

**HOUSING AUTHORITY OF
THE CITY OF GREENVILLE
FINANCIAL STATEMENTS
AND
REPORTS OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
FOR YEAR ENDED DECEMBER 31, 2022**

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	<i>i</i>
MANAGEMENT'S DISCUSSION & ANALYSIS	1
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	6
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	7
STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9
SUPPLEMENTAL INFORMATION	
FINANCIAL DATA SCHEDULE	28
COMPLIANCE AND SINGLE AUDIT REPORTING	
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	<i>ii</i>
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE	<i>iii</i>
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	45
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	46
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	47

Independent Auditor's Report

Board of Commissioners
The Housing Authority of the City of Greenville

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of The Housing Authority of the City of Greenville, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of The Housing Authority of the City of Greenville as of December 31, 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.

Management's Responsibility for the Financial Statements

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the aggregate discretely presented component units, with the exception of West Greenville II, LLC, were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of The Housing Authority of the City of Greenville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Housing Authority of the City of Greenville's 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 Housing Authority of the City of Greenville's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Housing Authority of the City of Greenville'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 Housing Authority of the City of Greenville's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied

certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

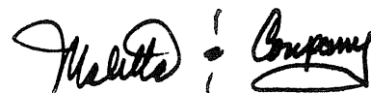
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Housing Authority of the City of Greenville's basic financial statements. The Financial Data Schedule, required by *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2023 on our consideration of The Housing Authority of the City of Greenville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Housing Authority of the City of Greenville's internal control over financial reporting and compliance.



Maletta & Company
Certified Public Accountants

Bristol, Connecticut
September 14, 2023

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The Housing Authority of the City of Greenville's ("the Authority") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual program issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements. This MD&A covers only the Primary Government and does not analyze the financial position or current year's activity of the Discretely Presented Component Units. Separate audit reports have been issued on the financial statements of the Discretely Presented Component Units. The audited financial statements of the Discretely Presented Component Units have been included in the financial statements of the Authority. Please review it in conjunction with the Authority's basic financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

- The Authority's basic financial statements reflect a current ratio, adjusted to remove restricted elements, of 20:1 in the current year, which is an increase from prior results. Current ratio measures an entity's liquidity and is computed by dividing current assets by current liabilities. A ratio of greater than one generally signifies financial stability as assets are available to pay liabilities. Expectations are for this ratio to dip slightly as the Authority continues investing accumulated resources into development projects.
- The Authority's Change in Net Position decreased (\$1,265,026). This surplus is lower than in previous years due to increases in operating expenses as well as a required spend down of HAP reserves of approximately \$470,000. While many of these increases were planned due to increases in services, costs exceeded revenue increases for the first time in a few years. The Authority plans to continue to invest in updating its housing stock and anticipates similar results next year.
- The Authority's Unrestricted Net Position totaled \$23,294,426. In addition, the spendable Unrestricted Net Position as derived by adjusting out noncurrent assets of \$15,164,817 was \$8,129,609 as of December 31, 2022, an increase from the prior year. The adjusted Unrestricted Net Position equates to approximately 19 months of operating expenses, signifying financial strength.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows (on pages 6-9) provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. Financial information by program is included in the HUD Financial Data Schedule; this information tells how these services were financed in the short term as well as what remains for future spending. Program financial information also reports the Authority's operations in more detail than the government-wide statements by providing information about the Authority's most financially significant programs.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

The Statements of Net Position and Revenues, Expenses and Changes in Net Position

The Statements provide information about the Authority as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting that is used by most private sector companies. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in them. The difference between assets and liabilities or net position is one way to measure the Authority's financial health. Over time, increases or decreases in the net position are one indicator of whether its financial position is improving or deteriorating.

The higher the net position figure is, generally, the better the financial position. However, this information does not reflect ongoing fluctuations in the economic climate, regulatory changes, or other external forces that impact an entity's financial position, but which may not be quantifiable as of the financial statement date.

The Authority's total net position was \$42,675,132 as of December 31, 2022.

**Table 1
Statement of Net Position (in Thousands)**

	2022	2021	Change
Cash & Investments	\$ 10,650	\$ 11,230	\$ (580)
Other Current Assets	416	332	84
Noncurrent Assets	34,895	35,907	(1,012)
Total Assets	45,961	47,469	(1,508)
Current Liabilities	557	763	(206)
Noncurrent Liabilities	2,728	2,766	(38)
Total Liabilities	3,285	3,529	(244)
Invested in Capital Assets	16,931	17,799	(868)
Restricted	2,450	3,133	(683)
Unrestricted	23,295	23,008	287
Total Net Position	\$ 42,676	\$ 43,940	\$ (1,264)

The decrease in Cash & Investments of (\$580) thousand relates specifically to reductions to restricted cash. Restricted cash was reduced \$470K for a required spenddown of HAP restricted reserves and use of rehab escrows for the Valley Creek redevelopment. Unrestricted cash actually increased \$120K. The reduction in Restricted Net Position of (683K) further illustrates and corresponds to this point.

The decrease in Noncurrent Assets of (\$1,012) thousand represents depreciation on capital assets exceeding minimal new capital asset activity in the current period.

All other changes represent normal fluctuations in the operating cycle.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

Table 2 compares the 2022 Change in Net Position to the 2021 Change in Net Position.

**Table 2
Changes in Net Position (in Thousands)**

	2022	2021	Change
Revenues			
Government Grants	\$ 25,824	\$ 25,587	\$ 237
Rental Income	523	558	(35)
General Revenue	1,189	886	303
Total Revenue	<u>27,536</u>	<u>27,031</u>	505
Expenses			
Administrative & Tenant Services	3,323	2,644	679
Maintenance	1,135	657	478
Utilities	73	75	(2)
General	977	940	37
Housing Assistance Payments	22,186	21,605	581
Depreciation	1,107	1,100	7
Total Expenses	<u>28,801</u>	<u>27,021</u>	1,780
Change in Net Position	<u>\$ (1,265)</u>	<u>\$ 10</u>	<u>\$ (1,275)</u>

The increase in General Revenue of \$303 thousand is due to additional management fee revenues earned due to property management services extended to other asset management projects the Authority has held an ownership interest in. In prior years, a number of housing properties were managed by outside management companies.

The increase in Administrative and Tenant Services of \$679 thousand is due to staffing increases at HCV due to the increased program size with Emergency Housing Voucher lease-up and additional investment in IT services this year.

The increase in Housing Assistance Payments of \$581 thousand is due to the lease-up of the new Emergency Housing Voucher units this year.

All other expense changes represent normal fluctuations in the operating cycle.

The Financial Data Schedule beginning on page 28 presents a more detailed picture of the activity and balances of the various programs. The reasons for significant changes have been identified above.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2022, the Authority has \$19,602,791 invested in a broad range of capital assets, including land, buildings, furniture, and equipment as follows:

**Table 3
Capital Assets**

Primary Government	Beginning	Additions	Dispositions	Ending
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ -	\$ -	\$ 5,497,372
Construction in Progress	-	-	-	-
Depreciable Assets:				
Buildings & Improvements	24,881,779	127,291	-	25,009,070
Leasehold Improvements	351,665	58,373	-	410,038
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	-	-	358,834
Total	34,241,392	185,664	-	34,427,056
Less: Accumulated Depreciation	(13,716,917)	(1,107,358)	-	(14,824,275)
Net Book Value	<u>\$ 20,524,475</u>			<u>\$ 19,602,781</u>

The Authority finished renovation work on Valley Creek, but otherwise had minimal Capital Activity in the current audit period.

Long-Term Debt

The Authority continues to operate with little long-term debt. The sole source of long-term debt is the HUD insured mortgage on the Valley Creek property totaling \$2,671,612. All other debt of the reporting entity rests with the discretely presented component units and collateralized against the underlying properties.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Significant economic factors affecting the Authority are as follows:

- The impact of COVID on program procedures, costs to maintain safety and its effect on the housing market.
- Federal funding provided by Congress to the Department of Housing and Urban Development
- Staff restructuring following multiple senior positions vacated as well as changes in the organizational structure and needs.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary rates and employment are trending up, which affects resident incomes and therefore, rental income to the Authority.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Authority's CEO at The Housing Authority of the City of Greenville, at 122 Edinburg Court, Greenville, SC, 29607.

HOUSING AUTHORITY OF THE CITY OF GREENVILLE
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022

	Primary Government	Discretely Presented Component Units
ASSETS		
Current Assets		
Cash and Cash Equivalents - Unrestricted	\$ 8,018,846	\$ 1,862,189
Cash and Cash Equivalents - Restricted	2,630,923	3,383,538
Accounts Receivable		
Tenants, net of Allowances	13,294	73,372
Other	290,201	1,201
Prepaid Expenses	113,286	260,629
Total Current Assets	11,066,550	5,580,929
Noncurrent Assets		
Capital Assets, Net of A/D		
Nondepreciable	5,497,372	349,299
Depreciable	14,105,409	56,916,141
Notes Receivable, net of Allowances	15,164,817	-
Equity Interest in Component Units	126,974	-
Other Noncurrent Assets	-	347,686
Total Noncurrent Assets	34,894,572	57,613,126
Total Assets	45,961,122	63,194,055
LIABILITIES		
Current Liabilities		
Accounts Payable - Vendors and Contractors	144,609	169,959
Accounts Payable - Other	26,065	9,799
Accrued Compensated Absences	9,680	33,825
Accrued Interest	5,224	45,747
Accrued Liabilities - Other	74,383	103,575
Security Deposits and FSS Escrows	145,107	121,426
Current Portion of Long-Term Debt	55,129	301,619
Unearned Revenue	97,988	72,095
Total Current Liabilities	558,185	858,045
Noncurrent Liabilities		
Mortgages Payable	2,616,483	35,199,560
Notes Payable	-	8,881,435
Accrued Compensated Absences	111,322	-
Other Noncurrent Liabilities	-	179,737
Total Noncurrent Liabilities	2,727,805	44,260,732
Total Liabilities	3,285,990	45,118,777
NET POSITION		
Net Investment in Capital Assets	16,931,169	12,965,632
Restricted for:		
Modernization and Development	1,635,954	1,014,974
Housing Assistance Payments	253,332	-
Other	551,423	2,079,885
Unrestricted	23,303,254	2,014,787
Total Net Position	\$ 42,675,132	\$ 18,075,278

