,706
10010 Operating Transfer In					
10020 Operating transfer Out					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
10030 Operating Transfers from/to Primary Government	\$0				
10040 Operating Transfers from/to Component Unit	-\$1,149,160				
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					\$5,223,436
10091 Inter Project Excess Cash Transfer In	\$905,257				
10092 Inter Project Excess Cash Transfer Out	-\$905,257				
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	-\$1,149,160	\$0	\$0	\$0	\$5,223,436
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$1,492,842	\$0	\$5,486	\$0	\$3,843,997
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$401,991
11030 Beginning Equity	\$85,422,959	\$0	\$710,228	\$0	\$13,265,976
11040 Prior Period Adjustments, Equity Transfers and	\$0				
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	25719	0	0	0	0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.218 Community Development Block Grants/Entitlement Grants	14.MSC Mainstream CARES Act Funding	6.1 Component Unit - Discretely Presented
11210 Number of Unit Months Leased	23068	0	0	0	0
11270 Excess Cash	\$5,528,475				
11610 Land Purchases	\$0				
11620 Building Purchases	\$3,688,796				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
111 Cash - Unrestricted	\$1,276,489			\$1,498,233	\$14,497,947
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$3,235,613				\$2,269,733
114 Cash - Tenant Security Deposits	\$51,510			\$30,949	\$280,366
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$4,563,612	\$0	\$0	\$1,529,182	\$17,048,046
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$1,902	\$135,053			
124 Accounts Receivable - Other Government					\$765,071
125 Accounts Receivable - Miscellaneous			\$138	\$4,483	
126 Accounts Receivable - Tenants	\$789,309			\$35,480	\$327,265
126.1 Allowance for Doubtful Accounts -Tenants	-\$624,808			\$0	-\$978
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$166,403	\$135,053	\$138	\$39,963	\$1,091,358
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$115,298				\$9,997
143 Inventories	\$12,014				
143.1 Allowance for Obsolete Inventories	\$0				

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
144 Inter Program Due From					\$275,707
145 Assets Held for Sale					
150 Total Current Assets	\$4,857,327	\$135,053	\$138	\$1,569,145	\$18,425,108
161 Land	\$3,631,924			\$54,665	\$2,390,424
162 Buildings	\$19,911,205			\$1,823,235	\$46,344,579
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	\$765,643			\$95,920	\$175,996
165 Leasehold Improvements	\$2,829,463			\$558,110	\$3,835,936
166 Accumulated Depreciation	-\$10,577,282			-\$2,455,784	-\$32,095,730
167 Construction in Progress	\$2,022,715				\$5,189,289
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$18,583,668	\$0	\$0	\$76,146	\$25,840,494
171 Notes, Loans and Mortgages Receivable - Non-Current	\$2,296,983				\$24,497,204
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$5,248,133				
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$26,128,784	\$0	\$0	\$76,146	\$50,337,698
200 Deferred Outflow of Resources	\$21,563			\$17,794	\$152,310
290 Total Assets and Deferred Outflow of Resources	\$31,007,674	\$135,053	\$138	\$1,663,085	\$68,915,116
311 Bank Overdraft					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
312 Accounts Payable <= 90 Days	\$115,166			\$0	\$340,510
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$1,133				
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$26,386			\$21,500	\$244,623
341 Tenant Security Deposits	\$51,510			\$29,288	\$280,366
342 Unearned Revenue	\$102,961			\$34,035	\$421,306
343 Current Portion of Long-term Debt - Capital	\$272,355			\$1	\$460,407
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$654				\$35,882
346 Accrued Liabilities - Other	\$24,653			\$16,068	
347 Inter Program - Due To		\$135,051	\$483		
348 Loan Liability - Current					
310 Total Current Liabilities	\$594,818	\$135,051	\$483	\$100,892	\$1,783,094
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$18,715,494				\$26,380,765
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$32,557				\$12,995,634
354 Accrued Compensated Absences - Non Current	\$11,980				
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$83,921			\$69,259	\$592,819

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
350 Total Non-Current Liabilities	\$18,843,952	\$0	\$0	\$69,259	\$39,969,218
300 Total Liabilities	\$19,438,770	\$135,051	\$483	\$170,151	\$41,752,312
400 Deferred Inflow of Resources	\$2,943,130			\$92,635	\$792,903
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	-\$404,181			\$76,145	-\$1,000,678
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$3,235,613				\$2,269,733
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$5,794,342	\$2	-\$345	\$1,324,154	\$25,100,846
513 Total Equity - Net Assets / Position	\$8,625,774	\$2	-\$345	\$1,400,299	\$26,369,901
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$31,007,674	\$135,053	\$138	\$1,663,085	\$68,915,116

