

**HOUSING AUTHORITY OF  
THE CITY OF GREENVILLE  
FINANCIAL STATEMENTS  
AND  
REPORTS OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS  
FOR YEAR ENDED DECEMBER 31, 2023**

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
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**FOR THE YEAR ENDED DECEMBER 31, 2023**

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## ***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, 2023, 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, 2023, 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The 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 1-4 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 5, 2024 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 5, 2024

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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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 10:1 in the current year, which is slight decrease from prior results. The 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 (\$6,155,129). This loss is larger than in previous years due to complete of Victor Verdae apartments, which included \$4,234,799 in financing costs to renovate.
- The Authority's Unrestricted Net Position totaled \$23,400,575. In addition, the spendable Unrestricted Net Position as derived by adjusting out noncurrent assets of \$14,348,826 was \$9,051,749 as of December 31, 2023, an increase from the prior year. The adjusted Unrestricted Net Position equates to approximately 16 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, 2023**

**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 \$36,520,003 as of December 31, 2023.

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

	2023	2022	Change
Cash & Investments	\$ 16,294	\$ 10,650	\$ 5,644
Other Current Assets	748	416	332
Noncurrent Assets	62,837	34,895	27,942
Total Assets	79,879	45,961	33,918
Current Liabilities	1,262	557	705
Noncurrent Liabilities	42,097	2,728	39,369
Total Liabilities	43,359	3,285	40,074
Invested in Capital Assets	7,163	16,931	(9,768)
Restricted	5,956	2,450	3,506
Unrestricted	23,401	23,295	106
Total Net Position	\$ 36,520	\$ 42,676	\$ (6,156)

The increase in Cash & Investments of \$5,644 thousand relates to \$2,591 thousand in restricted reserves created for Victor Verdae as funded by debt borrowings and as well as payments for developer fees and bond issuance fees for Business Activities, which are unrestricted in nature. The \$2,591 thousand in restricted reserves also accounted for the increase in Restricted Net Position.

The increase in Noncurrent Assets of \$27,942 thousand is due additions to Capital Assets of \$31,136,011 due primarily to the completion of Victor Verdae apartments. Further, this increase relates to the increase in Noncurrent Liabilities of \$39,369 thousand as \$38,600,000 was borrowed to finance the Victor Verdae development.

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, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

Table 2 compares the 2023 Change in Net Position to the 2022 Change in Net Position.

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

	2023	2022	Change
Revenues			
Government Grants	\$ 29,587	\$ 25,824	\$ 3,763
Rental Revenue	1,923	523	1,400
General Revenue	1,485	1,189	296
Total Revenue	<u>32,995</u>	<u>27,536</u>	<u>5,459</u>
Expenses			
Administrative & Tenant Services	4,113	3,323	790
Maintenance	925	1,135	(210)
Utilities	134	73	61
General	1,618	915	703
Housing Assistance Payments	24,779	22,186	2,593
Interest and Financing Costs	5,928	62	5,866
Depreciation	1,653	1,107	546
Total Expenses	<u>39,150</u>	<u>28,801</u>	<u>10,349</u>
Change in Net Position	<u>\$ (6,155)</u>	<u>\$ (1,265)</u>	<u>\$ (4,890)</u>

The increase in Total Revenue of \$5,459 thousand is due to additional funding from HUD to support HCV leasing and multiple Capital Fund grant years drawn as the Authority converts to an MTW agency. In addition, rental revenues increased significantly due to Victor Verdae apartments reporting as a new property this year.

The increase in Administrative and Tenant Services of \$790 thousand is due to staffing increases at HCV and additional investment in IT services this year.

The increase in Housing Assistance Payments of \$2,593 thousand is due to the continued lease-up of the new Voucher units this year, including special purpose vouchers and project-based vouchers.

The increase in Interest and Financing Costs of \$5,866 thousand represents the financing costs related to renovation of Victor Verdae apartments this year. The costs represent a one-time occurrence for issuance and other fees related to financing the development.

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, 2023**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of December 31, 2023, the Authority has \$48,488,893 invested in a broad range of capital assets, including land, buildings, furniture, and equipment as follows:

**Table 3  
Capital Assets**

<u>Primary Government</u>	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ 732,024	\$ (596,787)	\$ 5,632,609
Depreciable Assets:				
Buildings & Improvements	25,009,070	28,412,673	-	53,421,743
Leasehold Improvements	410,038	960,855	(16,628)	1,354,265
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	1,030,459	-	1,389,293
Total	34,427,056	31,136,011	(613,415)	64,949,652
Less: Accumulated Depreciation	(14,824,275)	(1,653,112)	16,628	(16,460,759)
Net Book Value	<u>\$ 19,602,781</u>			<u>\$ 48,488,893</u>

The Authority's additions are largely due to the acquisition of Victor Verdae Apartments to the Authority's portfolio in the current year.

**Long-Term Debt**

The Authority's long-term debt consists of nonrecourse debt collateralized by underlying properties. New debt borrowings totaling \$38,600,000 were used to finance the Victor Verdae Apartments in the current year. 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:

- 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.
- 

**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, 2023**

	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents - Unrestricted	\$ 10,123,855	\$ 1,428,553
Cash and Cash Equivalents - Restricted	3,578,839	3,772,518
Accounts Receivable		
Tenants, net of Allowances	49,856	63,467
Other	390,368	39,088
Prepaid Expenses	307,333	193,283
<b>Total Current Assets</b>	14,450,251	5,496,909
<b>Noncurrent Assets</b>		
Investments - Restricted	2,591,138	
Capital Assets, Net of A/D		
Nondepreciable	5,632,609	349,299
Depreciable	42,856,284	54,498,669
Notes Receivable, net of Allowances	14,221,852	-
Equity Interest in Component Units	126,974	-
Prepaid Ground Lease	-	343,898
<b>Total Noncurrent Assets</b>	65,428,857	55,191,866
<b>Total Assets</b>	79,879,108	60,688,775
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable - Vendors and Contractors	244,853	184,047
Accounts Payable - Other	30,902	27,376
Accrued Compensated Absences	6,755	40,922
Accrued Interest	414,982	45,471
Accrued Liabilities - Other	153,216	66,996
Security Deposits and FSS Escrows	148,556	112,326
Current Portion of Long-Term Debt	56,410	318,255
Unearned Revenue	206,323	136,294
<b>Total Current Liabilities</b>	1,261,997	931,687
<b>Noncurrent Liabilities</b>		
Mortgages Payable	41,160,073	35,185,965
Notes Payable	-	7,989,411
Accrued Compensated Absences	77,660	-
Accrued Interest	109,375	11,471
Other Noncurrent Liabilities	750,000	267,515
<b>Total Noncurrent Liabilities</b>	42,097,108	43,454,362
<b>Total Liabilities</b>	43,359,105	44,386,049
<b>NET POSITION</b>		
Net Investment in Capital Assets	7,163,035	11,438,799
Restricted for:		
Modernization and Development	4,261,093	1,252,768
Housing Assistance Payments	11,816	-
Other	1,683,484	2,122,431
Unrestricted	23,400,575	1,488,728
<b>Total Net Position</b>	\$ 36,520,003	\$ 16,302,726

*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, 2023**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>Operating Revenue</b>		
Rental Revenue	\$ 1,922,588	\$ 1,812,607
HUD Operating Grants	29,586,838	-
Fees for Other Services	948,429	-
Other Government Grants	-	4,855,610
Other Revenue	22,403	15,241
<b>Total Operating Revenue</b>	<b>32,480,258</b>	<b>6,683,458</b>
<b>Operating Expenses</b>		
Administrative & Tenant Services	4,112,664	1,430,821
Utilities	133,837	507,408
Ordinary Maintenance & Protective Services	782,702	1,419,212
Insurance Premiums	273,488	278,686
General	1,344,352	435,304
Housing Assistance Payments	24,779,457	-
Depreciation	1,653,112	2,417,472
<b>Total Operating Expenses</b>	<b>33,079,612</b>	<b>6,488,903</b>
<b>Operating Income (Loss)</b>	<b>(599,354)</b>	<b>194,555</b>
<b>Nonoperating Revenues (Expenses)</b>		
Nonroutine Maintenance and Replacement	(142,375)	(142,301)
Investment Income	481,363	56,400
Interest Expense	(1,693,178)	(1,881,206)
Financing Costs	(4,234,799)	-
Gain (Loss) from Sale of Assets	33,214	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(5,555,775)</b>	<b>(1,967,107)</b>
<b>Income (Loss) before Capital Contributions</b>	<b>(6,155,129)</b>	<b>(1,772,552)</b>
Capital Contributions	-	-
<b>Change in Net Position</b>	<b>(6,155,129)</b>	<b>(1,772,552)</b>
<b>Net Position, Beginning of Period</b>	<b>42,675,132</b>	<b>18,075,278</b>
<b>Net Position, End of Period</b>	<b>\$ 36,520,003</b>	<b>\$ 16,302,726</b>