*The accompanying notes are an integral
part of the financial statements.*

HOUSING AUTHORITY OF THE CITY OF GREENVILLE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Operating Revenue		
Rental Revenue	\$ 523,130	\$ 1,754,838
HUD Operating Grants	25,823,749	-
Fees for Other Services	844,492	-
Other Government Grants	-	4,029,237
Other Revenue	99,178	44,315
Total Operating Revenue	<u>27,290,549</u>	<u>5,828,390</u>
Operating Expenses		
Administrative & Tenant Services	3,323,206	1,206,023
Utilities	73,167	420,796
Ordinary Maintenance & Protective Services	913,550	1,333,609
Insurance Premiums	196,662	299,097
General	718,282	613,663
Housing Assistance Payments	22,185,539	-
Depreciation	1,107,358	2,427,585
Total Operating Expenses	<u>28,517,764</u>	<u>6,300,773</u>
Operating Income (Loss)	(1,227,215)	(472,383)
Nonoperating Revenues (Expenses)		
Nonroutine Maintenance and Replacement	(221,276)	(117,653)
Investment Income	245,586	1,650
Interest Expense	(62,121)	(1,685,941)
Total Nonoperating Revenues (Expenses)	<u>(37,811)</u>	<u>(1,801,944)</u>
Income (Loss) before Capital Contributions	(1,265,026)	(2,274,327)
Capital Contributions	-	58,749
Change in Net Position	(1,265,026)	(2,215,578)
Net Position, Beginning of Period - Restated	<u>43,940,158</u>	<u>20,290,856</u>
Net Position, End of Period	<u>\$ 42,675,132</u>	<u>\$ 18,075,278</u>

*The accompanying notes are an integral
part of the financial statements.*

HOUSING AUTHORITY OF THE CITY OF GREENVILLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Primary Government
Cash Flows from Operating Activities:	
Cash Received from Operations	\$ 1,374,297
HUD Operating Grants	25,893,276
Payments to Landlords	(22,185,539)
Payments to Vendors	(3,498,431)
Payments to Employees	(1,855,340)
Other Receipts (Payments)	(342,862)
Net Cash Provided by (Used in) Operating Activities	(614,599)
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	(185,665)
Principal Payments on Debt	(53,877)
Interest Payments on Debt	(62,121)
Net Cash Provided by (Used in) Capital Related Financing Activities	(301,663)
Cash Flows from Investing Activities:	
Net Investment Income (Loss)	335,975
Net Cash Provided by (Used in) Investing Activities	335,975
Net Increase (Decrease) in Cash	(580,287)
Cash at the Beginning of the Period	11,230,056
Cash at the End of the Period	\$ 10,649,769
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating Income (Loss)	\$ (1,227,215)
Adjustments to Reconcile Change in Net Cash Provided by Operating Activities:	
Depreciation Expense	1,107,358
Nonroutine Maintenance	(221,276)
Change in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	(89,910)
Decrease (Increase) in Inventory	-
Decrease (Increase) in Prepaid Expenses	5,079
Increase (Decrease) in Accounts Payable	(174,842)
Increase (Decrease) in Other Liabilities	(13,793)
Net Cash Provided by (Used in) Operating Activities	\$ (614,599)

*The accompanying notes are an integral
part of the financial statements.*

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of The Housing Authority of the City of Greenville (“the Authority”) is presented to assist in understanding the Authority’s financial statements. The financial statements and notes are representations of the Authority’s management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Reporting Entity

The Authority was created in 1938 under the laws of the State of South Carolina for the purpose of providing adequate housing for qualified low-income individuals. These programs are subsidized by the federal government through the U.S. Department of Housing and Urban Development (HUD), for financial assistance for low-income public housing pursuant to the United States Housing Act of 1937, as amended. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development (“HUD”) to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority’s combined financial statements include the accounts of all the Authority’s operations. The criteria for including organizations as component units within the reporting entity, as set forth in The Governmental Accounting Standards Board (GASB)’s Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization’s Board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority’s Board of Commissioners or the component unit provides services entirely to the Authority. These component units’ funds are blended into those of the Authority’s by appropriate activity type to compose the primary government presentation.

Currently, the Authority has one component unit that meets the criteria for blending.

Greenville Redevelopment Corporation (GRDC/the Corporation) was incorporated by the Authority as a not-for-profit corporation under the laws of the State of South Carolina for the purpose of facilitating residential development for the benefit of low-income individual in the Greenville community. The Directors of GRDC are the same individuals who serve on the Board of Commissioners of the Authority. Currently, the blended component unit’s significant activities include the operation of three former HUD public housing projects that have undergone conversion under HUD’s Rental Assistance Demonstration (RAD) initiative, known as GAH Scattered Sites, GAH Arcadia Hills, and GAH Ridgeway. In addition, GRDC operates a former tax credit property known as GAH Valley Creek and holds various levels of ownership and control of multiple Low-Income Housing Tax Credit partnerships through ownership of 10 single member subsidiaries named GRDC I – X, LLC. The component units’ financial position and current year activity is reported with the Corporation’s financial balances and activity in the accompanying schedules in the ‘Blended Component Unit’ column.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

The Authority controls the general partners of certain Low-Income Housing Tax Credit (LIHTC) partnerships. The partnerships' interests are held by third parties unrelated to the Authority. As the general partner (or majority interest owner of general partner), the Authority has certain rights and responsibilities which enable it to impose its will on the limited partnerships. Additionally, the Authority has a financial benefit and burden relationship as the Authority has assumed the obligation to provide financial support to the organizations and has imposed its will over the entities. The partnership does not serve the primary government exclusively, or almost exclusively, and therefore, is shown as a discretely presented component unit.

Currently, the Authority has six component units that meet the criteria for discrete presentation.

335 Greenacre Road, LP (Charleston Place), is a limited partnership, formed to acquire, construct, own, finance, and operate a 40-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

50 Ramsey Court, LP (Forestview), is a limited partnership, formed to acquire, construct, own, finance, and operate a 72-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

80 Thruston Street, LLC (Preserve at Logan Park) is a limited liability company, formed to acquire, construct, own, finance, lease and operate a 193-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

Heritage Greenville, LLC (Heritage at Sliding Rock) is a limited liability company, formed to acquire, construct, own, finance, lease and operate a 60-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

West Village Greenville, LLC (Manor at West Greenville) is a limited liability company, formed to acquire, construct, own, finance, lease and operate a 55-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

West Greenville II, LLC (Harbor/Gallery at West Greenville) is a limited liability company, formed to acquire, construct, own, finance, lease and operate a 123-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

The financial activity of the discretely presented component units are presented based on the underlying property financial statements, adjusted for conformity to the appropriate financial reporting framework (GASB), but not to the Authority's financial period. As such, Heritage Greenville, LLC is reported as of October 31st, its fiscal year. Complete financial statements of the properties noted above may be obtained at the Authority's administrative office: the Housing Authority of the City of Greenville, 122 Edinburgh Court, Greenville, SC 29607

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Payments between the Authority and Component Units

Certain transactions that are subject to regulatory oversight are reported as external transactions (revenues and expenses) and eliminated during consolidation. Of which, balances and/or transactions between the blended component unit and the primary government provided during 2022 were: rental subsidies provided through HAP contracts and fees for services charged to the component unit, of which \$1,090,657 and \$242,597, were eliminated during consolidation, respectively. Resource flows between the primary government and the discretely presented component units are reported as external transactions (revenues and expenses). Transactions during 2022 consist of developer fees, interest earned on notes receivable, rental subsidies and fees for services totaling \$25,550, \$600,983, \$4,029,237, and \$346,971, respectively.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses used during the reporting period. Actual results could differ from those estimates. Significant estimates include the economic lives of capital assets.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

Operating Revenue includes rental income, operating grants, management services income and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants from HUD to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all the Authority's activities.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Authority has elected to report as a single enterprise proprietary fund and its primary operations comprise of several housing and grant programs as follows:

- The ***Housing Choice Voucher Program*** provides rental housing assistance in support of 3,159 housing units, of which 909 are dedicated to Project Based Vouchers (PBV). The Authority is also allocated vouchers related to the VASH and Mainstream subprograms to support veterans and the non-elderly disabled populations. In 2021, the Authority was awarded 54 Emergency Housing vouchers for the homeless population or a high risk of housing instability. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units (other than PBV units) are owned, maintained, and managed by private landlords.
- ***Business Activities*** was established to account for ongoing and future activities currently consisting of the redevelopment of its public housing stock under HUD RAD. As such, it accounts for fees generated related to development. In addition, it accounts for the management of properties that have already undergone RAD conversions.
- The ***Public Housing Program*** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties totaling 155 units. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents. Funding for the program is provided by federal annual contributions, operating subsidies, and tenant rentals (determined as a percentage of family income, adjusted for family composition). All units have received reservations under HUD's Rental Demonstration Program (RAD) whereby the units will be removed from the Public Housing Program and released from the ACC under a PBV contract, estimated to be completed in 2023.
- The ***Capital Fund Program*** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.
- The ***Family Self Sufficiency (FSS) Programs*** provide Housing Choice Voucher participants assistance in becoming economically self-sufficient.

Cash and Cash Equivalents

Cash and cash equivalents represent cash in checking accounts, demand deposits or short-term investments with original maturities of three months or less.