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
70300 Net Tenant Rental Revenue	\$1,368,852			\$482,759	\$9,233,423
70400 Tenant Revenue - Other	\$22,158			\$8,522	\$232,919
70500 Total Tenant Revenue	\$1,391,010	\$0	\$0	\$491,281	\$9,466,342
70600 HUD PHA Operating Grants		\$329,092		\$199,438	
70610 Capital Grants					
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	\$141,185				
71100 Investment Income - Unrestricted	\$261,155			\$4,449	\$3,945
71200 Mortgage Interest Income	\$104,220				\$602,558
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$1,353,088			\$20,161	\$2,069,663
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$3,250,658	\$329,092	\$0	\$715,329	\$12,142,508
91100 Administrative Salaries	\$75,412			\$125,663	\$371,416
91200 Auditing Fees	\$11,265				\$6,615

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
91300 Management Fee	\$208,498			\$41,572	\$343,108
91310 Book-keeping Fee	\$13,809				
91400 Advertising and Marketing				\$5,175	\$133,501
91500 Employee Benefit contributions - Administrative	\$23,608			-\$51,671	\$79,531
91600 Office Expenses	\$40,443	\$8,558	\$345	\$7,919	\$104,219
91700 Legal Expense	\$14,903			\$1,222	\$32,999
91800 Travel					
91810 Allocated Overhead					
91900 Other	\$36,642			\$10,552	\$115,348
91000 Total Operating - Administrative	\$424,580	\$8,558	\$345	\$140,432	\$1,186,737
92000 Asset Management Fee	\$16,920				
92100 Tenant Services - Salaries	\$6,384	\$231,574			\$87,376
92200 Relocation Costs	\$1,475				
92300 Employee Benefit Contributions - Tenant Services	\$252	-\$258,722			-\$7,193
92400 Tenant Services - Other	\$9,069				\$125,201
92500 Total Tenant Services	\$17,180	-\$27,148	\$0	\$0	\$205,384
93100 Water	\$132,556			\$79,657	\$523,082
93200 Electricity	\$342,854			\$7,855	\$102,226
93300 Gas	\$856				\$117,364
93400 Fuel					
93500 Labor					
93600 Sewer	\$95,003			\$7,656	\$351,850
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$9,887			\$5,347	\$111,315