*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, 2023**

	<b>Primary Government</b>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Operations	\$ 2,942,790
HUD Operating Grants	29,562,998
Payments to Landlords	(24,779,457)
Payments to Vendors	(4,352,822)
Payments to Employees	(2,340,941)
Other Receipts (Payments)	(192,850)
Net Cash Provided by (Used in) Operating Activities	839,718
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Purchases of Capital Assets	(29,789,224)
Proceeds from Sale of Capital Assets	33,214
Proceeds from Issuance of Debt	38,600,000
Payments for Financing Costs	(4,234,799)
Principal Payments on Debt	(55,129)
Interest Payments on Debt	(1,185,516)
Net Cash Provided by (Used in) Capital Related Financing Activities	3,368,546
<b>Cash Flows from Investing Activities:</b>	
Investment in Marketable Securities	(2,579,667)
Net Investment Income (Loss)	1,424,328
Net Cash Provided by (Used in) Investing Activities	(1,155,339)
<b>Net Increase (Decrease) in Cash</b>	3,052,925
<b>Cash at the Beginning of the Period</b>	10,649,769
<b>Cash at the End of the Period</b>	\$ 13,702,694
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>	
Operating Income (Loss)	\$ (599,354)
Adjustments to Reconcile Change in Net Cash Provided by Operating Activities:	
Depreciation Expense	1,653,112
Nonroutine Maintenance	(142,375)
Change in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	(136,729)
Decrease (Increase) in Prepaid Expenses	(194,047)
Increase (Decrease) in Accounts Payable	108,530
Increase (Decrease) in Other Liabilities	150,581
Net Cash Provided by (Used in) Operating Activities	\$ 839,718

*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, 2023**

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**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, 2023**

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**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 31<sup>st</sup>, 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, 2023**

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**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 2023 were: rental subsidies provided through HAP contracts and fees for services charged to the component unit, of which \$1,130,374 and \$251,169, 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 2023 consist of interest earned on notes receivable, rental subsidies and fees for services totaling \$612,212, \$4,854,365, and \$326,457, 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**

The 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, 2023**

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**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 ***Moving-To-Work (MTW) Demonstration Program*** provides the Authority authorization to develop policies outside certain HUD regulations and provisions of the U.S. Housing Act of 1937 in order to increase cost effectiveness, promote self-sufficiency and expand housing options for program participants. As such, the Authority provides rental housing assistance to serve the Authority's budget authority of 3,084 vouchers. Of which, the Authority administers 977 units under Project Based Voucher HAP contracts.
- The ***Housing Choice Voucher Program*** provides rental housing assistance under special purpose voucher subprograms for VASH, Mainstream, Foster Youth Independence and Emergency Housing in order to support veterans, non-elderly disabled, foster care youths and homeless or high risk of housing populations. 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 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 and ownership of Victor Verdae Apartments through issuance of Series 2023 Residential Development Revenue Bonds (the Bonds). 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). During 2023 the final 155 units left the Public Housing Program under voluntary conversion.
- The ***Capital Fund Program*** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units. Capital Fund program is closed upon conversion of the remaining public housing units in 2023.
- The ***Family Self Sufficiency (FSS) Programs*** provide Housing Choice Voucher and Move-to-Work 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 \$55,588, \$0- and \$24,619,332, 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, 2023**

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**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 \$25,000. 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, 2023, the total cost of leased property was \$54,758,166 with accumulated depreciation of \$14,443,999, for a carrying value of \$40,314,167.

**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, 2023.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 3 – DEPOSITS**

The breakdown of restricted deposits reported as of December 31, 2023 is as follows:

<b>Restrictions on Deposits</b>	<b>Primary Government</b>	<b>Discretely Presented Component Unit</b>
Restricted Cash - Modernization & Development	\$ 1,669,955	\$ 1,252,768
Restricted Cash - Bond Indenture	1,128,403	-
Restricted Cash - Operating Reserves	536,913	2,122,431
Restricted Cash - Housing Assistance Payments	11,816	-
Restricted Cash - Taxes & Insurance	66,792	284,993
Restricted Cash - FSS Escrows	52,928	-
Restricted Cash - Security Deposits	112,032	112,326
Total	<u>\$ 3,578,839</u>	<u>\$ 3,772,518</u>

**NOTE 4 – ACCOUNTS RECEIVABLE – OTHER**

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

	<b>Amount</b>	<b>Program</b>
Accounts Receivable - HUD	\$ 79,646	Housing Choice Voucher / FSS
Accounts Receivable - Port-in	12,888	Housing Choice Voucher
Accounts Receivable - Centralized Costs	78,022	Central Office Cost Center (COCC)
Accounts Receivable - Partnership Mgmt Fees	90,000	GRDC (BCU)
Accounts Receivable - Predevelopment Costs	122,002	Business Activities
Accounts Receivable - Repayment Agreements	7,810	Scattered Sites
Total	<u>\$ 390,368</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, 2023, accrued interest totaled \$3,955,575. 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, 2023**

**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, 2023, accrued interest totaled \$2,245,263. 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, 2023, accrued interest totaled \$1,750,792 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:

<b><u>Primary Government</u></b>	Beginning	Additions	Deductions	Ending	Due Within One Year
Evergreen Place Loan	\$ 12,037,722	\$ 249,963	\$ -	\$ 12,287,685	\$ -
Nicholtown Loan	4,203,386	198,399	-	4,401,785	-
Clark Ridge Loan	3,217,129	160,857	-	3,377,986	-
<b><u>DPCU's (Note 7)</u></b>					
Charleston Place Loan	1,024,827	56,366	-	1,081,193	-
Charleston Place IDRR Loan	82,806	1,656	-	84,462	-
Forestview Loan	5,800,177	319,010	-	6,119,187	-
Harbor/Gallery Sellers Note	4,101,554	99,052	(273,321)	3,927,285	-
Harbor/Gallery Loan	1,350,000	-	-	1,350,000	-
Preserve Sellers Note	3,909,758	109,696	(526,858)	3,492,596	-
Preserve Loan	2,564,010	25,000	(52,686)	2,536,324	-
Preserve AHP Loan	508,185	1,432	(326,936)	182,681	-
Investment in Charleston Place	80,972	-	-	80,972	-
Investment in Forestview	46,002	-	-	46,002	-
Total Noncurrent Assets	38,926,528	1,221,431	(1,179,801)	38,968,158	-
Less: Allowance	(23,634,737)	(984,595)	-	(24,619,332)	-
Net Noncurrent Assets	<u>\$ 15,291,791</u>	<u>\$ 236,836</u>	<u>\$(1,179,801)</u>	<u>\$ 14,348,826</u>	<u>\$ -</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 6 – CAPITAL ASSETS**

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

<b><u>Primary Government</u></b>	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ 732,024	\$ (596,787)	\$ 5,632,609
Depreciable Assets:				
Buildings & Improvements	25,009,070	28,412,673	-	53,421,743
Leasehold Improvements	410,038	960,855	(16,628)	1,354,265
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	1,030,459	-	1,389,293
Total	<u>34,427,056</u>	<u>31,136,011</u>	<u>(613,415)</u>	<u>64,949,652</u>
Less: Accumulated Depreciation	<u>(14,824,275)</u>	<u>(1,653,112)</u>	<u>16,628</u>	<u>(16,460,759)</u>
Net Book Value	<u>\$ 19,602,781</u>			<u>\$ 48,488,893</u>

**Discretely Presented**

<b><u>Component Units</u></b>	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 349,299	\$ -	\$ -	\$ 349,299
Depreciable Assets:				
Buildings & Improvements	59,801,265	-	-	59,801,265
Land Improvements	5,958,933	-	-	5,958,933
Furniture & Equipment	3,199,204	-	-	3,199,204
Total	<u>69,308,701</u>	<u>-</u>	<u>-</u>	<u>69,308,701</u>
Less: Accumulated Depreciation	<u>(12,043,261)</u>	<u>(2,417,472)</u>		<u>(14,460,733)</u>
Net Book Value	<u>\$ 57,265,440</u>			<u>\$ 54,847,968</u>

**NOTE 7 – MORTGAGE AND NOTES PAYABLE**

***Primary Government***

**Victor Verdae Bonds**

Series 2023A, B and C Bonds in original principal amounts of \$25,500,000, \$10,600,000, and \$2,500,000, respectively, held by Wilmington Trust. The bonds are dated May 18, 2023 with payments of interest only made semiannually on May 1 and November 1 each year. The bonds bear interest at fixed annual rates of 6.16%, 8.375% and 7.00%, respectively. The Series 2023C Bonds escalating interest rates to 10.00% after May 1, 2031. The bonds mature May 1, 2063, May 1, 2047, and May 1, 2063, respectively, and are secured by the Victor Verdae Apartment project. The bonds are subject to certain special mandatory redemption requirements and optional redemption at the sole discretion of the Authority starting May 1, 2033.