Accounts and Notes Receivable

Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant, fraud and notes receivable is \$200, \$0- and \$23,634,737, respectively. The allowance for Notes receivable is based on the underlying value of the property and included interest earned on the related notes.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Capital Assets

Land, buildings, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$5,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed. Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building and Improvements	10 to 30 years
Machinery and Equipment	5 to 10 years

Leases

The Authority leases substantially all its building and dwelling equipment to tenants for a period of one year, cancellable upon sufficient notice. As of December 31, 2022, the total cost of leased property was \$24,381,626 with accumulated depreciation of \$12,944,140, for a carrying value of \$11,437,486.

Compensated Absences

Employees accumulate universal leave for subsequent use or payment upon termination. Compensated absences are accrued when incurred and reported as a liability until paid.

Use of Restricted Funds

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

Equity Classifications

Equity is classified as net position and displayed in three components in the Statement of Net Position.

Net Investment in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Authority has no related debt.

Restricted consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consists of disposition proceeds held in escrow for use in future modernization projects as required by HUD, committed resources for development projects and unspent Housing Assistance Payments restricted from use by HUD.

Unrestricted consists of all other net position that does not meet the definition of Restricted or Net Investment in Capital Assets.

NOTE 3 – DEPOSITS

Custodial Credit Risk

The Authority maintains cash with FDIC depository banks. At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, uninsured balances are fully collateralized through agreements with the financial institution. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2022.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 3 – DEPOSITS

The breakdown of restricted deposits reported as of December 31, 2022 is as follows:

<u>Restrictions on Deposits</u>	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>
Restricted Cash - Modernization & Development	\$ 1,635,954	\$ 1,014,974
Restricted Cash - Housing Assistance Payments	253,332	-
Restricted Cash - FSS Escrows	81,559	-
Restricted Cash - Operating Reserves	536,913	2,079,885
Restricted Cash - Taxes & Insurance	36,529	167,253
Restricted Cash - Other	14,510	-
Restricted Cash - Security Deposits	72,126	121,426
Total	<u>\$ 2,630,923</u>	<u>\$ 3,383,538</u>

NOTE 4 – ACCOUNTS RECEIVABLE – OTHER

Accounts receivable – Other represents all receivables other than tenant receivables as follows:

	<u>Amount</u>	<u>Program</u>
Accounts Receivable - HUD	\$ 63,175	Housing Choice Voucher / FSS
Accounts Receivable - Port-in	10,639	Housing Choice Voucher
Accounts Receivable - HAP Overpayments	39,087	Housing Choice Voucher
Accounts Receivable - Centralized Costs	98,999	Central Office Cost Center (COCC)
Accounts Receivable - Partnership Mgmt Fees	75,000	GRDC (BCU)
Accounts Receivable - Repayment Agreements	3,301	Scattered Sites
Total	<u>\$ 290,201</u>	

NOTE 5 – OTHER NONCURRENT ASSETS

The Authority invests in current and future mixed finance projects primarily through funding development in the form of notes receivable from the related development. Note receivables are recorded upon completion and are long-term in nature. Notes include certain funding provided to the DPCU's, reported, and included as noncurrent liabilities in Note 7; all other notes are described as follows:

Evergreen Place Loan

Funding provided to construct Evergreen totaling \$8,332,111. The loan consists of \$8,036,645 funded through the HOPE VI program and \$295,465 funded by the Authority's program income. The projects are owned and operated by Three Hundred Nichol Street, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a simple rate of 3.00% per year and matures on December 1, 2051. As of December 31, 2022, accrued interest totaled \$3,705,612. No surplus cash was available for payment.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 – OTHER NONCURRENT ASSETS (CONT'D)

Nicholtown Loan

Funding provided to construct Nicholtown totaling \$2,156,522. The loan consists of \$1,679,062 funded through the HOPE VI program and \$477,460 funded by the Authority's program income. The project is owned and operated by Nichol Town Green, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 4.72% per year and matures on December 1, 2052. As of December 31, 2022, accrued interest totaled \$2,046,864. No surplus cash was available for payment.

Clark Ridge Loan

Funding provided to construct Clark Ridge totaling \$1,759,302. The loan consists of \$313,218 funded through the HOPE VI program, \$801,463 by the Authority's RHF funds and \$644,621 by the Authority's program income. The project is owned and operated by Clark Street, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 5.00% per year and matures on April 15, 2053. As of December 31, 2022, accrued interest totaled \$1,589,935 and outstanding principal totaled \$1,627,194. No surplus cash was available for payment.

Investment in Charleston Place

Payment for the purchase of General Partner interest in 335 Greenacre Road, LP totaled \$80,972. Charleston Place is a LIHTC property for which the Authority provides PBV assistance. The interest gives the Authority control of this development.

Investment in Forestview

Payment for the purchase of General Partner interest in 50 Ramsey Court, LP totaled \$46,002. Forestview is a LIHTC property for which the Authority provides PBV assistance. The interest gives the Authority control of this development.

A summary of noncurrent assets is as follows:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Evergreen Place Loan	\$ 11,787,758	\$ 249,964	\$ -	\$ 12,037,722	\$ -
Nicholtown Loan	4,013,928	189,457	-	4,203,385	-
Clark Ridge Loan	3,063,933	153,197	-	3,217,130	-
<u>DPCU's (Note 7)</u>	-	-	-	-	-
Charleston Place Loan	971,400	53,427	-	1,024,827	-
Charleston Place IDRR Loan	81,182	1,624	-	82,806	-
Forestview Loan	5,497,798	302,379	-	5,800,177	-
Harbor/Gallery Sellers Note	4,332,319	104,802	(335,567)	4,101,554	-
Harbor/Gallery Loan	1,350,000	-	-	1,350,000	-
Preserve Sellers Note	3,798,507	111,251	-	3,909,758	-
Preserve Loan	2,539,010	25,000	-	2,564,010	-
Preserve AHP Loan	505,685	2,500	-	508,185	-
Investment in Charleston Place	80,972	-	-	80,972	-
Investment in Forestview	46,002	-	-	46,002	-
Total Noncurrent Assets	38,068,494	1,193,601	(335,567)	38,926,528	-
Less: Allowance	(22,686,314)	(948,423)	-	(23,634,737)	-
Net Noncurrent Assets	<u>\$ 15,382,180</u>	<u>\$ 245,178</u>	<u>\$ (335,567)</u>	<u>\$ 15,291,791</u>	<u>\$ -</u>

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 6 – CAPITAL ASSETS

The following is a summary of changes in Capital Assets during the year.

Primary Government	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ -	\$ -	\$ 5,497,372
Construction in Progress	-	-	-	-
Depreciable Assets:				
Buildings & Improvements	24,881,779	127,291	-	25,009,070
Leasehold Improvements	351,665	58,373	-	410,038
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	-	-	358,834
Total	<u>34,241,392</u>	<u>185,664</u>	<u>-</u>	<u>34,427,056</u>
Less: Accumulated Depreciation	<u>(13,716,917)</u>	<u>(1,107,358)</u>	<u>-</u>	<u>(14,824,275)</u>
Net Book Value	<u>\$ 20,524,475</u>			<u>\$ 19,602,781</u>
Discretely Presents Component Units	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 349,299	\$ -	\$ -	\$ 349,299
Construction in Progress	-	-	-	-
Depreciable Assets:				
Buildings & Improvements	59,802,471	115,413	(116,619)	59,801,265
Land Improvements	5,958,933	-	-	5,958,933
Furniture & Equipment	3,199,204	-	-	3,199,204
Total	<u>69,309,907</u>	<u>115,413</u>	<u>(116,619)</u>	<u>69,308,701</u>
Less: Accumulated Depreciation	<u>(9,643,360)</u>	<u>(2,427,585)</u>	<u>27,684</u>	<u>(12,043,261)</u>
Net Book Value	<u>\$ 59,666,547</u>			<u>\$ 57,265,440</u>

NOTE 7 – MORTGAGE AND NOTES PAYABLE

Primary Government

Midland States Bank Mortgage

Valley Creek obtained permanent financing through HUD's Section 223(f) program with Love Funding Corporation in the original amount of \$2,786,800. The loan bears interest at 2.30% per annum and is secured in first priority by a deed of trust on buildings and improvements. The mortgage is payable in monthly installments of principal and interest of \$9,666.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)

A schedule of long-term debt for the year ended December 31, 2022 is as follows:

<u>Primary Government</u>	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
Valley Creek					
Midland Bank Mortgage	\$ 2,725,489	\$ -	\$ (53,877)	\$ 2,671,612	\$ 55,129
Total Long Term Debt	<u>\$ 2,725,489</u>	<u>\$ -</u>	<u>\$ (53,877)</u>	<u>\$ 2,671,612</u>	<u>\$ 55,129</u>
			Less: Current Portion	(55,129)	
			Long-Term Portion	<u>\$ 2,616,483</u>	

Annual maturities of long-term obligations of the Primary Government are as follows:

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 55,129	\$ 60,868	\$ 115,997
2024	56,410	59,587	115,997
2025	57,722	58,275	115,997
2026	59,063	56,934	115,997
2027	60,436	55,561	115,997
2028-2032	323,916	256,071	579,987
2033-2037	363,355	216,632	579,987
2038-2042	407,593	172,394	579,987
2043-2047	457,217	122,770	579,987
2048-2052	512,885	67,102	579,987
2053-2057	317,886	10,774	328,660
	<u>\$ 2,671,612</u>	<u>\$ 1,136,968</u>	<u>\$ 3,808,580</u>

Discretely Presented Component Units:

**Charleston Place
TGHA Note Payable**

Charleston Place obtained financing from TGHA on July 27, 2006 in the original amount of \$441,998. The loan bears interest at the greater of 5.5% per annum or the highest long-term annual compounding applicable federal rate, and is nonrecourse debt, secured by the Property. All outstanding principal and accrued interest are due at maturity on December 31, 2047. As of December 31, 2022, accrued interest totaled \$582,829.