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
93000 Total Utilities	\$581,156	\$0	\$0	\$100,515	\$1,205,837
94100 Ordinary Maintenance and Operations - Labor	\$69,244				\$616,808
94200 Ordinary Maintenance and Operations - Materials and	\$92,695			\$36,861	\$200,132
94300 Ordinary Maintenance and Operations Contracts	\$750,686			\$69,012	\$1,055,858
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,735				\$95,092
94000 Total Maintenance	\$915,360	\$0	\$0	\$105,873	\$1,967,890
95100 Protective Services - Labor	\$1,225				
95200 Protective Services - Other Contract Costs	\$364,409			\$9,185	\$108,135
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services	\$48				
95000 Total Protective Services	\$365,682	\$0	\$0	\$9,185	\$108,135
96110 Property Insurance	\$117,238			\$29,051	\$106,380
96120 Liability Insurance	\$11,866			\$1,734	\$33,381
96130 Workmen's Compensation				\$1,359	\$18,428
96140 All Other Insurance	\$50,703				
96100 Total insurance Premiums	\$179,807	\$0	\$0	\$32,144	\$158,189
96200 Other General Expenses	\$1,054,181			\$812	\$121,626
96210 Compensated Absences	\$1,209				
96300 Payments in Lieu of Taxes	\$147,168				
96400 Bad debt - Tenant Rents	\$623,001			-\$5,577	\$89,655
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
96800 Severance Expense					
96000 Total Other General Expenses	\$1,825,559	\$0	\$0	-\$4,765	\$211,281
96710 Interest of Mortgage (or Bonds) Payable	\$524,273				\$1,379,593
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$524,273	\$0	\$0	\$0	\$1,379,593
96900 Total Operating Expenses	\$4,850,517	-\$18,590	\$345	\$383,384	\$6,423,046
97000 Excess of Operating Revenue over Operating Expenses	-\$1,599,859	\$347,682	-\$345	\$331,945	\$5,719,462
97100 Extraordinary Maintenance	\$89,193			\$10,226	\$241,835
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$740,555			\$22,142	\$1,844,941
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$5,680,265	-\$18,590	\$345	\$415,752	\$8,509,822
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
10040 Operating Transfers from/to Component Unit	\$1,149,160				
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$1,149,160	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$1,280,447	\$347,682	-\$345	\$299,577	\$3,632,686
11020 Required Annual Debt Principal Payments	\$272,355	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$7,582,031	-\$347,680	\$0	\$1,100,722	\$22,737,215
11040 Prior Period Adjustments, Equity Transfers and	\$2,324,190				
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	5352	0	0		0
11210 Number of Unit Months Leased	5191	0	0		0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.895 Jobs-Plus Pilot Initiative	14.182 N/C S/R Section 8 Programs	1 Business Activities
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
111 Cash - Unrestricted		\$1,574,647	\$65,154		\$765,149
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$5,253,657			
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$6,828,304	\$65,154	\$0	\$765,149
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government		\$1,244,002			
125 Accounts Receivable - Miscellaneous		\$0			\$2,000
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants					
126.2 Allowance for Doubtful Accounts - Other		\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$1,244,002	\$0	\$0	\$2,000
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
144 Inter Program Due From					
145 Assets Held for Sale		\$3,438,903	\$282,292		
150 Total Current Assets	\$0	\$11,511,209	\$347,446	\$0	\$767,149
161 Land	\$1,562,498	\$4,507,134			
162 Buildings					\$12,230
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration			\$55,480		
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$55,480		-\$12,230
167 Construction in Progress		\$22,305			
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,562,498	\$4,529,439	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$43,871,152	\$14,405,798			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$45,433,650	\$18,935,237	\$0	\$0	\$0
200 Deferred Outflow of Resources		\$66,622			
290 Total Assets and Deferred Outflow of Resources	\$45,433,650	\$30,513,068	\$347,446	\$0	\$767,149
311 Bank Overdraft					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
312 Accounts Payable <= 90 Days		\$482,006			
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$12,271			
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government		\$109,269			
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$1,628,156			\$2,000
346 Accrued Liabilities - Other		\$22,738			
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$2,254,440	\$0	\$0	\$2,000
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$58,110			
354 Accrued Compensated Absences - Non Current		\$129,692			
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities		\$259,306			

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
350 Total Non-Current Liabilities	\$0	\$447,108	\$0	\$0	\$0
300 Total Liabilities	\$0	\$2,701,548	\$0	\$0	\$2,000
400 Deferred Inflow of Resources		\$578,476			
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$1,562,498	\$4,529,439		\$0	
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position		\$8,692,560	\$282,292	\$0	
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$43,871,152	\$14,011,045	\$65,154	\$0	\$765,149
513 Total Equity - Net Assets / Position	\$45,433,650	\$27,233,044	\$347,446	\$0	\$765,149
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$45,433,650	\$30,513,068	\$347,446	\$0	\$767,149