**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, 2023**

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

A schedule of long-term debt for the year ended December 31, 2023 is as follows:

<b><u>Primary Government</u></b>	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
<b>Victor Verdae</b>					
Series 2023A, B, C Bonds	\$ -	\$ 38,600,000	\$ -	\$ 38,600,000	\$ -
<b>Valley Creek</b>					
Midland Bank Mortgage	2,671,612	-	(55,129)	2,616,483	56,410
Total Long Term Debt	<u>\$ 2,671,612</u>	<u>\$ 38,600,000</u>	<u>\$ (55,129)</u>	<u>\$ 41,216,483</u>	<u>\$ 56,410</u>
			Less: Current Portion	(56,410)	
			Long-Term Portion	<u>\$ 41,160,073</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>
2024	\$ 56,410	\$ 2,693,137	\$ 2,749,547
2025	57,722	2,691,825	2,749,547
2026	59,063	2,690,484	2,749,547
2027	60,436	2,689,111	2,749,547
2028	61,841	2,687,706	2,749,547
2029-2033	331,445	13,678,792	14,010,237
2034-2038	371,801	13,750,936	14,122,737
2039-2043	417,067	13,705,670	14,122,737
2044-2048	11,067,845	13,654,892	24,722,737
2049-2053	524,806	13,597,931	14,122,737
2054-2058	208,047	13,547,365	13,755,412
2059-2063	28,000,000	2,708,550	30,708,550
	<u>\$ 41,216,483</u>	<u>\$98,096,399</u>	<u>\$ 139,312,882</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, 2023, accrued interest totaled \$639,195.

**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, 2023**

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**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, 2023 accrued interest totaled \$9,462.

**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, 2023 the note payable principal balance was \$1,408,762 and accrued interest totaled \$8,642.

**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, 2023, accrued interest totaled \$3,451,827.

**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, 2023, and no further interest will be incurred. As of December 31, 2023, 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, 2023, 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, 2023**

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**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, 2023, accrued interest totaled \$99,052.

**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, 2023, 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, 2023, 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, 2023, 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, 2023, 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, 2023**

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**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, 2023, accrued interest totaled \$109,695.

**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, 2023, accrued interest totaled \$62,538.

**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, 2023, accrued interest totaled \$33,710.

**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, 2023, accrued interest totaled \$36,324.

**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, 2023, accrued interest totaled \$1,432.

**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, 2023**

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

A schedule of long-term debt for the year ended December 31, 2023 is as follows:

<b><u>Discretely Presented</u></b>					
<b><u>Component Units</u></b>	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
<b>Charleston Place</b>					
TGHA Note Payable	\$ 1,024,826	\$ 56,366	\$ -	\$ 1,081,192	\$ -
AHP Note Payable	225,000	-	-	225,000	-
IDRR Note Payable	82,807	1,656	-	84,463	-
<b>Forestview</b>					
SA Affordable Housing Note	1,453,749	-	(44,987)	1,408,762	48,414
TGHA Note Payable	2,667,359	-	-	2,667,359	-
Accrued Interest	3,368,381	319,010	-	3,687,391	-
<b>Harbor/Gallery at West Greenville</b>					
PGIM Real Estate Mortgage	6,767,131	-	(85,743)	6,681,388	89,486
HOME Mortgage Loan	617,928	-	-	617,928	-
TGHA Seller Note	4,101,554	99,052	(273,320)	3,927,286	-
TGHA Note Payable	1,350,000	-	-	1,350,000	-
<b>Heritage at Sliding Rock</b>					
Centrant Community Capital	1,505,245	-	(27,999)	1,477,246	29,578
<b>Manor at West Greenville</b>					
Centrant Community Capital	1,087,617	-	(20,646)	1,066,971	21,882
<b>Preserve at Logan Park</b>					
Citibank Mortgage	11,364,064	-	(122,516)	11,241,548	128,895
Greenville Housing Trust Fund	535,000	52,596	(53,886)	533,710	-
Greenville Community Works	550,000	75,136	(62,598)	562,538	-
FHLB Atlanta, AHP	508,185	1,432	(326,936)	182,681	-
TGHA Seller's Note	3,909,758	109,695	(526,858)	3,492,595	-
TGHA Loan	2,564,010	25,000	(52,686)	2,536,324	-
SC Housing NHTF	700,000	-	(30,751)	669,249	-
Total Long Term Debt	<u>\$ 44,382,614</u>	<u>\$ 739,943</u>	<u>\$ (1,628,926)</u>	<u>\$ 43,493,631</u>	<u>\$ 318,255</u>
			Less: Current Portion	<u>(318,255)</u>	
			Long-Term Portion	<u>\$ 43,175,376</u>	

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 8 – HOUSING CHOICE VOUCHER NET POSITION**

A summary of HCV program balances is as follows:

	All Voucher Unrestricted	MTW/HCV Restricted	Mainstream Restricted	EHV Restricted	Total
Beginning Net Position	\$ 1,197,565	\$ 246,476	\$ -	\$ 6,856	\$ 1,450,897
Revenue					
HUD Operating Grants	2,529,129	25,068,731	170,707	421,774	28,190,341
Fraud Recovery	7,103	7,103	-	-	14,206
Other Income	-	-	-	-	-
Total Revenue	<u>2,536,232</u>	<u>25,075,834</u>	<u>170,707</u>	<u>421,774</u>	<u>28,204,547</u>
Expenses					
Operating	(2,567,881)	-	-	-	(2,567,881)
Housing Assistance	-	(25,322,310)	(158,891)	(428,630)	(25,909,831)
Total Expenses	<u>(2,567,881)</u>	<u>(25,322,310)</u>	<u>(158,891)</u>	<u>(428,630)</u>	<u>(28,477,712)</u>
Net Result	<u>(31,649)</u>	<u>(246,476)</u>	<u>11,816</u>	<u>(6,856)</u>	<u>(273,165)</u>
Ending Net Position	<u>\$ 1,165,916</u>	<u>\$ -</u>	<u>\$ 11,816</u>	<u>\$ -</u>	<u>\$ 1,177,732</u>
HUD-Held Program Reserves (HHR)		<u>\$ 2,824,289</u>	<u>\$ 60,171</u>	<u>\$ 141,070</u>	

**NOTE 9 – 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, 2023:

	SC16P004	
	501-21	501-22
Funds Authorized	<u>\$ 616,965</u>	<u>\$ 288,952</u>
Funds Advanced	616,965	288,952
Less Project Expenditures	<u>616,965</u>	<u>288,952</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

The following grants are open as of December 31, 2023:

	SC16P004	
	501-20	501-23
Funds Authorized	<u>\$ 585,658</u>	<u>\$ 292,684</u>
Funds Advanced	582,418	-
Less Project Expenditures	<u>582,418</u>	<u>-</u>
Excess(Deficiency) of Advances	<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, 2023**

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**NOTE 10 – 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, 2023:

	FSS23SC	ROSS018
	5511	1153
Funds Authorized	\$ 211,176	\$ 246,000
Funds Expended	211,176	220,219
Excess Funds Recaptured	\$ -	\$ 25,781
Funds Advanced	\$ 211,176	\$ 220,219
Less Project Expenditures	211,176	220,219
Excess(Deficiency) of Advances	\$ -	\$ -