AHP Note Payable

Charleston Place obtained a subordinate loan originally due to TGHA and subsequently transferred to BB&T as the member bank of the Federal Home Loan Bank of Atlanta (the "Lender") on December 7, 2005 in the original amount of \$225,000. The subsidy does not bear interest and the Partnership is required to repay the portion of the subsidy (plus interest, if deemed appropriate by the Lender) that is not used in compliance with the terms of the Affordable Housing Program Agreement during a 15-year period commencing on December 7, 2005.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)

IDRR Note Payable

Charleston Place obtained financing from TGHA on December 21, 2017 in the original amount of \$75,000. The loan bears interest at 2% per annum, compounded annually and payable upon Disposition in accordance with the terms of the Partnership agreement. Loan proceeds were used to fund the Initial Deposit Replacement Reserve (IDRR) as required by HUD as part of the RAD Conversion. The note is unsecured, nonrecourse debt. As of December 31, 2022 accrued interest totaled \$7,806.

Forestview

SA Affordable Housing Note Payable

Construction and permanent financing for Forestview was provided by SA Affordable Housing, LLC, an affiliate of the Limited Partner, under a loan commitment of \$2,500,000. On May 6, 2009, the Limited Partner's first capital contribution was used to pay \$1,000,000 of the outstanding construction loan debt and the remaining \$1,500,000 loan balance was converted to a permanent loan. The loan is secured by a first deed of trust in all the Partnership's property and leasehold interest and bears interest at 7.361% per annum. Monthly payments of principal and interest in the amount of \$10,346 began upon closing of permanent financing. Any remaining principal and interest shall be due and payable on June 1, 2025. In conjunction with this loan, the Partnership is also required to make annual deposits equal to \$250 per unit to the replacement reserve escrow. In July 2018, the Partnership drew down additional funds in order to pay down the balance of the LP loan. As a result, the Partnerships monthly principal and interest payments increased to \$12,542. As of December 31, 2022 the note payable principal balance was \$1,453,749 and accrued interest totaled \$8,918.

TGHA Note Payable

Forestview obtained additional financing from TGHA in the original amount of \$2,667,359, of which \$1,044,583 was funded by the HOPE VI program and \$1,622,776 was funded by the Authority's capital fund. The loan bears interest of 5.5% per annum, and is nonrecourse debt, secured by the Property. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. The loan matures on June 20, 2052. As of December 31, 2022, accrued interest totaled \$3,132,817.

Accrued Interest – SunAmerica Housing

The Limited Partner provided Forestview with an Excess LP Loan in the amount of \$422,858 under the terms of the Partnership Agreement. The outstanding principal balance was repaid as of December 31, 2022, and no further interest will be incurred. As of December 31, 2022, accrued interest totaled \$235,564, and is payable from Net Cash Flow.

Harbor/Gallery at West Greenville

PGIM Real Estate Mortgage

Harbor/Gallery at West Greenville obtained permanent and construction financing through a 221(d)(4) HUD-Insured mortgage in the original amount of \$7,150,600. The loan bears interest at 4.28% and requires monthly installments of principal and interest totaling \$31,142. The mortgage loan is nonrecourse debt secured by investment in real estate in first priority. As of December 31, 2022, accrued interest was \$24,429.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)

HOME Mortgage Loan

Harbor/Gallery at West Greenville obtained financing from the South Carolina State Housing Finance and Development Authority (SCSHFDA) with funds received from the HOME Investment Partnership Program in the amount of \$617,928. The loan is nonrecourse debt, secured by the related real estate, and bears interest at 0% per annum. Commencing April 2034, the mortgage requires principal payments subject to Cash Flow as defined in the Operating Agreement, until the mortgage is paid in full.

TGHA Seller Note

Harbor/Gallery at West Greenville obtained financing from TGHA (the Seller) for the purchase of property. The note is nonrecourse debt, collateralized by real estate, and bears interest at 2.55% per annum. Annual payments are due subject to Cash Flow, as defined in the Operating Agreement, until the maturity date of November 1, 2057, at which time any remaining principal and interest balance is due. As of December 31, 2022, accrued interest totaled \$104,802.

TGHA Note Payable

Harbor/Gallery at West Greenville obtained financing from TGHA in the amount of \$1,350,000. The note is nonrecourse debt, secured by real estate and bears interest at 1.00% per annum. Commencing on May 1, 2030 annual payments are due subject to Cash Flow, as defined in the Operating Agreement, until the maturity date of November 1, 2057, at which time any remaining principal and interest balance is due. As of December 31, 2022, accrued interest totaled \$-0-.

Heritage at Sliding Rock

Centrant Community Capital Mortgage

Heritage at Sliding Rock obtained financing from Centrant Community Capital, Inc. on February 16, 2018 in the original amount of \$1,615,620. The loan bears interest at 5.50% per annum and is nonrecourse debt, secured by real estate. Monthly installments of principal and interest of \$9,174 are due through February 1, 2036. As of October 31, 2022, accrued interest totaled \$7,021.

Manor at West Greenville

Centrant Community Capital Mortgage

Manor at West Greenville obtained financing from Centrant Community Capital, Inc. on July 1, 2017 in the original amount of \$1,182,000. The loan bears interest at 5.83% per annum and is nonrecourse debt, secured by real estate. Monthly installments of principal and interest of 6,959 are due through May 1, 2035. As of December 31, 2022, accrued interest totaled \$5,379.

Preserve at Logan Park

Citibank Mortgage

Preserve at Logan Park obtained construction and permanent financing from Citibank for the maximum amount of \$11,480,000. The permanent loan is to amortize over 35 year, payable in 30 years, maturing May 2056 at a rate of 5.81% per annum. The loan is collateralized by investment in real estate in first priority. As of December 31, 2022, accrued interest totaled \$5,379.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)

Seller Note

Preserve at Logan Park received a note from the Authority (Seller) as part of the financing agreement for purchase of the former Public Housing property known as Garden Apartments in 2018. The note is nonrecourse debt, second in priority, collateralized by real estate, and accrues interest at 3.22% per annum. Annual payments are due in an amount equal to 50% of the Excess Cash Flow, as defined in the Operating Agreement, until the maturity date of December 1, 2058, at which time any remaining principal and interest balance is due. As of December 31, 2022, accrued interest totaled \$454,758.

Greenville Community Works

Preserve at Logan Park obtained financing from Greenville Community Works in the amount of \$500,000. The loan is nonrecourse debt, third in priority, secured by real estate and bears interest at 4.75% per annum. Annual payments equal to the lesser of 35% of the excess Cash Flow, as defined in the Operating Agreement, or \$26,943 and are due on the first day of December each year, beginning December 1, 2019. The note matures on December 1, 2038. As of December 31, 2022, accrued interest totaled \$50,000.

Greenville Housing Trust Fund

Preserve at Logan Park obtained financing from the Greenville Housing Fund in the amount of \$500,000. The loan is nonrecourse debt, fourth in priority, secured by real estate and bears interest at 3.50% per annum. Annual payments in an amount equal to the lesser of 35% of the excess Cash Flow, as defined in the Operating Agreement, or \$26,943 and are due on the first day of December each year, beginning December 1, 2019. The note matures on December 1, 2038. As of December 31, 2022, accrued interest totaled \$35,000.

TGHA Note Payable

Preserve at Logan Park obtained financing from TGHA in the maximum amount of \$2,500,000. The note is nonrecourse debt, fifth in priority, secured by real estate and bears interest at 1.00% per annum. Annual payments in an amount equal to 10% of the Excess Cash Flow, as defined in the Operating Agreement, and are due on the first of December beginning December 1, 2019. As of December 31, 2022, accrued interest totaled \$64,010.

AHP Note Payable

Preserve at Logan Park obtained financing from TGHA through a grant obtained from the Federal Home Loan Bank of Atlanta in the amount of \$500,000. The note is sixth in priority, is non-amortizing, nonrecourse debt secured by real estate and bears interest at 0.50% per annum. A single lump sum payment of principal and interest is due and payable on December 1, 2058. As of December 31, 2022, accrued interest totaled \$8,185.

SC Housing NHTF

Preserve at Logan Park obtained financing from SC Housing NHTF in the amount of \$700,000. The note is non-amortizing, nonrecourse debt secured by real estate and bears interest at 0% per annum. Annual payments in an amount equal to the lesser of 10% of excess Cash Flow, as defined in the Operating Agreement, or \$17,500 are due on the first day of December each year. The note matures on December 1, 2058.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)

A schedule of long-term debt for the year ended December 31, 2022 is as follows:

<u>Discretely Presented</u>					
<u>Component Units</u>	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
Charleston Place					
TGHA Note Payable	\$ 971,400	\$ 53,426	\$ -	\$ 1,024,826	\$ -
AHP Note Payable	225,000	-	-	225,000	-
IDRR Note Payable	81,182	1,625	-	82,807	-
Forestview					
SA Affordable Housing Note	1,495,554	-	(41,805)	1,453,749	44,988
TGHA Note Payable	2,667,359	-	-	2,667,359	-
Accrued Interest	3,066,002	302,379	-	3,368,381	-
Harbor/Gallery at West Greenville					
PGIM Real Estate Mortgage	6,849,288	-	(82,157)	6,767,131	85,743
HOME Mortgage Loan	617,928	-	-	617,928	-
TGHA Seller Note	4,222,975	104,802	(226,223)	4,101,554	-
TGHA Note Payable	1,350,000	-	-	1,350,000	-
Heritage at Sliding Rock					
Centrant Community Capital Mortgage	1,531,748	-	(26,503)	1,505,245	27,998
Manor at West Greenville					
Centrant Community Capital Mortgage	1,107,096	-	(19,479)	1,087,617	20,646
Preserve at Logan Park					
Citibank Mortgage	11,470,572	-	(106,508)	11,364,064	122,244
Greenville Housing Trust Fund	517,500	17,500	-	535,000	-
Greenville Community Works	525,000	25,000	-	550,000	-
FHLB Atlanta, AHP	505,685	2,500	-	508,185	-
TGHA Seller's Note	3,798,507	111,251	-	3,909,758	-
TGHA Loan	2,539,010	25,000	-	2,564,010	-
SC Housing NHTF	700,000	-	-	700,000	-
Total Long Term Debt	<u>\$ 44,241,806</u>	<u>\$ 643,483</u>	<u>\$ (502,675)</u>	<u>\$ 44,382,614</u>	<u>\$ 301,619</u>
			Less: Current Portion	<u>(301,619)</u>	
			Long-Term Portion	<u>\$ 44,080,995</u>	