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
70300 Net Tenant Rental Revenue			\$13,440		
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$13,440	\$0	\$0
70600 HUD PHA Operating Grants					
70610 Capital Grants					
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		\$3,489,015			
71100 Investment Income - Unrestricted		\$37,156			
71200 Mortgage Interest Income	\$2,295,303	\$167,341			
71300 Proceeds from Disposition of Assets Held for Sale		\$236,500			
71310 Cost of Sale of Assets		-\$540,000			
71400 Fraud Recovery					
71500 Other Revenue		\$99,878			
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$2,295,303	\$3,489,890	\$13,440	\$0	\$0
91100 Administrative Salaries		\$458,582			
91200 Auditing Fees					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
91300 Management Fee		\$192,419			
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$934,887			
91600 Office Expenses		\$64,487			
91700 Legal Expense			\$19,719		
91800 Travel					
91810 Allocated Overhead					
91900 Other		\$70,113			
91000 Total Operating - Administrative	\$0	\$1,720,488	\$19,719	\$0	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$35,171			
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		-\$21,439			
92400 Tenant Services - Other		\$14,458			
92500 Total Tenant Services	\$0	\$28,190	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance		\$1,528			
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$1,528	\$0	\$0	\$0
96200 Other General Expenses		\$2,525,325			
96210 Compensated Absences		\$66,639			
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$2,591,964	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$4,342,170	\$19,719	\$0	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$2,295,303	-\$852,280	-\$6,279	\$0	\$0
97100 Extraordinary Maintenance		\$154,688			
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$0			
97350 HAP Portability-In					
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$4,496,858	\$19,719	\$0	\$0
10010 Operating Transfer In		\$2,000			
10020 Operating transfer Out		-\$252,000			
10030 Operating Transfers from/to Primary Government					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	-\$250,000	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$2,295,303	-\$1,256,968	-\$6,279	\$0	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$43,138,347	\$28,490,012	\$353,725	\$0	\$765,149
11040 Prior Period Adjustments, Equity Transfers and					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	0	0	0	0	0
11210 Number of Unit Months Leased	0	0	0	0	0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.866 Revitalization of Severely Distressed Public Housing	2 State/Local	91 Other Federal Program 3	8 Other Federal Program 1	9 Other Federal Program 2
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
111 Cash - Unrestricted	\$2,910		\$569,604	\$1	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$1,109,866		
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$2,910	\$0	\$1,679,470	\$1	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$7,500			\$163,875	
124 Accounts Receivable - Other Government		\$250,979	\$146,618		
125 Accounts Receivable - Miscellaneous			\$7,443	\$0	
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants	\$0				
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery			\$1,637		
128.1 Allowance for Doubtful Accounts - Fraud			\$0		
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$7,500	\$250,979	\$155,698	\$163,875	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$10,410	\$250,979	\$1,835,168	\$163,876	\$0
161 Land					
162 Buildings				\$5,533	
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation				-\$5,533	
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources		\$19,120	\$199,558		
290 Total Assets and Deferred Outflow of Resources	\$10,410	\$270,099	\$2,034,726	\$163,876	\$0
311 Bank Overdraft					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
312 Accounts Payable <= 90 Days		\$46,037	\$65,907	\$16,280	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion			\$12,668		
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$170,988	\$601		
346 Accrued Liabilities - Other			\$4,176		
347 Inter Program - Due To		\$434,052		\$147,639	
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$651,077	\$83,352	\$163,919	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$380,051		
354 Accrued Compensated Absences - Non Current			\$133,871		
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities		\$74,418	\$776,714		

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
350 Total Non-Current Liabilities	\$0	\$74,418	\$1,290,636	\$0	\$0
300 Total Liabilities	\$0	\$725,495	\$1,373,988	\$163,919	\$0
400 Deferred Inflow of Resources		\$99,535	\$1,038,886		
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets					
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position			\$729,815		
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$10,410	-\$554,931	-\$1,107,963	-\$43	\$0
513 Total Equity - Net Assets / Position	\$10,410	-\$554,931	-\$378,148	-\$43	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$10,410	\$270,099	\$2,034,726	\$163,876	\$0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$158,466		\$40,372,359	\$176,924	
70610 Capital Grants					
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		\$931,908			
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$2,134		
71500 Other Revenue			\$418,084		
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$158,466	\$931,908	\$40,792,577	\$176,924	\$0
91100 Administrative Salaries		\$135,022	\$1,122,749		
91200 Auditing Fees		\$546	\$73,123		