The following grants are open as of December 31, 2023:

	FSS20SC
	3382
Funds Authorized	\$ 110,000
Funds Advanced	101,208
Less Project Expenditures	101,208
Excess(Deficiency) of Advances	\$ -

**NOTE 11 – 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 2023, the Authority made the required contributions in the amount of \$309,070, and there were no significant unpaid pension liabilities outstanding as of December 31, 2023. Total forfeitures were \$17,630 during the year ended December 31, 2023.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 12 – CONDENSED FINANCIAL STATEMENTS OF BLENDED COMPONENT UNIT**

Condensed Statement of Net Position	Nonmajor GRDC's	GAH	GAH	GAH	GAH	Total BCU's
		Scattered Sites, LLC	Arcadia Hills, LLC	Ridgeway, LLC	Valley Creek, LLC	
Cash & Investments	\$ 106,941	\$ 2,110,067	\$ 636,821	\$ 1,034,398	\$ 940,547	\$ 4,828,774
Other Current Assets	90,000	155,612	39,061	3,295	55,837	343,805
Capital & Noncurrent Assets	126,974	4,726,805	3,810,951	650,206	2,523,698	11,838,634
Total Assets	323,915	6,992,484	4,486,833	1,687,899	3,520,082	17,011,213
Current & Other Liabilities	-	176,422	26,335	4,875	114,579	322,211
Noncurrent Liab	-	7,338	3,577	634	2,563,531	2,575,080
Total Liab.	-	183,760	29,912	5,509	2,678,110	2,897,291
Invested in Cap. Assets	-	4,726,805	3,810,951	650,206	(92,785)	9,095,177
Restricted	-	811,798	416,939	140,212	837,919	2,206,868
Unrestricted	323,915	1,270,121	229,031	891,972	96,838	2,811,877
Total Net Position	\$ 323,915	\$ 6,808,724	\$ 4,456,921	\$ 1,682,390	\$ 841,972	\$ 14,113,922
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Position</b>	<b>Nonmajor GRDC's</b>	<b>GAH Scattered Sites, LLC</b>	<b>GAH Arcadia Hills, LLC</b>	<b>GAH Ridgeway, LLC</b>	<b>GAH Valley Creek</b>	<b>Total BCU's</b>
Operating Revenues						
Rental - Tenant and Subsidy	\$ -	\$ 968,857	\$ 330,988	\$ 59,124	\$ 402,484	\$ 1,761,453
Other General Revenues	15,000	(3,778)	1,227	-	1,305	13,754
Total Operating Revenues	15,000	965,079	332,215	59,124	403,789	1,775,207
Expenses						
Administrative & Operating	-	723,730	339,476	77,742	281,344	1,422,292
Depreciation	-	329,288	250,734	33,027	361,001	974,050
Total Expenses	-	1,053,018	590,210	110,769	642,345	2,396,342
Operating Income (Loss)	15,000	(87,939)	(257,995)	(51,645)	(238,556)	(621,135)
Nonoperating Revenues (Expenses)						
Nonroutine Maintenance	-	(35,648)	(38,555)	(1,556)	(66,018)	(141,777)
Interest Income	-	18,924	10,072	3,420	283	32,699
Interest Expense	-	-	-	-	(60,868)	(60,868)
Change in Net Position	15,000	(104,663)	(286,478)	(16,567)	(365,159)	(757,867)
Beginning Net Position	308,915	6,913,387	4,743,399	1,698,957	1,207,131	14,871,789
Ending Net Position	\$ 323,915	\$ 6,808,724	\$ 4,456,921	\$ 1,682,390	\$ 841,972	\$ 14,113,922

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 13 – CONDENSED FINANCIAL STATEMENTS OF DPCU**

Condensed Statement of Net Position	Harbor/Gallery at West Greenville							Total DPCU's
	Charleston Place	Forestview	at West Greenville	Heritage at Sliding Rock	Manor at West Greenville	Preserve at Logan Park		
Cash & Investments	\$ 327,711	\$ 397,340	\$ 1,528,988	\$ 1,033,688	\$ 601,059	\$ 1,312,285	\$ 5,201,071	
Other Current Assets	33,769	20,309	76,651	41,025	5,130	118,954	295,838	
Capital and Noncurrent Assets	<u>1,764,946</u>	<u>1,142,358</u>	<u>15,924,181</u>	<u>7,085,509</u>	<u>5,521,192</u>	<u>23,753,680</u>	<u>55,191,866</u>	
Total Assets	2,126,426	1,560,007	17,529,820	8,160,222	6,127,381	25,184,919	60,688,775	
Current & Other Liabilities	28,898	250,113	263,696	70,675	69,483	248,822	931,687	
Noncurrent Liab	<u>1,584,841</u>	<u>7,799,898</u>	<u>12,487,116</u>	<u>1,447,668</u>	<u>1,045,089</u>	<u>19,089,750</u>	<u>43,454,362</u>	
Total Liab.	1,613,739	8,050,011	12,750,812	1,518,343	1,114,572	19,338,572	44,386,049	
Invested in Cap. Assets	458,753	(6,621,154)	3,347,579	5,423,750	4,294,836	4,535,035	11,438,799	
Restricted	257,355	311,438	801,406	686,639	288,867	1,029,494	3,375,199	
Unrestricted	<u>(203,421)</u>	<u>(180,288)</u>	<u>630,023</u>	<u>531,490</u>	<u>429,106</u>	<u>281,818</u>	<u>1,488,728</u>	
Total Net Position	<u>\$ 512,687</u>	<u>\$ (6,490,004)</u>	<u>\$ 4,779,008</u>	<u>\$ 6,641,879</u>	<u>\$ 5,012,809</u>	<u>\$ 5,846,347</u>	<u>\$16,302,726</u>	
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Position</b>								
Operating Revenues								
Rental - Tenant and Subsidy	\$ 353,503	\$ 795,183	\$ 1,809,492	\$ 762,954	\$ 740,018	\$ 2,205,822	\$ 6,666,972	
Other General Revenues	<u>1,376</u>	<u>-</u>	<u>5,055</u>	<u>1,039</u>	<u>1,960</u>	<u>5,811</u>	<u>15,241</u>	
Total Operating Revenues	354,879	795,183	1,814,547	763,993	741,978	2,211,633	6,682,213	
Expenses								
Administrative & Operating	338,057	586,859	1,049,132	416,163	386,521	1,293,454	4,070,186	
Depreciation	<u>159,879</u>	<u>19,769</u>	<u>577,022</u>	<u>241,773</u>	<u>218,202</u>	<u>1,200,827</u>	<u>2,417,472</u>	
Total Expenses	497,936	606,628	1,626,154	657,936	604,723	2,494,281	6,487,658	
Operating Income (Loss)	(143,057)	188,555	188,393	106,057	137,255	(282,648)	194,555	
Nonoperating Revenues (Expenses)								
Nonroutine Maintenance	(21,539)	(74,897)	(17,347)	(8,322)	(11,155)	(9,041)	(142,301)	
Interest Expense	<u>(58,022)</u>	<u>(427,143)</u>	<u>(387,017)</u>	<u>(82,090)</u>	<u>(62,862)</u>	<u>(864,072)</u>	<u>(1,881,206)</u>	
Interest Income	<u>6,147</u>	<u>2,717</u>	<u>13,432</u>	<u>10,869</u>	<u>2,781</u>	<u>20,454</u>	<u>56,400</u>	
Change in Net Position	(216,471)	(310,768)	(202,539)	26,514	66,019	(1,135,307)	(1,772,552)	
Beginning 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>	
Ending Net Position	<u>\$ 512,687</u>	<u>\$ (6,490,004)</u>	<u>\$ 4,779,008</u>	<u>\$ 6,641,879</u>	<u>\$ 5,012,809</u>	<u>\$ 5,846,347</u>	<u>\$16,302,726</u>	

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**NOTE 14 – CONDUIT DEBT OBLIGATIONS**

The Authority receives proceeds for the issuance of Multi-Family Tax Exempt Bonds to finance the acquisition, construction, and rehabilitation of apartment complexes in Greenville. The loans made by the Authority to the Borrower are secured by a first deed of trust in the Borrower's property. The Authority's obligation under the bond issuance is limited to payments received by the Authority, 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 nor related receivables have been reported in the accompanying financial statements.