NOTE 8 – NET POSITION - RESTATED

During 2022, TGHA obtained control of the managing member interest of three properties known as Heritage at Sliding Rock, the Manor at West Greenville, and the Harbor at West Greenville/the Gallery at West Greenville. Upon obtaining the minority ownership interest of each partnership, control transfers to TGHA through its control of GRDC and, as such, the properties are reported as discrete component units. As a result, the Beginning Net Position of the Discretely Presented Component Units was restated from \$2,910,698 to \$20,290,856. The \$17,308,158 increase reflects the beginning net position of each noted property as follows: \$6,708,799, \$5,286,217, and 5,385,142, respectively. The Primary Government Net Position was not affected by these transactions.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 9 – HOUSING CHOICE VOUCHER NET POSITION

A summary of HCV program balances is as follows:

	HCV Unrestricted	HCV Restricted	Mainstream Restricted	EHV Restricted	Total
Beginning Net Position	\$ 1,023,407	\$ 576,833	\$ 5,301	\$ 140,781	\$ 1,746,322
Revenue					
HUD Operating Grants	2,298,531	22,340,939	152,401	276,334	25,068,205
Fraud Recovery	11,013	11,013	-	-	22,026
Other Income	7,062	19,326	-	-	26,388
Total Revenue	<u>2,316,606</u>	<u>22,371,278</u>	<u>152,401</u>	<u>276,334</u>	<u>25,116,619</u>
Expenses					
Operating	(2,135,848)	-	-	-	(2,135,848)
Housing Assistance	(6,600)	(22,701,635)	(157,702)	(410,259)	(23,276,196)
Total Expenses	<u>(2,142,448)</u>	<u>(22,701,635)</u>	<u>(157,702)</u>	<u>(410,259)</u>	<u>(25,412,044)</u>
Net Result	<u>174,158</u>	<u>(330,357)</u>	<u>(5,301)</u>	<u>(133,925)</u>	<u>(295,425)</u>
Ending Net Position	<u>\$ 1,197,565</u>	<u>\$ 246,476</u>	<u>\$ -</u>	<u>\$ 6,856</u>	<u>\$ 1,450,897</u>
HUD-Held Program Reserves (HHR)		<u>\$ 3,727,331</u>	<u>\$ 61,873</u>	<u>\$ 208,192</u>	

NOTE 10 – HUD CAPITAL FUND PROGRAM

The Authority is provided HUD capital funds for modernization projects and replacement housing. Grant expenditures were audited in accordance with program requirements. The following grants have been fully expended and liabilities fully paid as of December 31, 2022: No grants were closed during the year ending December 31, 2022.

The following grants are open as of December 31, 2022:

	SC16P004		
	501-20	501-21	501-22
Funds Authorized	<u>\$ 585,658</u>	<u>\$ 616,965</u>	<u>\$ 287,777</u>
Funds Advanced	582,418	-	-
Less Project Expenditures	582,418	-	-
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 11 – OTHER HUD GRANTS

The Authority was awarded ROSS and FSS Grants for support services to public housing residents and HCV participants. Grant expenditures were audited in accordance with program requirements. The following grants have been fully expended and liabilities fully paid as of December 31, 2022:

	<u>FSS21SC</u>	<u>FSS22SC</u>
	3657	4434
Funds Authorized	<u>\$ 110,000</u>	<u>\$ 147,000</u>
Funds Advanced	110,000	147,000
Less Project Expenditures	<u>110,000</u>	<u>147,000</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

The following grants are open as of December 31, 2022:

	<u>ROSS018</u>	<u>FSS20SC</u>
	1153	3382
Funds Authorized	<u>\$ 246,000</u>	<u>\$ 110,000</u>
Funds Advanced	220,219	101,208
Less Project Expenditures	<u>220,219</u>	<u>101,208</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

NOTE 12 – RETIREMENT PLAN

The Authority provides pension benefits for all its eligible full-time employees through a defined contribution plan, known as The Government Agency Retirement Plan. The plan is administered by Billings and Company, Incorporated. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 10% of the employees' base salary and employees do not contribute to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2022, the Authority made the required contributions in the amount of \$229,497, and there were no significant unpaid pension liabilities outstanding as of December 31, 2022. Total forfeitures were \$14,883 during the year ended December 31, 2022.

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 – CONDENSED FINANCIAL STATEMENTS OF BLENDED COMPONENT UNIT

Below is the condensed financial information of Greenville Redevelopment Corporation:

Condensed Statement of Net Position	Nonmajor GRDC's	GAH Scattered Sites, LLC	GAH Arcadia Hills, LLC	GAH Ridgeway, LLC	GAH Valley Creek, LLC	Total BCU's
Cash & Investments	\$ 106,941	\$ 1,909,403	\$ 710,864	\$ 420,581	\$ 1,138,924	\$ 4,286,713
Other Current Assets	75,000	80,819	18,572	2,612	31,153	208,156
Capital & Other Noncurrent Assets	126,974	5,056,093	4,061,685	1,280,019	2,824,557	13,349,328
Total Assets	308,915	7,046,315	4,791,121	1,703,212	3,994,634	17,844,197
Current & Other Liabilities	-	125,902	44,327	3,756	167,796	341,781
Noncurrent Liab	-	7,026	3,395	499	2,619,707	2,630,627
Total Liab.	-	132,928	47,722	4,255	2,787,503	2,972,408
Invested in Cap. Assets	-	5,056,093	4,061,685	1,280,019	152,945	10,550,742
Restricted	-	708,833	392,299	134,584	937,151	2,172,867
Unrestricted	308,915	1,148,461	289,415	284,354	117,035	2,148,180
Total Net Position	\$ 308,915	\$ 6,913,387	\$ 4,743,399	\$ 1,698,957	\$ 1,207,131	\$ 14,871,789
Condensed Statement of Revenues, Expenses, and Changes in Net Position	Nonmajor GRDC's	GAH Scattered Sites, LLC	GAH Arcadia Hills, LLC	GAH Ridgeway, LLC	GAH Valley Creek	Total BCU's
Operating Revenues						
Rental - Tenant and Subsidy	\$ -	\$ 931,231	\$ 309,576	\$ 54,485	\$ 318,495	\$ 1,613,787
Other General Revenues	55,011	4,422	1,074	549	2,187	63,243
Total Operating Revenues	55,011	935,653	310,650	55,034	320,682	1,677,030
Expenses						
Administrative & Operating	-	858,556	357,442	52,269	310,920	1,579,187
Depreciation	-	333,924	250,734	33,027	342,257	959,942
Total Expenses	-	1,192,480	608,176	85,296	653,177	2,539,129
Operating Income (Loss)	55,011	(256,827)	(297,526)	(30,262)	(332,495)	(862,099)
Nonoperating Revenues (Expenses)						
Nonroutine Maintenance	-	(104,902)	(26,997)	(778)	(88,599)	(221,276)
Interest Income	-	-	-	-	409	409
Interest Expense	-	-	-	-	(62,121)	(62,121)
Income (Loss) before Capital Contributions	55,011	(361,729)	(324,523)	(31,040)	(482,806)	(1,145,087)
Operating Transfers	-	-	-	-	-	-
Change in Net Position	55,011	(361,729)	(324,523)	(31,040)	(482,806)	(1,145,087)
Beginning Net Position	253,904	7,275,116	5,067,922	1,729,997	1,689,937	16,016,876
Ending Net Position	\$ 308,915	\$ 6,913,387	\$ 4,743,399	\$ 1,698,957	\$ 1,207,131	\$ 14,871,789

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 14 – CONDENSED FINANCIAL STATEMENTS OF DPCU

Below is the condensed financial information of the Discretely Presented Component Units:

Condensed Statement of Net Position	Charleston Place	Forestview	Harbor/Gallery at West Greenville	Heritage at Sliding Rock	Manor at West Greenville	Preserve at Logan Park	Total DPCU's
Cash & Investments	\$ 326,321	\$ 336,924	\$ 1,332,357	\$ 777,780	\$ 308,303	\$ 2,164,042	\$ 5,245,727
Other Current Assets	18,930	31,506	135,831	43,725	19,123	86,087	335,202
Capital & Other Noncurrent Assets	<u>1,924,825</u>	<u>1,162,127</u>	<u>16,501,203</u>	<u>7,329,302</u>	<u>5,741,162</u>	<u>24,954,507</u>	<u>57,613,126</u>
Total Assets	<u>2,270,076</u>	<u>1,530,557</u>	<u>17,969,391</u>	<u>8,150,807</u>	<u>6,068,588</u>	<u>27,204,636</u>	<u>63,194,055</u>
							-
Current & Other Liabilities	37,123	256,717	236,974	58,195	54,827	214,209	858,045
Noncurrent Liab	<u>1,503,795</u>	<u>7,453,076</u>	<u>12,750,870</u>	<u>1,477,247</u>	<u>1,066,971</u>	<u>20,008,773</u>	<u>44,260,732</u>
Total Liab.	<u>1,540,918</u>	<u>7,709,793</u>	<u>12,987,844</u>	<u>1,535,442</u>	<u>1,121,798</u>	<u>20,222,982</u>	<u>45,118,777</u>
							-
Invested in Cap. Assets	674,998	(6,327,362)	3,664,590	5,637,524	4,492,392	4,823,490	12,965,632
Restricted	235,284	231,070	744,924	659,390	268,226	955,965	3,094,859
Unrestricted	<u>(181,124)</u>	<u>(82,944)</u>	<u>572,033</u>	<u>318,451</u>	<u>186,172</u>	<u>1,202,199</u>	<u>2,014,787</u>
Total Net Position	<u>\$ 729,158</u>	<u>\$ (6,179,236)</u>	<u>\$ 4,981,547</u>	<u>\$ 6,615,365</u>	<u>\$ 4,946,790</u>	<u>\$ 6,981,654</u>	<u>\$ 18,075,278</u>

THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 14 – CONDENSED FINANCIAL STATEMENTS OF DPCU (CONT'D)

Condensed Statement of Revenues, Expenses, and Changes in Net Position	Charleston Place	Forestview	Harbor/Gallery at West Greenville	Heritage at Sliding Rock	Manor at West Greenville	Preserve at Logan Park	Total DPCU's
Operating Revenues							
Rental - Tenant and Subsidy	\$ 338,239	\$ 587,981	\$ 1,566,985	\$ 647,965	\$ 599,445	\$ 2,043,460	\$ 5,784,075
Other General Revenues	500	3,012	12,658	2,097	1,408	24,640	44,315
Total Operating Revenues	<u>338,739</u>	<u>590,993</u>	<u>1,579,643</u>	<u>650,062</u>	<u>600,853</u>	<u>2,068,100</u>	<u>5,828,390</u>
Expenses							
Administrative & Operating	315,162	430,490	979,440	417,298	716,741	1,014,057	3,873,188
Depreciation	<u>175,097</u>	<u>15,002</u>	<u>577,019</u>	<u>241,438</u>	<u>218,202</u>	<u>1,200,827</u>	<u>2,427,585</u>
Total Expenses	<u>490,259</u>	<u>445,492</u>	<u>1,556,459</u>	<u>658,736</u>	<u>934,943</u>	<u>2,214,884</u>	<u>6,300,773</u>
Operating Income (Loss)	(151,520)	145,501	23,184	(8,674)	(334,090)	(146,784)	(472,383)
Nonoperating Revenues (Expenses)							
Nonroutine Maintenance	(10,858)	(68,180)	(30,683)	(1,763)	(5,816)	(353)	(117,653)
Interest Expense	(55,051)	(413,708)	(396,352)	(83,585)	-	(737,245)	(1,685,941)
Financing Costs	-	-	-	-	-	-	-
Interest Income	-	319	256	588	479	8	1,650
Income (Loss) before Capital Contributions	(217,429)	(336,068)	(403,595)	(93,434)	(339,427)	(884,374)	(2,274,327)
Capital Contributions	-	-	-	-	-	58,749	58,749
Change in Net Position	(217,429)	(336,068)	(403,595)	(93,434)	(339,427)	(825,625)	(2,215,578)
Beginning Net Position	<u>946,587</u>	<u>(5,843,168)</u>	<u>5,385,142</u>	<u>6,708,799</u>	<u>5,286,217</u>	<u>7,807,279</u>	<u>20,290,856</u>
Ending Net Position	<u>\$ 729,158</u>	<u>\$ (6,179,236)</u>	<u>\$ 4,981,547</u>	<u>\$ 6,615,365</u>	<u>\$ 4,946,790</u>	<u>\$ 6,981,654</u>	<u>\$ 18,075,278</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 15 – CONDUIT DEBT OBLIGATIONS

The Authority receives proceeds for being the issuer of various Multi-Family Tax Exempt Bonds to finance loans to finance the acquisition, construction, and rehabilitation of apartment complexes in Greenville, South Carolina. The loans made by the Authority to the Borrower are secured by a first deed of trust in all the Borrower's property. The Authority's obligation under the bond issuance is limited to payments received by the Authority from the Borrower, and the security pledged, from the Borrower. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, nor is the Authority obligated in any manner for repayment of the bonds, and accordingly neither the debt or related receivables have been reported in the accompanying financial statements.

NOTE 16 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Authority receives a substantial portion of revenue from the Department of Housing and Urban Development (HUD). The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress, or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost to comply with the change.

NOTE 17 – DATE OF MANAGEMENT'S REVIEW

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 14, 2023, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
111 Cash - Unrestricted			\$1,862,189	\$2,005,191		\$4,490,817	
112 Cash - Restricted - Modernization and Development			\$1,014,974	\$1,635,954			
113 Cash - Other Restricted		\$8,828	\$2,079,885	\$536,913		\$14,510	
114 Cash - Tenant Security Deposits			\$121,426	\$72,126			
115 Cash - Restricted for Payment of Current Liabilities			\$167,253	\$36,529			
100 Total Cash	\$0	\$8,828	\$5,245,727	\$4,286,713	\$0	\$4,505,327	\$0
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects							\$30,198
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous			\$813	\$107,977			
126 Accounts Receivable - Tenants			\$73,372	\$13,494			
126.1 Allowance for Doubtful Accounts -Tenants			\$0	-\$200			\$0
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery			\$388	\$3,301			
128.1 Allowance for Doubtful Accounts - Fraud			\$0	\$0			
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$74,573	\$124,572	\$0	\$0	\$30,198
131 Investments - Unrestricted							
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets			\$260,629	\$83,584		\$3,456	
150 Total Current Assets	\$0	\$8,828	\$5,580,929	\$4,494,869	\$0	\$4,508,783	\$30,198
161 Land			\$349,299	\$1,784,868		\$3,712,504	
162 Buildings			\$59,801,265	\$24,224,098			
163 Furniture, Equipment & Machinery - Dwellings			\$3,199,204	\$133,136			
164 Furniture, Equipment & Machinery - Administration						\$213,015	
165 Leasehold Improvements			\$5,958,933	\$24,392			
166 Accumulated Depreciation			-\$12,043,261	-\$12,944,140		-\$1,473,712	
167 Construction in Progress							
168 Infrastructure						\$3,151,742	
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$57,265,440	\$13,222,354	\$0	\$5,603,549	\$0

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$896,560	\$68,009	\$558,269	\$9,881,035		\$9,881,035
112 Cash - Restricted - Modernization and Development				\$2,650,928		\$2,650,928
113 Cash - Other Restricted	\$246,476	\$6,856		\$2,893,468		\$2,893,468
114 Cash - Tenant Security Deposits				\$193,552		\$193,552
115 Cash - Restricted for Payment of Current Liabilities	\$72,731			\$276,513		\$276,513
100 Total Cash	\$1,215,767	\$74,865	\$558,269	\$15,895,496	\$0	\$15,895,496
121 Accounts Receivable - PHA Projects	\$10,639			\$10,639		\$10,639
122 Accounts Receivable - HUD Other Projects				\$30,198		\$30,198
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous	\$39,087		\$98,999	\$246,876		\$246,876
126 Accounts Receivable - Tenants				\$86,866		\$86,866
126.1 Allowance for Doubtful Accounts -Tenants	\$0		\$0	-\$200		-\$200
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current						
128 Fraud Recovery				\$3,689		\$3,689
128.1 Allowance for Doubtful Accounts - Fraud				\$0		\$0
129 Accrued Interest Receivable						
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$49,726	\$0	\$98,999	\$378,068	\$0	\$378,068
131 Investments - Unrestricted						
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	\$14,230		\$12,016	\$373,915		\$373,915
150 Total Current Assets	\$1,308,467	\$74,865	\$669,284	\$16,676,223	-\$28,744	\$16,647,479
161 Land				\$5,846,671		\$5,846,671
162 Buildings			\$784,972	\$84,810,335		\$84,810,335
163 Furniture, Equipment & Machinery - Dwellings				\$3,332,340		\$3,332,340
164 Furniture, Equipment & Machinery - Administration	\$6,897		\$5,786	\$225,698		\$225,698
165 Leasehold Improvements	\$385,646			\$6,368,971		\$6,368,971
166 Accumulated Depreciation	-\$134,636		-\$271,787	-\$26,867,536		-\$26,867,536
167 Construction in Progress						
168 Infrastructure				\$3,151,742		\$3,151,742
160 Total Capital Assets, Net of Accumulated Depreciation	\$257,907	\$0	\$518,971	\$76,868,221	\$0	\$76,868,221

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
171 Notes, Loans and Mortgages Receivable - Non-Current						\$15,164,817	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets			\$347,686	\$0			
176 Investments in Joint Ventures			\$0	\$126,974			
180 Total Non-Current Assets	\$0	\$0	\$57,613,126	\$13,349,328	\$0	\$20,768,366	\$0
200 Deferred Outflow of Resources							
290 Total Assets and Deferred Outflow of Resources	\$0	\$8,828	\$63,194,055	\$17,844,197	\$0	\$25,277,149	\$30,198
311 Bank Overdraft							
312 Accounts Payable <= 90 Days			\$169,959	\$91,657		\$16,671	
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable							
322 Accrued Compensated Absences - Current Portion			\$33,825	\$1,230		\$3,750	
324 Accrued Contingency Liability							
325 Accrued Interest Payable			\$45,747	\$5,224			
331 Accounts Payable - HUD PHA Programs							\$1,454
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government			\$9,799				
341 Tenant Security Deposits			\$121,426	\$72,376			
342 Unearned Revenue			\$72,095	\$41,782			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$301,619	\$55,129			
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other			\$39,205	\$74,383			
347 Inter Program - Due To							\$28,744
348 Loan Liability - Current							
310 Total Current Liabilities	\$0	\$0	\$793,675	\$341,781	\$0	\$20,421	\$30,198