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
91300 Management Fee		\$44,086	\$560,632		
91310 Book-keeping Fee			\$350,332		
91400 Advertising and Marketing			\$7,483		
91500 Employee Benefit contributions - Administrative		\$94,932	\$391,213		
91600 Office Expenses		\$45,559	\$432,771	\$17,992	
91700 Legal Expense		\$1,337	\$1,973		
91800 Travel					
91810 Allocated Overhead					
91900 Other	\$47	\$480	\$4,723	\$93	
91000 Total Operating - Administrative	\$47	\$321,962	\$2,944,999	\$18,085	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries				\$104,751	
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services				-\$31,666	
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$73,085	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor			\$286,508		
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance			\$78,325		
94000 Total Maintenance	\$0	\$0	\$364,833	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance			\$7,864		
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$7,864	\$0	\$0
96200 Other General Expenses		\$1,030,215	\$26,092	\$1,590	
96210 Compensated Absences			\$19,053		
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$1,030,215	\$45,145	\$1,590	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$47	\$1,352,177	\$3,362,841	\$92,760	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$158,419	-\$420,269	\$37,429,736	\$84,164	\$0
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$151,884		\$37,544,704		
97350 HAP Portability-In			\$379,179		
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$151,931	\$1,352,177	\$41,286,724	\$92,760	\$0
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$6,535	-\$420,269	-\$494,147	\$84,164	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$3,875	-\$134,662	\$115,999	-\$84,207	\$0
11040 Prior Period Adjustments, Equity Transfers and	\$0				
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			-\$1,107,963		
11180 Housing Assistance Payments Equity			\$729,815		
11190 Unit Months Available	624	0	62184		0
11210 Number of Unit Months Leased	164	0	46711		0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
111 Cash - Unrestricted			\$11,545		
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$350,019	\$142	
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$0	\$361,564	\$142	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$428,420			
124 Accounts Receivable - Other Government					\$38,450
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants					
126.2 Allowance for Doubtful Accounts - Other		\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$428,420	\$0	\$0	\$38,450
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$428,420	\$361,564	\$142	\$38,450
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation					
167 Construction in Progress		\$4,360,210			
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$4,360,210	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$4,360,210	\$0	\$0	\$0
200 Deferred Outflow of Resources				\$8,062	
290 Total Assets and Deferred Outflow of Resources	\$0	\$4,788,630	\$361,564	\$8,204	\$38,450
311 Bank Overdraft					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
312 Accounts Payable <= 90 Days		\$259,806	\$1,596	\$12	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue			\$110,250		
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other					
347 Inter Program - Due To		\$235,461		\$48,504	\$8,370
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$495,267	\$111,846	\$48,516	\$8,370
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities				\$31,378	

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$31,378	\$0
300 Total Liabilities	\$0	\$495,267	\$111,846	\$79,894	\$8,370
400 Deferred Inflow of Resources				\$41,968	
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$0	\$4,360,210			\$0
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$0		\$239,769		\$0
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$0	-\$66,847	\$9,949	-\$113,658	\$30,080
513 Total Equity - Net Assets / Position	\$0	\$4,293,363	\$249,718	-\$113,658	\$30,080
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$4,788,630	\$361,564	\$8,204	\$38,450

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$3,787,298	\$281,951	\$372,866	
70610 Capital Grants					
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					\$38,450
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue					
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$0	\$3,787,298	\$281,951	\$372,866	\$38,450
91100 Administrative Salaries		-\$4,630		\$56,931	\$36,421
91200 Auditing Fees		\$7,500		\$255	