**NOTE 15 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS**

The Authority receives a substantial portion of revenue from the 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 16 – COMMITMENTS AND GUARANTEES**

The Authority (as well as managing member subsidiaries) acts as guarantor on various LIHTC funded projects as required to induce investors to purchase interest in respective development projects. Guaranty obligations are defined in the underlying Operating Agreements (OA) and other project documents. Such agreements require a minimum net worth of \$2.5 million with \$1 million in liquid assets throughout the term of the guaranty period(s). The terms and status of active guarantees are as follows:

In 2016, the Authority executed an OA regarding West Greenville II, LLC to develop and operate the property known as Harbor/Gallery. Under the terms of the OA, the Managing Member is required to provide certain guarantees related to development completion (expired), rental assistance (active) and operating deficits (expired). Guarantees terminate no later than the end of the tax credit compliance period in 2032. The rental assistance guarantee is capped at \$175,000 reduced by 1/8<sup>th</sup> per year until expiration. No obligation has occurred with respect to any such guarantee as of December 31, 2023.

In 2018, the Authority executed an OA regarding 80 Thruston Street, LLC to develop and operate the property known as Logan Park. Under the terms of the OA, the Managing Member is required to provide certain guarantees related to development completion (expired), tax abatement(active) and operating deficits (active). Guarantees terminate no later than the end of the tax credit compliance period in 2034. The operating deficit guarantee is capped at \$795,000 including an obligation to fund costs incurred due to failure to maintain tax abatement status. No obligation has occurred with respect to any such guarantee as of December 31, 2023.

**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 5, 2024, 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: 12/31/2023

	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	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher
111 Cash - Unrestricted		\$1,428,553	\$2,485,616		\$6,233,087	\$1,809	\$0	\$69,897
112 Cash - Restricted - Modernization and Development		\$1,252,768	\$1,669,955					
113 Cash - Other Restricted	\$18,168	\$2,122,431	\$536,913		\$1,128,403	\$11,816		
114 Cash - Tenant Security Deposits		\$112,326	\$69,498		\$42,534			
115 Cash - Restricted for Payment of Current Liabilities		\$284,993	\$66,792				\$0	
100 Total Cash	\$18,168	\$5,201,071	\$4,828,774	\$0	\$7,404,024	\$13,625	\$0	\$69,897
121 Accounts Receivable - PHA Projects							\$0	
122 Accounts Receivable - HUD Other Projects							\$0	\$6,540
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous		\$35,671	\$115,608		\$122,002			\$0
126 Accounts Receivable - Tenants		\$204,099	\$70,356		\$35,088			
126.1 Allowance for Doubtful Accounts - Tenants		-\$140,632	-\$35,027		-\$20,561			
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0		\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery		\$3,417	\$7,810					
128.1 Allowance for Doubtful Accounts - Fraud		\$0	\$0					
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$102,555	\$158,747	\$0	\$136,529	\$0	\$0	\$6,540
131 Investments - Unrestricted								
132 Investments - Restricted					\$2,591,138		\$0	
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets		\$193,283	\$185,058		\$62,758		\$0	
150 Total Current Assets	\$18,168	\$5,496,909	\$5,172,579	\$0	\$10,194,449	\$13,625	\$0	\$76,437
161 Land		\$349,299	\$1,188,082		\$4,444,527			
162 Buildings		\$59,801,265	\$24,284,240		\$28,338,807			
163 Furniture, Equipment & Machinery - Dwellings		\$3,199,204	\$133,136		\$1,030,459			
164 Furniture, Equipment & Machinery - Administration		\$0	\$0		\$213,015			
165 Leasehold Improvements		\$5,958,933	\$24,392		\$947,132			
166 Accumulated Depreciation		-\$14,460,733	-\$13,918,190		-\$2,104,579			
167 Construction in Progress								
168 Infrastructure					\$3,151,742			
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$54,847,968	\$11,711,660	\$0	\$36,021,103	\$0	\$0	\$0

THE GREENVILLE HOUSING AUTHORITY (SC004)

Greenville, SC

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted				\$1,087,813	\$245,633	\$11,552,408		\$11,552,408
112 Cash - Restricted - Modernization and Development						\$2,922,723		\$2,922,723
113 Cash - Other Restricted						\$3,817,731		\$3,817,731
114 Cash - Tenant Security Deposits						\$224,358		\$224,358
115 Cash - Restricted for Payment of Current Liabilities				\$34,760		\$386,545		\$386,545
100 Total Cash	\$0	\$0	\$0	\$1,122,573	\$245,633	\$18,903,765		\$18,903,765
121 Accounts Receivable - PHA Projects				\$12,888		\$12,888		\$12,888
122 Accounts Receivable - HUD Other Projects				\$47,498		\$54,038		\$54,038
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous					\$78,022	\$351,303		\$351,303
126 Accounts Receivable - Tenants						\$309,543		\$309,543
126.1 Allowance for Doubtful Accounts - Tenants				\$0		-\$196,220		-\$196,220
126.2 Allowance for Doubtful Accounts - Other				\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery						\$11,227		\$11,227
128.1 Allowance for Doubtful Accounts - Fraud						\$0		\$0
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$60,386	\$78,022	\$542,779		\$542,779
131 Investments - Unrestricted								
132 Investments - Restricted						\$2,591,138		\$2,591,138
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets				\$23,420	\$36,097	\$500,616		\$500,616
150 Total Current Assets	\$0	\$0	\$0	\$1,206,379	\$359,752	\$22,538,298		\$22,538,298
161 Land						\$5,981,908		\$5,981,908
162 Buildings					\$798,696	\$113,223,008		\$113,223,008
163 Furniture, Equipment & Machinery - Dwellings						\$4,362,799		\$4,362,799
164 Furniture, Equipment & Machinery - Administration				\$6,897	\$5,786	\$225,698		\$225,698
165 Leasehold Improvements				\$382,741		\$7,313,198		\$7,313,198
166 Accumulated Depreciation				-\$140,038	-\$297,952	-\$30,921,492		-\$30,921,492
167 Construction in Progress								
168 Infrastructure						\$3,151,742		\$3,151,742
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$249,600	\$506,530	\$103,336,861		\$103,336,861

THE GREENVILLE HOUSING AUTHORITY (SC004)

Greenville, SC

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	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	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher
171 Notes, Loans and Mortgages Receivable - Non-Current					\$14,221,852			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets		\$343,898			\$0			
176 Investments in Joint Ventures			\$126,974					
180 Total Non-Current Assets	\$0	\$55,191,866	\$11,838,634	\$0	\$50,242,955	\$0	\$0	\$0
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$18,168	\$60,688,775	\$17,011,213	\$0	\$60,437,404	\$13,625	\$0	\$76,437
311 Bank Overdraft								
312 Accounts Payable <= 90 Days		\$184,047	\$52,699		\$30,780			
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable								
322 Accrued Compensated Absences - Current Portion		\$40,922	\$1,306		\$2,280			
324 Accrued Contingency Liability								
325 Accrued Interest Payable		\$45,471	\$5,224		\$409,758			
331 Accounts Payable - HUD PHA Programs						\$1,809		
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government		\$27,376						
341 Tenant Security Deposits		\$112,326	\$69,498		\$44,298			
342 Unearned Revenue		\$136,294	\$116,048		\$13,838			\$76,437
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$318,255	\$56,410					
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities					\$29,093			
346 Accrued Liabilities - Other		\$66,996	\$21,026		\$4,228			
347 Inter Program - Due To								
348 Loan Liability - Current								
310 Total Current Liabilities	\$0	\$931,687	\$322,211	\$0	\$534,275	\$1,809	\$0	\$76,437

THE GREENVILLE HOUSING AUTHORITY (SC004)