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current				\$15,164,817		\$15,164,817
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets				\$347,686		\$347,686
176 Investments in Joint Ventures				\$126,974		\$126,974
180 Total Non-Current Assets	\$257,907	\$0	\$518,971	\$92,507,698	\$0	\$92,507,698
200 Deferred Outflow of Resources						
290 Total Assets and Deferred Outflow of Resources	\$1,566,374	\$74,865	\$1,188,255	\$109,183,921	-\$28,744	\$109,155,177
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	\$10,564	\$4,622	\$21,095	\$314,568		\$314,568
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable						
322 Accrued Compensated Absences - Current Portion	\$1,728		\$2,972	\$43,505		\$43,505
324 Accrued Contingency Liability						
325 Accrued Interest Payable				\$50,971		\$50,971
331 Accounts Payable - HUD PHA Programs	\$22,654	\$1,957		\$26,065		\$26,065
332 Account Payable - PHA Projects						
333 Accounts Payable - Other Government				\$9,799		\$9,799
341 Tenant Security Deposits				\$193,802		\$193,802
342 Unearned Revenue		\$56,206		\$170,083		\$170,083
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$356,748		\$356,748
344 Current Portion of Long-term Debt - Operating Borrowings						
345 Other Current Liabilities	\$72,731			\$72,731		\$72,731
346 Accrued Liabilities - Other				\$113,588		\$113,588
347 Inter Program - Due To				\$28,744	-\$28,744	\$0
348 Loan Liability - Current						
310 Total Current Liabilities	\$107,677	\$62,785	\$24,067	\$1,380,604	-\$28,744	\$1,351,860

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$43,998,189	\$2,616,483			
352 Long-term Debt, Net of Current - Operating Borrowings			\$82,806	\$0			
353 Non-current Liabilities - Other			\$244,107	\$0			
354 Accrued Compensated Absences - Non Current			\$0	\$14,144		\$43,120	
355 Loan Liability - Non Current							
350 Total Non-Current Liabilities	\$0	\$0	\$44,325,102	\$2,630,627	\$0	\$43,120	\$0
300 Total Liabilities	\$0	\$0	\$45,118,777	\$2,972,408	\$0	\$63,541	\$30,198
400 Deferred Inflow of Resources							
508.3 Nonspendable Fund Balance							
508.4 Net Investment in Capital Assets	\$0		\$12,965,632	\$10,550,742	\$0	\$5,603,549	\$0
511.4 Restricted Net Position	\$0	\$8,828	\$3,094,859	\$2,172,867	\$0	\$14,510	\$0
512.3 Unassigned Fund Balance							
512.4 Unrestricted Net Position	\$0	\$0	\$2,014,787	\$2,148,180	\$0	\$19,595,549	\$0
513 Total Equity - Net Assets / Position	\$0	\$8,828	\$18,075,278	\$14,871,789	\$0	\$25,213,608	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$8,828	\$63,194,055	\$17,844,197	\$0	\$25,277,149	\$30,198

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$46,614,672		\$46,614,672
352 Long-term Debt, Net of Current - Operating Borrowings				\$82,806		\$82,806
353 Non-current Liabilities - Other				\$244,107		\$244,107
354 Accrued Compensated Absences - Non Current	\$19,880		\$34,178	\$111,322		\$111,322
355 Loan Liability - Non Current						
350 Total Non-Current Liabilities	\$19,880	\$0	\$34,178	\$47,052,907	\$0	\$47,052,907
300 Total Liabilities	\$127,557	\$62,785	\$58,245	\$48,433,511	-\$28,744	\$48,404,767
400 Deferred Inflow of Resources						
508.3 Nonspendable Fund Balance						
508.4 Net Investment in Capital Assets	\$257,907	\$0	\$518,971	\$29,896,801	\$0	\$29,896,801
511.4 Restricted Net Position	\$246,476	\$6,856	\$0	\$5,544,396	\$0	\$5,544,396
512.3 Unassigned Fund Balance						
512.4 Unrestricted Net Position	\$934,434	\$5,224	\$611,039	\$25,309,213	\$0	\$25,309,213
513 Total Equity - Net Assets / Position	\$1,438,817	\$12,080	\$1,130,010	\$60,750,410	\$0	\$60,750,410
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,566,374	\$74,865	\$1,188,255	\$109,183,921	-\$28,744	\$109,155,177

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
70300 Net Tenant Rental Revenue			\$1,754,838	\$523,130			
70400 Tenant Revenue - Other							
70500 Total Tenant Revenue	\$0	\$0	\$1,754,838	\$523,130	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$608,544				\$147,000		\$169,896
70610 Capital Grants							
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70750 Other Fees						\$767,015	
70700 Total Fee Revenue							
70800 Other Government Grants			\$4,029,237	\$1,090,657			
71100 Investment Income - Unrestricted			\$1,650	\$409			
71200 Mortgage Interest Income						\$245,177	
71400 Fraud Recovery							
71500 Other Revenue		\$8,828	\$103,064	\$63,243		\$298,050	
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted							
70000 Total Revenue	\$608,544	\$8,828	\$5,888,789	\$1,677,439	\$147,000	\$1,310,242	\$169,896
91100 Administrative Salaries			\$389,242	\$157,541		\$269,068	\$9,228
91200 Auditing Fees			\$54,719	\$15,000		\$4,000	
91300 Management Fee	\$37,672		\$355,001	\$242,597			\$3,384
91310 Book-keeping Fee							\$2,115
91400 Advertising and Marketing						\$13,860	
91500 Employee Benefit contributions - Administrative			\$88,643	\$42,879	\$7,198	\$60,922	\$2,768
91600 Office Expenses			\$195,137	\$42,320		\$189,839	
91700 Legal Expense			\$18,220	\$1,163		\$15,275	
91800 Travel			\$3,508	\$287			
91810 Allocated Overhead				\$0			
91900 Other			\$24,996	\$11,037		\$146,706	
91000 Total Operating - Administrative	\$37,672	\$0	\$1,129,466	\$512,824	\$7,198	\$699,670	\$17,495

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue				\$2,277,968		\$2,277,968
70400 Tenant Revenue - Other						
70500 Total Tenant Revenue	\$0	\$0	\$0	\$2,277,968	\$0	\$2,277,968
70600 HUD PHA Operating Grants	\$24,550,357	\$347,952		\$25,823,749		\$25,823,749
70610 Capital Grants						
70710 Management Fee			\$465,568	\$465,568	-\$465,568	\$0
70720 Asset Management Fee						
70730 Book Keeping Fee			\$267,435	\$267,435	-\$267,435	\$0
70750 Other Fees				\$767,015	-\$242,597	\$524,418
70700 Total Fee Revenue			\$733,003	\$733,003	-\$975,600	-\$242,597
70800 Other Government Grants				\$5,119,894	-\$1,090,657	\$4,029,237
71100 Investment Income - Unrestricted				\$2,059		\$2,059
71200 Mortgage Interest Income				\$245,177		\$245,177
71400 Fraud Recovery	\$22,026			\$22,026		\$22,026
71500 Other Revenue	\$26,388		\$22,455	\$522,028	-\$21,738	\$500,290
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue	\$24,598,771	\$347,952	\$755,458	\$35,512,919	-\$2,087,995	\$33,424,924
91100 Administrative Salaries	\$673,802	\$22,045	\$334,578	\$1,855,504		\$1,855,504
91200 Auditing Fees	\$25,000		\$4,000	\$102,719		\$102,719
91300 Management Fee	\$418,248	\$6,264		\$1,063,166	-\$708,165	\$355,001
91310 Book-keeping Fee	\$261,405	\$3,915		\$267,435	-\$267,435	\$0
91400 Advertising and Marketing				\$13,860		\$13,860
91500 Employee Benefit contributions - Administrative	\$186,860	\$7,971	\$96,408	\$493,649		\$493,649
91600 Office Expenses	\$269,941		\$369,271	\$1,066,508	-\$21,738	\$1,044,770
91700 Legal Expense			\$13,194	\$47,852		\$47,852
91800 Travel	\$408		\$5,570	\$9,773		\$9,773
91810 Allocated Overhead				\$0		\$0
91900 Other	\$121,836		\$79,741	\$384,316		\$384,316
91000 Total Operating - Administrative	\$1,957,500	\$40,195	\$902,762	\$5,304,782	-\$997,338	\$4,307,444

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
92000 Asset Management Fee							
92100 Tenant Services - Salaries			\$30,620	\$0	\$121,405		
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services			\$7,417	\$0	\$18,397		
92400 Tenant Services - Other			\$27,370	\$2,025		\$190	
92500 Total Tenant Services	\$0	\$0	\$65,407	\$2,025	\$139,802	\$190	\$0
93100 Water			\$246,086	\$13,419			
93200 Electricity			\$147,120	\$24,464			
93300 Gas			\$9,128	\$2,433			
93600 Sewer							
93800 Other Utilities Expense			\$18,462	\$24,478		\$2,158	
93000 Total Utilities	\$0	\$0	\$420,796	\$64,794	\$0	\$2,158	\$0
94100 Ordinary Maintenance and Operations - Labor			\$357,848	\$145,839			
94200 Ordinary Maintenance and Operations - Materials and Other			\$229,871	\$115,806		\$45	
94300 Ordinary Maintenance and Operations Contracts			\$600,046	\$531,925		\$18,285	
94500 Employee Benefit Contributions - Ordinary Maintenance			\$88,486	\$36,484			
94000 Total Maintenance	\$0	\$0	\$1,276,251	\$830,054	\$0	\$18,330	\$0
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs			\$57,358	\$2,063		\$7,097	
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$57,358	\$2,063	\$0	\$7,097	\$0
96110 Property Insurance			\$167,799	\$96,242		\$2,341	
96120 Liability Insurance			\$24,454	\$27,922		\$556	
96130 Workmen's Compensation			\$6,623	\$3,667		\$4,322	
96140 All Other Insurance			\$36,192	\$10,381			
96100 Total insurance Premiums	\$0	\$0	\$235,068	\$138,212	\$0	\$7,219	\$0
96200 Other General Expenses	\$570,872		\$528,081	\$1,120			
96210 Compensated Absences			\$0	\$26,381		\$23,397	
96300 Payments in Lieu of Taxes			\$64,629	\$0			