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
91300 Management Fee				\$8,040	
91310 Book-keeping Fee				\$5,025	
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$65,028		\$3,465	-\$83,528
91600 Office Expenses			\$3,011	\$4,829	
91700 Legal Expense					
91800 Travel					
91810 Allocated Overhead					
91900 Other				\$11,889	
91000 Total Operating - Administrative	\$0	\$67,898	\$3,011	\$90,434	-\$47,107
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs		\$190,577			
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other			\$7,636		
92500 Total Tenant Services	\$0	\$190,577	\$7,636	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$0
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$258,475	\$10,647	\$90,434	-\$47,107
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$3,528,823	\$271,304	\$282,432	\$85,557
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$46,786	\$321,328	
97350 HAP Portability-In					
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$258,475	\$57,433	\$411,762	-\$47,107
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$3,528,823	\$224,518	-\$38,896	\$85,557
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$764,540	\$135,450	-\$74,762	-\$55,477
11040 Prior Period Adjustments, Equity Transfers and			-\$110,250		\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	0	0	756		0
11210 Number of Unit Months Leased	0	0	58		0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	20.516 Job Access Reverse Commute	14.889 Choice Neighborhoods Implementation Grants	14.EHV Emergency Housing Voucher	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$12,349,962	\$44,816,490		\$44,816,490
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	\$39,515	\$17,472,875		\$17,472,875
114 Cash - Tenant Security Deposits		\$954,808		\$954,808
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$12,389,477	\$63,244,173	\$0	\$63,244,173
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$1,178,547		\$1,178,547
124 Accounts Receivable - Other Government		\$2,445,120		\$2,445,120
125 Accounts Receivable - Miscellaneous	\$1,219,603	\$1,294,780		\$1,294,780
126 Accounts Receivable - Tenants		\$2,137,922		\$2,137,922
126.1 Allowance for Doubtful Accounts -Tenants		-\$782,002		-\$782,002
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery		\$1,637		\$1,637
128.1 Allowance for Doubtful Accounts - Fraud		\$0		\$0
129 Accrued Interest Receivable		\$48,205		\$48,205
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,219,603	\$6,324,209	\$0	\$6,324,209
131 Investments - Unrestricted		\$7,846,979		\$7,846,979
132 Investments - Restricted	\$22,020	\$22,020		\$22,020
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$49,493	\$386,061		\$386,061
143 Inventories	\$322,986	\$557,909		\$557,909
143.1 Allowance for Obsolete Inventories	\$0	\$0		\$0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	\$958,907	\$1,234,614	-\$1,234,614	\$0
145 Assets Held for Sale	\$228,700	\$4,896,325		\$4,896,325
150 Total Current Assets	\$15,191,186	\$84,512,290	-\$1,234,614	\$83,277,676
161 Land	\$115,568	\$30,998,701		\$30,998,701
162 Buildings	\$3,224,722	\$262,445,114		\$262,445,114
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration	\$3,116,595	\$7,110,586		\$7,110,586
165 Leasehold Improvements	\$236,437	\$69,443,975		\$69,443,975
166 Accumulated Depreciation	-\$5,851,214	-\$206,236,097		-\$206,236,097
167 Construction in Progress		\$37,419,048		\$37,419,048
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$842,108	\$201,181,327	\$0	\$201,181,327
171 Notes, Loans and Mortgages Receivable - Non-Current	\$6,103,323	\$126,045,428	-\$8,937,824	\$117,107,604
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				
173 Grants Receivable - Non Current				
174 Other Assets	\$1,906,420	\$7,368,485	-\$96,000	\$7,272,485
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$8,851,851	\$334,595,240	-\$9,033,824	\$325,561,416
200 Deferred Outflow of Resources	\$1,338,141	\$2,280,214		\$2,280,214
290 Total Assets and Deferred Outflow of Resources	\$25,381,178	\$421,387,744	-\$10,268,438	\$411,119,306
311 Bank Overdraft				

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$299,138	\$3,316,371		\$3,316,371
313 Accounts Payable >90 Days Past Due		\$12,498		\$12,498
321 Accrued Wage/Payroll Taxes Payable	\$478,340	\$485,704		\$485,704
322 Accrued Compensated Absences - Current Portion	\$61,816	\$108,413		\$108,413
324 Accrued Contingency Liability				
325 Accrued Interest Payable		\$114,967		\$114,967
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$277,906	\$928,897		\$928,897
341 Tenant Security Deposits		\$953,147		\$953,147
342 Unearned Revenue		\$907,570		\$907,570
343 Current Portion of Long-term Debt - Capital		\$1,218,954	-\$96,000	\$1,122,954
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities	\$16,572	\$1,925,764		\$1,925,764
346 Accrued Liabilities - Other		\$3,210,663		\$3,210,663
347 Inter Program - Due To		\$1,234,614	-\$1,234,614	\$0
348 Loan Liability - Current				
310 Total Current Liabilities	\$1,133,772	\$14,417,562	-\$1,330,614	\$13,086,948
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$133,191,032	-\$8,937,824	\$124,253,208
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$18,952,540		\$18,952,540
354 Accrued Compensated Absences - Non Current	\$653,293	\$1,145,749		\$1,145,749
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$5,208,288	\$8,875,002		\$8,875,002

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$5,861,581	\$162,164,323	-\$8,937,824	\$153,226,499
300 Total Liabilities	\$6,995,353	\$176,581,885	-\$10,268,438	\$166,313,447
400 Deferred Inflow of Resources	\$7,364,825	\$15,331,660		\$15,331,660
508.3 Nonspendable Fund Balance				
508.4 Net Investment in Capital Assets	\$842,108	\$66,771,342	\$9,033,823	\$75,805,165
509.3 Restricted Fund Balance				
510.3 Committed Fund Balance				
511.3 Assigned Fund Balance				
511.4 Restricted Net Position	\$39,515	\$20,440,800		\$20,440,800
512.3 Unassigned Fund Balance				
512.4 Unrestricted Net Position	\$10,139,377	\$142,262,057	-\$9,033,823	\$133,228,234
513 Total Equity - Net Assets / Position	\$11,021,000	\$229,474,199	\$0	\$229,474,199
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$25,381,178	\$421,387,744	-\$10,268,438	\$411,119,306