Greenville, SC

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current						\$14,221,852		\$14,221,852
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets						\$343,898		\$343,898
176 Investments in Joint Ventures						\$126,974		\$126,974
180 Total Non-Current Assets	\$0	\$0	\$0	\$249,600	\$506,530	\$118,029,585		\$118,029,585
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$0	\$1,455,979	\$866,282	\$140,567,883		\$140,567,883
311 Bank Overdraft								
312 Accounts Payable <= 90 Days				\$116,235	\$45,139	\$428,900		\$428,900
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable								
322 Accrued Compensated Absences - Current Portion				\$889	\$2,280	\$47,677		\$47,677
324 Accrued Contingency Liability								
325 Accrued Interest Payable						\$460,453		\$460,453
331 Accounts Payable - HUD PHA Programs						\$1,809		\$1,809
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government						\$27,376		\$27,376
341 Tenant Security Deposits						\$226,122		\$226,122
342 Unearned Revenue						\$342,617		\$342,617
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$374,665		\$374,665
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities				\$34,760		\$63,853		\$63,853
346 Accrued Liabilities - Other				\$127,962		\$220,212		\$220,212
347 Inter Program - Due To								
348 Loan Liability - Current								
310 Total Current Liabilities	\$0	\$0	\$0	\$279,846	\$47,419	\$2,193,684		\$2,193,684

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	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	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$43,090,914	\$2,560,073		\$38,709,375			
352 Long-term Debt, Net of Current - Operating Borrowings		\$84,462						
353 Non-current Liabilities - Other		\$278,986			\$750,000			
354 Accrued Compensated Absences - Non Current		\$0	\$15,007		\$26,218			
355 Loan Liability - Non Current		\$0						
350 Total Non-Current Liabilities	\$0	\$43,454,362	\$2,575,080	\$0	\$39,485,593	\$0	\$0	\$0
300 Total Liabilities	\$0	\$44,386,049	\$2,897,291	\$0	\$40,019,868	\$1,809	\$0	\$76,437
400 Deferred Inflow of Resources								
508.3 Nonspendable Fund Balance								
508.4 Net Investment in Capital Assets		\$11,438,799	\$9,095,177		-\$2,688,272			
511.4 Restricted Net Position	\$18,168	\$3,375,199	\$2,206,868		\$3,719,541	\$11,816		
512.3 Unassigned Fund Balance								
512.4 Unrestricted Net Position	\$0	\$1,488,728	\$2,811,877	\$0	\$19,386,267	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$18,168	\$16,302,726	\$14,113,922	\$0	\$20,417,536	\$11,816	\$0	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$18,168	\$60,688,775	\$17,011,213	\$0	\$60,437,404	\$13,625	\$0	\$76,437

THE GREENVILLE HOUSING AUTHORITY (SC004)

Greenville, SC

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$84,360,362		\$84,360,362
352 Long-term Debt, Net of Current - Operating Borrowings						\$84,462		\$84,462
353 Non-current Liabilities - Other						\$1,028,986		\$1,028,986
354 Accrued Compensated Absences - Non Current				\$10,217	\$26,218	\$77,660		\$77,660
355 Loan Liability - Non Current						\$0		\$0
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$10,217	\$26,218	\$85,551,470		\$85,551,470
300 Total Liabilities	\$0	\$0	\$0	\$290,063	\$73,637	\$87,745,154		\$87,745,154
400 Deferred Inflow of Resources								
508.3 Nonspendable Fund Balance								
508.4 Net Investment in Capital Assets				\$249,600	\$506,530	\$18,601,834		\$18,601,834
511.4 Restricted Net Position						\$9,331,592		\$9,331,592
512.3 Unassigned Fund Balance								
512.4 Unrestricted Net Position	\$0	\$0	\$0	\$916,316	\$286,115	\$24,889,303		\$24,889,303
513 Total Equity - Net Assets / Position	\$0	\$0	\$0	\$1,165,916	\$792,645	\$52,822,729		\$52,822,729
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$0	\$1,455,979	\$866,282	\$140,567,883		\$140,567,883

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	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	14.871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue		\$1,812,607	\$631,079		\$1,244,537		
70400 Tenant Revenue - Other		\$0	\$0		\$46,972		
70500 Total Tenant Revenue	\$0	\$1,812,607	\$631,079	\$0	\$1,291,509	\$0	\$0
70600 HUD PHA Operating Grants				\$211,176		\$189,688	\$1,706,175
70610 Capital Grants							
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70750 Other Fees					\$845,643		
70700 Total Fee Revenue							
70800 Other Government Grants		\$4,855,610	\$1,130,374				
71100 Investment Income - Unrestricted		\$56,400	\$32,699				
71200 Mortgage Interest Income					\$236,836		
71400 Fraud Recovery							\$0
71500 Other Revenue	\$9,340	\$15,241	\$13,754		\$339,058		
71600 Gain or Loss on Sale of Capital Assets			\$33,214				
72000 Investment Income - Restricted					\$211,828		\$0
70000 Total Revenue	\$9,340	\$6,739,858	\$1,841,120	\$211,176	\$2,924,874	\$189,688	\$1,706,175
91100 Administrative Salaries		\$507,104	\$170,817		\$371,434	\$9,847	\$64,380
91200 Auditing Fees		\$59,000	\$15,275		\$4,200		\$11,046
91300 Management Fee		\$399,760	\$251,168		\$35,422	\$3,024	\$32,664
91310 Book-keeping Fee						\$1,890	\$20,415
91400 Advertising and Marketing		\$495			\$600		\$0
91500 Employee Benefit contributions - Administrative		\$122,013	\$47,474	\$9,427	\$126,546	\$4,220	\$17,705
91600 Office Expenses		\$252,165	\$83,762		\$106,530		\$30,615
91700 Legal Expense		\$9,687	\$525		\$44,032		
91800 Travel		\$46	\$604		\$3,915		\$471
91810 Allocated Overhead							
91900 Other		\$36,316	\$8,666		\$121,769		\$13,109
91000 Total Operating - Administrative	\$0	\$1,386,586	\$578,291	\$9,427	\$814,448	\$18,981	\$190,405

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EHV Emergency Housing Voucher	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue							\$3,688,223		\$3,688,223
70400 Tenant Revenue - Other							\$46,972		\$46,972
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$3,735,195	\$0	\$3,735,195
70600 HUD PHA Operating Grants	\$497,359	\$905,917	\$25,797,119	\$279,404			\$29,586,838		\$29,586,838
70610 Capital Grants									
70710 Management Fee						\$530,727	\$530,727	-\$530,727	\$0
70720 Asset Management Fee									
70730 Book Keeping Fee						\$270,472	\$270,472	-\$270,472	\$0
70750 Other Fees							\$845,643	-\$251,169	\$594,474
70700 Total Fee Revenue						\$801,199	\$801,199	-\$1,052,368	-\$251,169
70800 Other Government Grants							\$5,985,984	-\$1,130,374	\$4,855,610
71100 Investment Income - Unrestricted							\$89,099		\$89,099
71200 Mortgage Interest Income							\$236,836		\$236,836
71400 Fraud Recovery					\$14,206		\$14,206		\$14,206
71500 Other Revenue							\$377,393		\$377,393
71600 Gain or Loss on Sale of Capital Assets							\$33,214		\$33,214
72000 Investment Income - Restricted							\$211,828		\$211,828
70000 Total Revenue	\$497,359	\$905,917	\$25,797,119	\$279,404	\$14,206	\$801,199	\$41,917,435	-\$2,182,742	\$39,734,693
91100 Administrative Salaries	\$31,774				\$768,610	\$379,700	\$2,303,666		\$2,303,666
91200 Auditing Fees					\$15,204	\$4,200	\$108,925		\$108,925
91300 Management Fee	\$7,105				\$487,934		\$1,217,077	-\$781,896	\$435,181
91310 Book-keeping Fee	\$4,440				\$243,727		\$270,472	-\$270,472	\$0
91400 Advertising and Marketing							\$1,095		\$1,095
91500 Employee Benefit contributions - Administrative	\$10,470				\$211,376	\$95,146	\$644,377		\$644,377
91600 Office Expenses					\$365,501	\$372,767	\$1,211,340		\$1,211,340
91700 Legal Expense						\$56,721	\$110,965		\$110,965
91800 Travel					\$5,627	\$2,733	\$13,396		\$13,396
91810 Allocated Overhead									
91900 Other					\$156,499	\$104,408	\$440,767		\$440,767
91000 Total Operating - Administrative	\$53,789	\$0	\$0	\$0	\$2,254,478	\$1,015,675	\$6,322,080	-\$1,052,368	\$5,269,712