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee						
92100 Tenant Services - Salaries				\$152,025		\$152,025
92200 Relocation Costs						
92300 Employee Benefit Contributions - Tenant Services				\$25,814		\$25,814
92400 Tenant Services - Other		\$23,443		\$53,028		\$53,028
92500 Total Tenant Services	\$0	\$23,443	\$0	\$230,867	\$0	\$230,867
93100 Water			\$764	\$260,269		\$260,269
93200 Electricity			\$4,466	\$176,050		\$176,050
93300 Gas			\$588	\$12,149		\$12,149
93600 Sewer						
93800 Other Utilities Expense			\$397	\$45,495		\$45,495
93000 Total Utilities	\$0	\$0	\$6,215	\$493,963	\$0	\$493,963
94100 Ordinary Maintenance and Operations - Labor	\$0		\$3,349	\$507,036		\$507,036
94200 Ordinary Maintenance and Operations - Materials and Other	\$0		\$6,489	\$352,211		\$352,211
94300 Ordinary Maintenance and Operations Contracts	\$0		\$15,951	\$1,166,207		\$1,166,207
94500 Employee Benefit Contributions - Ordinary Maintenance			\$1,231	\$126,201		\$126,201
94000 Total Maintenance	\$0	\$0	\$27,020	\$2,151,655	\$0	\$2,151,655
95100 Protective Services - Labor						
95200 Protective Services - Other Contract Costs	\$0		\$8,754	\$75,272		\$75,272
95300 Protective Services - Other						
95500 Employee Benefit Contributions - Protective Services						
95000 Total Protective Services	\$0	\$0	\$8,754	\$75,272	\$0	\$75,272
96110 Property Insurance	\$2,876		\$2,876	\$272,134		\$272,134
96120 Liability Insurance	\$910		\$1,253	\$55,095		\$55,095
96130 Workmen's Compensation	\$9,627		\$11,816	\$36,055		\$36,055
96140 All Other Insurance	\$2,197		\$19,676	\$68,446		\$68,446
96100 Total insurance Premiums	\$15,610	\$0	\$35,621	\$431,730	\$0	\$431,730
96200 Other General Expenses	\$6,956			\$1,107,029		\$1,107,029
96210 Compensated Absences	\$58,457		\$29,385	\$137,620		\$137,620
96300 Payments in Lieu of Taxes				\$64,629		\$64,629

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self- Sufficiency Program	1 Business Activities	14.879 Mainstream Vouchers
96400 Bad debt - Tenant Rents			\$32,103	\$1,714			
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96000 Total Other General Expenses	\$570,872	\$0	\$624,813	\$29,215	\$0	\$23,397	\$0
96710 Interest of Mortgage (or Bonds) Payable			\$1,747,337	\$62,121			
96720 Interest on Notes Payable (Short and Long Term)			\$2,633	\$0			
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$1,749,970	\$62,121	\$0	\$0	\$0
96900 Total Operating Expenses	\$608,544	\$0	\$5,559,129	\$1,641,308	\$147,000	\$758,061	\$17,495
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$8,828	\$329,660	\$36,131	\$0	\$552,181	\$152,401
97100 Extraordinary Maintenance			\$117,653	\$190,403			
97200 Casualty Losses - Non-capitalized			\$0	\$30,873			
97300 Housing Assistance Payments							\$157,702
97350 HAP Portability-In							
97400 Depreciation Expense			\$2,427,585	\$959,942		\$105,058	
90000 Total Expenses	\$608,544	\$0	\$8,104,367	\$2,822,526	\$147,000	\$863,119	\$175,197
10010 Operating Transfer In							
10020 Operating transfer Out							
10030 Operating Transfers from/to Primary Government							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$8,828	-\$2,215,578	-\$1,145,087	\$0	\$447,123	-\$5,301
11020 Required Annual Debt Principal Payments	\$0	\$0	\$301,619	\$55,129	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$2,910,698	\$16,016,876	\$0	\$24,766,485	\$5,301
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$17,380,158	\$0			
11170 Administrative Fee Equity							
11180 Housing Assistance Payments Equity							
11190 Unit Months Available	1860		6516	2508			312
11210 Number of Unit Months Leased	1693		6088	2328			282

THE GREENVILLE HOUSING AUTHORITY (SC004)
Greenville, SC
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
96400 Bad debt - Tenant Rents				\$33,817		\$33,817
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96000 Total Other General Expenses	\$65,413	\$0	\$29,385	\$1,343,095	\$0	\$1,343,095
96710 Interest of Mortgage (or Bonds) Payable				\$1,809,458		\$1,809,458
96720 Interest on Notes Payable (Short and Long Term)				\$2,633		\$2,633
96730 Amortization of Bond Issue Costs						
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$1,812,091	\$0	\$1,812,091
96900 Total Operating Expenses	\$2,038,523	\$63,638	\$1,009,757	\$11,843,455	-\$997,338	\$10,846,117
97000 Excess of Operating Revenue over Operating Expenses	\$22,560,248	\$284,314	-\$254,299	\$23,669,464	-\$1,090,657	\$22,578,807
97100 Extraordinary Maintenance				\$308,056		\$308,056
97200 Casualty Losses - Non-capitalized				\$30,873		\$30,873
97300 Housing Assistance Payments	\$22,701,635	\$410,259		\$23,269,596	-\$1,090,657	\$22,178,939
97350 HAP Portability-In	\$6,600			\$6,600		\$6,600
97400 Depreciation Expense	\$16,192		\$26,166	\$3,534,943		\$3,534,943
90000 Total Expenses	\$24,762,950	\$473,897	\$1,035,923	\$38,993,523	-\$2,087,995	\$36,905,528
10010 Operating Transfer In						
10020 Operating transfer Out						
10030 Operating Transfers from/to Primary Government						
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$164,179	-\$125,945	-\$280,465	-\$3,480,604	\$0	-\$3,480,604
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$356,748		\$356,748
11030 Beginning Equity	\$1,602,996	\$138,025	\$1,410,475	\$46,850,856		\$46,850,856
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				\$17,380,158		\$17,380,158
11170 Administrative Fee Equity	\$1,192,341			\$1,192,341		\$1,192,341
11180 Housing Assistance Payments Equity	\$246,476			\$246,476		\$246,476
11190 Unit Months Available	36948	648		48792		48792
11210 Number of Unit Months Leased	34854	522		45767		45767

**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**

Independent Auditor's Report

The Governing Body
Housing Authority of the City of Greenville

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Greenville as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Greenville's basic financial statements, and have issued our report thereon dated September 14, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Greenville'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 the Housing Authority of the City of Greenville's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Greenville'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

We noted certain matters that we have reported to management of The Housing Authority of the City of Greenville in a separate letter dated September 14, 2023.

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 "Maletta & Company". The signature is written in a cursive, flowing style.

Maletta & Company
Certified Public Accountants

Bristol, Connecticut
September 14, 2023



CERTIFIED PUBLIC ACCOUNTANTS

43 Enterprise Drive • Bristol, CT 06010-3990 • 860/582-6715 • Fax 860/585-6339

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Independent Auditor's Report

Board of Commissioners
The Housing Authority of the City of Greenville

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Housing Authority of the City of Greenville's 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 Housing Authority of the City of Greenville's major federal programs for the year ended December 31, 2022. The Housing Authority of the City of Greenville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Housing Authority of the City of Greenville complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to The Housing Authority of the City of Greenville's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on The Housing Authority of the City of Greenville's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Greenville's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance


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 and therefore, material weaknesses or significant

deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 to be a significant deficiency.

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

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.



Maletta & Company
Certified Public Accountants

Bristol, Connecticut
September 14, 2023

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass-through Grantor / Program Title	Pass-Through / Identification Number	Assistance Listing #	Federal Expenditures
<i>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</i>			
Direct Programs:			
Low Rent Public Housing	SC004	14.850	\$ 608,544
Total Low Rent Public Housing			<u>608,544</u>
Section 8 Housing Choice Vouchers	SC004	14.871	24,550,357
Emergency Housing Vouchers	SC004	14.871	347,952
Mainstream Vouchers	SC004	14.879	<u>169,896</u>
Total Housing Voucher Cluster			25,068,205
PIH Family Self Sufficiency Program	FSS18SC2756	14.896	<u>147,000</u>
Total Expenditures of Federal Awards			<u><u>\$ 25,823,749</u></u>

*See accompanying notes to
Schedule of Expenditures of Federal Awards*

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net positions, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – PROGRAM COST

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the schedule.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:			
• Material weakness(es) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> None Reported
Noncompliance material to financial statements noted?	_____	Yes	_____ <input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:			
• Material weakness(es) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified?	_____ <input checked="" type="checkbox"/>	Yes	_____ None Reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ <input checked="" type="checkbox"/>	Yes	_____ No

<u>Identification of major federal programs:</u>	
<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871, 14.879	Housing Voucher Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$ _____ <u>774,712</u>
Auditee qualified as a low-risk auditee?	_____ <input checked="" type="checkbox"/> Yes _____ No

II. Financial Statement Findings

None Reported.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

III. Federal Award Findings

2022-001 – Eligibility - Housing Choice Voucher - 14.871

Significant Deficiency and Material Noncompliance

Statement of Condition and Criteria

Participant file documentation was incomplete or insufficient to substantiate annual eligibility determinations. Numerous immaterial errors occurred during the annualization of participant income using documentation obtained. PHA's are required to determine income eligibility, calculate participant rent and housing assistance payment using sufficient, appropriate documentation in accordance with HUD regulations.

Cause

Lack of staff adherence to administrative policies related to annualizing income and ineffective training procedures.

Effect or Potential Effect

Overpayment of Housing Assistance Payments due to income calculation errors.

Question Costs

Known questioned costs totaled \$10,903.

Context

A sample of 40 files were selected to audit program eligibility from a population of 3,166. The test found 11 files with some form of income calculation deficiency, 6 of which contributed to the known question cost. In addition, one file did not contain sufficient documentation to test the recertification process. Our sample was not a statistically valid sample.

Recommendation

We recommend the Authority increase training and cross-training to better prepare staff to adjust to periods of high turnover and increased supervisory and quality control reviews, to ensure compliance with HUD regulations.

Management's Response

Management agrees with the finding and corrective action is in progress as detailed in the Corrective Action Plan.