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$27,731,026		\$27,731,026
70400 Tenant Revenue - Other		\$402,044		\$402,044
70500 Total Tenant Revenue	\$0	\$28,133,070	\$0	\$28,133,070
70600 HUD PHA Operating Grants		\$62,036,972		\$62,036,972
70610 Capital Grants		\$4,569,029		\$4,569,029
70710 Management Fee	\$3,206,663	\$3,206,663	-\$3,206,663	\$0
70720 Asset Management Fee	\$275,430	\$275,430	-\$275,430	\$0
70730 Book Keeping Fee	\$542,940	\$542,940	-\$542,940	\$0
70740 Front Line Service Fee	\$4,538,127	\$4,538,127	-\$4,538,127	\$0
70750 Other Fees				
70700 Total Fee Revenue	\$8,563,160	\$8,563,160	-\$8,563,160	\$0
70800 Other Government Grants		\$4,600,558		\$4,600,558
71100 Investment Income - Unrestricted	\$0	\$1,137,221		\$1,137,221
71200 Mortgage Interest Income	\$13,129	\$4,091,550	-\$117,178	\$3,974,372
71300 Proceeds from Disposition of Assets Held for Sale		\$236,500		\$236,500
71310 Cost of Sale of Assets		-\$540,000		-\$540,000
71400 Fraud Recovery		\$2,134		\$2,134
71500 Other Revenue	\$2,462,912	\$9,151,821	-\$1,305,879	\$7,845,942
71600 Gain or Loss on Sale of Capital Assets	\$45,350	\$411,162		\$411,162
72000 Investment Income - Restricted	\$573	\$573		\$573
70000 Total Revenue	\$11,085,124	\$122,393,750	-\$9,986,217	\$112,407,533
91100 Administrative Salaries	\$4,357,868	\$9,034,244	-\$290,643	\$8,743,601
91200 Auditing Fees	\$23,988	\$160,025		\$160,025

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
91300 Management Fee		\$3,206,663	-\$3,206,663	\$0
91310 Book-keeping Fee		\$542,945	-\$542,940	\$5
91400 Advertising and Marketing	\$3,136	\$150,315		\$150,315
91500 Employee Benefit contributions - Administrative	\$1,885,077	\$4,374,554		\$4,374,554
91600 Office Expenses	\$2,944,515	\$5,449,725	-\$711,272	\$4,738,453
91700 Legal Expense	\$259,200	\$507,492		\$507,492
91800 Travel	\$5,687	\$43,592		\$43,592
91810 Allocated Overhead				
91900 Other	\$306,497	\$1,209,535		\$1,209,535
91000 Total Operating - Administrative	\$9,785,968	\$24,679,090	-\$4,751,518	\$19,927,572
92000 Asset Management Fee		\$275,430	-\$275,430	\$0
92100 Tenant Services - Salaries	\$99,865	\$936,080	-\$99,872	\$836,208
92200 Relocation Costs		\$499,146		\$499,146
92300 Employee Benefit Contributions - Tenant Services	\$23,001	-\$304,189		-\$304,189
92400 Tenant Services - Other	\$21,957	\$655,834		\$655,834
92500 Total Tenant Services	\$144,823	\$1,786,871	-\$99,872	\$1,686,999
93100 Water	\$7,398	\$5,847,745		\$5,847,745
93200 Electricity	\$34,722	\$2,502,681		\$2,502,681
93300 Gas	\$19,981	\$784,319		\$784,319
93400 Fuel				
93500 Labor				
93600 Sewer	\$18,686	\$2,957,509		\$2,957,509
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense	\$2,271	\$498,550		\$498,550