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	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	14.871 Housing Choice Vouchers
92000 Asset Management Fee							
92100 Tenant Services - Salaries		\$2,727		\$175,743			
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services		\$498		\$26,006			
92400 Tenant Services - Other		\$41,010	-\$92		\$861		
92500 Total Tenant Services	\$0	\$44,235	-\$92	\$201,749	\$861	\$0	\$0
93100 Water		\$299,465	\$17,482		\$24,730		
93200 Electricity		\$164,561	\$15,687		\$23,435		
93300 Gas		\$9,184	\$1,014		\$158		
93600 Sewer					\$14,449		
93800 Other Utilities Expense		\$34,198	\$24,612		\$5,473		
93000 Total Utilities	\$0	\$507,408	\$58,795	\$0	\$68,245	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor		\$344,017	\$130,727		\$66,224		
94200 Ordinary Maintenance and Operations - Materials and Other		\$199,221	\$95,740		\$14,489		
94300 Ordinary Maintenance and Operations Contracts		\$726,848	\$300,574		\$101,875		
94500 Employee Benefit Contributions - Ordinary Maintenance		\$92,948	\$35,459		\$0		
94000 Total Maintenance	\$0	\$1,363,034	\$562,500	\$0	\$182,588	\$0	\$0
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs		\$56,178	\$4,046				
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$56,178	\$4,046	\$0	\$0	\$0	\$0
96110 Property Insurance		\$176,229	\$109,228		\$34,384		\$0
96120 Liability Insurance		\$56,445	\$30,152		\$10,076		\$0
96130 Workmen's Compensation		\$10,167	\$3,782		\$2,511		\$0
96140 All Other Insurance		\$35,845	\$9,178				\$0
96100 Total insurance Premiums	\$0	\$278,686	\$152,340	\$0	\$46,971	\$0	\$0

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EHV Emergency Housing Voucher	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee									
92100 Tenant Services - Salaries							\$178,470		\$178,470
92200 Relocation Costs									
92300 Employee Benefit Contributions - Tenant Services							\$26,504		\$26,504
92400 Tenant Services - Other	\$27,020						\$68,799		\$68,799
92500 Total Tenant Services	\$27,020	\$0	\$0	\$0	\$0	\$0	\$273,773	\$0	\$273,773
93100 Water						\$822	\$342,499		\$342,499
93200 Electricity						\$4,996	\$208,679		\$208,679
93300 Gas						\$582	\$10,938		\$10,938
93600 Sewer							\$14,449		\$14,449
93800 Other Utilities Expense						\$397	\$64,680		\$64,680
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0	\$6,797	\$641,245	\$0	\$641,245
94100 Ordinary Maintenance and Operations - Labor						\$9,081	\$550,049		\$550,049
94200 Ordinary Maintenance and Operations - Materials and Other						\$6,144	\$315,594		\$315,594
94300 Ordinary Maintenance and Operations Contracts						\$11,031	\$1,140,328		\$1,140,328
94500 Employee Benefit Contributions - Ordinary Maintenance						\$3,390	\$131,797		\$131,797
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0	\$29,646	\$2,137,768	\$0	\$2,137,768
95100 Protective Services - Labor									
95200 Protective Services - Other Contract Costs						\$3,922	\$64,146		\$64,146
95300 Protective Services - Other									
95500 Employee Benefit Contributions - Protective Services									
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$3,922	\$64,146	\$0	\$64,146
96110 Property Insurance					\$4,268	\$4,269	\$328,378		\$328,378
96120 Liability Insurance					\$1,349	\$1,578	\$99,600		\$99,600
96130 Workmen's Compensation					\$10,683	\$2,068	\$29,211		\$29,211
96140 All Other Insurance					\$1,519	\$48,443	\$94,985		\$94,985
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$17,819	\$56,358	\$552,174	\$0	\$552,174

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	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	14.871 Housing Choice Vouchers
96200 Other General Expenses		\$223,507	\$11,309		\$82,496		\$0
96210 Compensated Absences		\$0	\$26,222		\$27,361		\$0
96300 Payments in Lieu of Taxes		\$27,731					
96400 Bad debt - Tenant Rents		\$184,066	\$28,881				
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96000 Total Other General Expenses	\$0	\$435,304	\$66,412	\$0	\$109,857	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable		\$1,878,310	\$60,868		\$1,632,310		
96720 Interest on Notes Payable (Short and Long Term)		\$2,896					
96730 Amortization of Bond Issue Costs					\$4,234,799		
96700 Total Interest Expense and Amortization Cost	\$0	\$1,881,206	\$60,868	\$0	\$5,867,109	\$0	\$0
96900 Total Operating Expenses	\$0	\$5,952,637	\$1,483,160	\$211,176	\$7,090,079	\$18,981	\$190,405
97000 Excess of Operating Revenue over Operating Expenses	\$9,340	\$787,221	\$357,960	\$0	-\$4,165,205	\$170,707	\$1,515,770
97100 Extraordinary Maintenance		\$142,301	\$129,733				
97200 Casualty Losses - Non-capitalized			\$12,044				
97300 Housing Assistance Payments						\$158,891	\$1,762,246
97350 HAP Portability-In							
97400 Depreciation Expense		\$2,417,472	\$974,050		\$630,867		\$0
90000 Total Expenses	\$0	\$8,512,410	\$2,598,987	\$211,176	\$7,720,946	\$177,872	\$1,952,651
10010 Operating Transfer In							
10020 Operating transfer Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$9,340	-\$1,772,552	-\$757,867	\$0	-\$4,796,072	\$11,816	-\$246,476
11020 Required Annual Debt Principal Payments	\$0	\$301,619	\$55,129	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$8,828	\$18,075,278	\$14,871,789	\$0	\$25,213,608	\$0	\$1,438,817
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					\$0		-\$1,192,341
11170 Administrative Fee Equity							\$0
11180 Housing Assistance Payments Equity							\$0
11190 Unit Months Available	0	6516	2508	0		312	2722
11210 Number of Unit Months Leased	0	6088	2328	0		282	2722

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

Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EHV Emergency Housing Voucher	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.881 Moving to Work Demonstration Program	COCC	Subtotal	ELIM	Total
96200 Other General Expenses					\$1,095,649		\$1,412,961		\$1,412,961
96210 Compensated Absences					\$72,434		\$126,017		\$126,017
96300 Payments in Lieu of Taxes							\$27,731		\$27,731
96400 Bad debt - Tenant Rents							\$212,947		\$212,947
96500 Bad debt - Mortgages									
96600 Bad debt - Other									
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$1,168,083	\$0	\$1,779,656	\$0	\$1,779,656
96710 Interest of Mortgage (or Bonds) Payable							\$3,571,488		\$3,571,488
96720 Interest on Notes Payable (Short and Long Term)							\$2,896		\$2,896
96730 Amortization of Bond Issue Costs							\$4,234,799		\$4,234,799
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$7,809,183	\$0	\$7,809,183
96900 Total Operating Expenses	\$80,809	\$0	\$0	\$0	\$3,440,380	\$1,112,398	\$19,580,025	-\$1,052,368	\$18,527,657
97000 Excess of Operating Revenue over Operating Expenses	\$416,550	\$905,917	\$25,797,119	\$279,404	-\$3,426,174	-\$311,199	\$22,337,410	-\$1,130,374	\$21,207,036
97100 Extraordinary Maintenance					\$598		\$272,632		\$272,632
97200 Casualty Losses - Non-capitalized							\$12,044		\$12,044
97300 Housing Assistance Payments	\$428,630				\$23,560,064		\$25,909,831	-\$1,130,374	\$24,779,457
97350 HAP Portability-In									
97400 Depreciation Expense					\$22,029	\$26,166	\$4,070,584		\$4,070,584
90000 Total Expenses	\$509,439	\$0	\$0	\$0	\$27,023,071	\$1,138,564	\$49,845,116	-\$2,182,742	\$47,662,374
10010 Operating Transfer In					\$26,982,440		\$26,982,440		\$26,982,440
10020 Operating transfer Out		-\$905,917	-\$25,797,119	-\$279,404			-\$26,982,440		-\$26,982,440
10100 Total Other financing Sources (Uses)	\$0	-\$905,917	-\$25,797,119	-\$279,404	\$26,982,440	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$12,080	\$0	\$0	\$0	-\$26,425	-\$337,365	-\$7,927,681	\$0	-\$7,927,681
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$356,748		\$356,748
11030 Beginning Equity	\$12,080	\$0	\$0	\$0	\$0	\$1,130,010	\$60,750,410		\$60,750,410
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					\$1,192,341		\$0		\$0
11170 Administrative Fee Equity							\$0		\$0
11180 Housing Assistance Payments Equity							\$0		\$0
11190 Unit Months Available	644				34739	0	47441		47441
11210 Number of Unit Months Leased	592				32467	0	44479		44479

**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, 2023, 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 5, 2024.

***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*.

## **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 5, 2024

**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**

***Qualified 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, 2023. 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, except for the noncompliance described in the Basis for Qualified Opinion section of our report, 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, 2023.

***Basis for Qualified 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.

***Matter(s) Giving Rise to Qualified Opinion on the Moving to Work Demonstration Program***

As described in the accompanying schedule of findings and questioned costs, The Housing Authority of the City of Greenville did not comply with requirements regarding, Assistance Listing No. 14.881 Moving to Work Demonstration Program as described in finding number 2023-001 for Eligibility.

Compliance with such requirements is necessary, in our opinion, for The Housing Authority of the City of Greenville to comply with the requirements applicable to that program.

### ***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 items 2023-002. 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. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

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 item 2023-002 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 5, 2024

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<b>Federal Grantor / Pass-through Grantor / Program Title</b>	<b>Pass-Through / Identification Number</b>	<b>Assistance Listing #</b>	<b>Federal Expenditures</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b>Direct Programs:</b>			
Emergency Housing Vouchers	SC004	14.871	\$ 497,359
Housing Choice Vouchers	SC004	14.871	1,706,175
Mainstream Vouchers	SC004	14.879	189,688
Total Housing Voucher Cluster			<u>2,393,222</u>
Moving to Work Demonstration Program	SC004	14.881	26,982,440
PIH Family Self Sufficiency Program	FSS18SC2756	14.896	211,176
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 29,586,838</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, 2023**

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**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, 2023. 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, 2023**

**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	_____ X _____ No
• Significant deficiency(ies) identified?	_____	Yes	_____ X _____ None Reported
Noncompliance material to financial statements noted?	_____	Yes	_____ X _____ No

**Federal Awards**

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

<u>Identification of major federal programs:</u>	
<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.881	Moving to Work Demonstration Program

Dollar threshold used to distinguish between type A and type B programs:	\$ _____ 887,605
Auditee qualified as a low-risk auditee?	_____ X _____ 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, 2023**

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**III. Federal Award Findings**

**2023-001 – Eligibility - Moving to Work Demonstration Program - 14.881**

**Material Weakness and Material Noncompliance**

**Statement of Condition and Criteria**

Participant files were missing, incomplete or insufficient to substantiate eligibility determinations. PHA's are required to maintain and retain documentation in accordance with federal document retention policies to substantiate the ongoing eligibility of participants.

**Cause**

Lack of effective oversight of certification procedures conducted at site offices, including outside contracted management agencies. In addition, conversion to electronic workpaper retention, as well as system conversions resulting in loss of data.

**Effect or Potential Effect**

Potential overpayment of housing assistance.

**Question Costs**

Not determined.

**Context**

A sample of 45 files were selected to audit program eligibility from a population of 2,766. The test found 16 files did not pass audit inspection due to missing significant supporting documentation to support the calculation of housing assistance. Our sample was not a statistically valid sample.

**Recommendation**

We recommend the Authority centralize eligibility determinations to assist with enforcement and quality control review of program procedures. This would include removing responsibilities from both external and internally managed sites to better align staff and program responsibilities.

**Management's Response**

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

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**2023-002 – Eligibility – Moving to Work Demonstration Program - 14.881**

**Significant Deficiency and Reportable Noncompliance**

**Statement of Condition and Criteria**

Annual recertifications were not completed in a timely manner. PHA's are required to determine income eligibility, calculate participant rent and housing assistance payments on an annual basis.

**Cause**

Staff turnover along with ineffective tracking and finalization of eligibility determinations.

**Effect or Potential Effect**

Overpayment of Housing Assistance Payments due to late processing of annual recertifications.

**Question Costs**

Known questioned costs totaled \$2,390.

**Context**

A sample of 45 files were selected to audit program eligibility from a population of 2,796. The test found 26 files noted late annual recertifications. Of which, seven files required additional housing assistance to be disbursed due to sufficient participant notice requirements. Our sample was not a statistically valid sample.

**Recommendation**

We recommend the Authority reassess staff workload and review document workflow to ensure tasks are carried out through completion.

**Management's Response**

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

## The Greenville Housing Authority

122 Edinburgh Court  
Greenville, South Carolina 29607  
864-467-4250 / TDD 864-467-4203  
TOLL FREE 844-411-TGHA (8442)

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### CORRECTIVE ACTION PLAN

September 26, 2024

U.S. Department of Housing and Urban Development

The City of Greenville Housing Authority, SC respectfully submits the following corrective action plan for the audit year ended December 31, 2023.

Independent public accounting firm:

Maletta & Company  
43 Enterprise Drive  
Bristol, CT 06010-3990

The findings from the Summary of Auditor's Results:

#### **2023-001 – Eligibility - Moving to Work Demonstration Program - 14.881 Material Weakness and Material Noncompliance**

##### **Statement of Condition and Criteria**

Participant files were missing, incomplete or insufficient to substantiate eligibility determinations. PHA's are required to maintain and retain documentation in accordance with federal document retention policies to substantiate the ongoing eligibility of participants.

##### **Recommendation**

We recommend the Authority centralize eligibility determinations to assist with enforcement and quality control review of program procedures. This would include removing responsibilities from both external and internally managed sites to better align staff and program responsibilities.

##### **Management Response**

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

##### **Corrective Action**

The initial eligibility determinations are currently handled by the HCV department and are centralized. It has been determined that considerable investment in staff training has been made during the past twelve months. As a result, there has been staff turnover, some at the decision of TGHA, and some at the decision of staff. Initial eligibility is currently being restructured with an emphasis on new admissions. All procedures and processes are being evaluated for accuracy, with emphasis on the noted area of noncompliance and includes a complete review and update to the Administrative Plan. There will be increased staff training and file review. In July 2024, TGHA transitioned project-based files from a property management team to the Housing Choice Voucher Department. The files had not been electronically stored. Evidence pointed to deficiencies in file maintenance. TGHA has hired temporary staff for an extended period to focus on file organization and to correct documentation deficiencies. All HCV staff have completed Rent Calculation courses provided by NAHRO or Nan McKay during the fiscal year. There have been two managers hired for

the department, one exclusively for project-based vouchers. Both attended NAHRO supervisory training in September. There will be an intensive focus on program integrity throughout the programs, including staff capability, training and monitoring. TGHA has contracted with a professional recruiter to assist in hiring a Director of the HCV and MTW programs.

Recertification transactions will be monitored on a monthly basis. This will include validation of calculations and verification of correct documentation. It is anticipated that TGHA files will be fully in order by July 2025.

**2023-002 – Eligibility – Moving to Work Demonstration Program - 14.881 Significant Deficiency and Reportable Noncompliance**

**Statement of Condition and Criteria**

Annual recertifications were not completed in a timely manner. PHA's are required to determine income eligibility, calculate participant rent and housing assistance payments on an annual basis.

**Recommendation**

We recommend the Authority reassess staff workload and review document workflow to ensure tasks are carried out through completion.

**Management's Response**

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

**Corrective Action**

The program issues are systemic; therefore the corrective actions are identical. The MTW flexibility permits tri-annual recertification. The agency has been conducting tri-annual recertification for elderly and disabled households. Effective with February 2025 recerts, now in process, tri-annuals will be applied to all households. This significantly reduces the number of recertifications performed by each staff and permits significantly more attention to monitoring, oversight, training and correction. TGHA has hired temporary staff for an extended period to focus on file organization and to correct documentation deficiencies. All HCV staff have completed Rent Calculation courses provided by NAHRO or Nan McKay during the fiscal year. There have been two managers hired for the department, one exclusively for project-based vouchers. Both attended NAHRO supervisory training in September. There will be an intensive focus on program integrity throughout the year. TGHA has contracted with a professional recruiter to assist in hiring a Director of the HCV and MTW programs.

Recertification transactions will be monitored on a monthly basis. This will include validation of calculations and verification of correct documentation. It is anticipated that TGHA files will be fully in order by July 2025.

If there are any questions regarding this plan, please call Terril Bates at (864)467-4272.

Thank you,

*Terril Bates*

Terril Bates  
CEO