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$83,058	\$12,590,804	\$0	\$12,590,804
94100 Ordinary Maintenance and Operations - Labor	\$1,895,062	\$4,998,413		\$4,998,413
94200 Ordinary Maintenance and Operations - Materials and	\$1,508,777	\$2,308,178		\$2,308,178
94300 Ordinary Maintenance and Operations Contracts	\$519,664	\$7,728,622	-\$4,538,127	\$3,190,495
94500 Employee Benefit Contributions - Ordinary Maintenance	\$436,482	\$656,041		\$656,041
94000 Total Maintenance	\$4,359,985	\$15,691,254	-\$4,538,127	\$11,153,127
95100 Protective Services - Labor	\$115,046	\$272,815	-\$204,092	\$68,723
95200 Protective Services - Other Contract Costs	\$166,256	\$1,555,092		\$1,555,092
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services	\$47,008	\$21,157		\$21,157
95000 Total Protective Services	\$328,310	\$1,849,064	-\$204,092	\$1,644,972
96110 Property Insurance	\$26,374	\$945,448		\$945,448
96120 Liability Insurance	\$60,163	\$313,598		\$313,598
96130 Workmen's Compensation		\$19,787		\$19,787
96140 All Other Insurance		\$123,767		\$123,767
96100 Total insurance Premiums	\$86,537	\$1,402,600	\$0	\$1,402,600
96200 Other General Expenses	\$7,933	\$4,809,464		\$4,809,464
96210 Compensated Absences		\$119,644		\$119,644
96300 Payments in Lieu of Taxes		\$577,880		\$577,880
96400 Bad debt - Tenant Rents		\$763,511		\$763,511
96500 Bad debt - Mortgages				
96600 Bad debt - Other				

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
96800 Severance Expense				
96000 Total Other General Expenses	\$7,933	\$6,270,499	\$0	\$6,270,499
96710 Interest of Mortgage (or Bonds) Payable		\$4,911,576	-\$117,178	\$4,794,398
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs		\$43,448		\$43,448
96700 Total Interest Expense and Amortization Cost	\$0	\$4,955,024	-\$117,178	\$4,837,846
96900 Total Operating Expenses	\$14,796,614	\$69,500,636	-\$9,986,217	\$59,514,419
97000 Excess of Operating Revenue over Operating Expenses	-\$3,711,490	\$52,893,114	\$0	\$52,893,114
97100 Extraordinary Maintenance	\$1,645	\$1,285,896		\$1,285,896
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$38,064,702		\$38,064,702
97350 HAP Portability-In		\$379,179		\$379,179
97400 Depreciation Expense	\$185,187	\$9,685,276		\$9,685,276
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$14,983,446	\$118,915,689	-\$9,986,217	\$108,929,472
10010 Operating Transfer In	\$250,000	\$252,000	-\$252,000	\$0
10020 Operating transfer Out		-\$252,000	\$252,000	\$0
10030 Operating Transfers from/to Primary Government		\$0		\$0

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit		\$0		\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)		\$5,223,436		\$5,223,436
10091 Inter Project Excess Cash Transfer In		\$905,257	-\$905,257	\$0
10092 Inter Project Excess Cash Transfer Out		-\$905,257	\$905,257	\$0
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$250,000	\$5,223,436	\$0	\$5,223,436
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$3,648,322	\$8,701,497	\$0	\$8,701,497
11020 Required Annual Debt Principal Payments	\$0	\$674,346		\$674,346
11030 Beginning Equity	\$14,669,322	\$218,558,762		\$218,558,762
11040 Prior Period Adjustments, Equity Transfers and		\$2,213,940		\$2,213,940
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity		-\$1,107,963		-\$1,107,963
11180 Housing Assistance Payments Equity		\$729,815		\$729,815
11190 Unit Months Available	0	94635		94635
11210 Number of Unit Months Leased	0	75192		75192

Norfolk Redevelopment & Housing Authority (VA006)

NORFOLK, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
11270 Excess Cash		\$5,528,475		\$5,528,475
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$3,688,796		\$3,688,796
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0	\$0		\$0
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0



Independent Accountant's Report on Applying
Agreed-Upon Procedures

To Norfolk Redevelopment and Housing Authority:

We have performed the procedure described in the second paragraph of this report, which was agreed to by Norfolk Redevelopment and Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with the related hard copy documents included within the reporting package. Norfolk Redevelopment and Housing Authority is responsible for accuracy and completeness of the electronic submission. Norfolk 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 Norfolk 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 associated findings from 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 *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)*, by Norfolk Redevelopment and Housing Authority as of and for the year ended June 30, 2022, and have issued our reports thereon dated March 28, 2023. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the supplemental financial data templates dated March 28, 2023, was expressed in relation to the basic financial statements of Norfolk Redevelopment and Housing Authority taken as a whole.

A copy of the financial statement package required by the Uniform Guidance, which includes the auditor's reports is available in its entirety from Norfolk 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 Norfolk 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

Toms River, New Jersey
March 28, 2023

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 CFDA's	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