SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY
TABLE OF CONTENTS

Dooley & Vicars
Certified Public Accountants, L.L.P.

Daniel J. Dooley, C.P.A.
Michael H. Vicars, C.P.A.

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Suffolk Redevelopment
and Housing Authority
Suffolk, Virginia

Opinions
We have audited the accompanying financial statements of the business-type activities which comprise the major fund of the Suffolk Redevelopment and Housing Authority as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Suffolk Redevelopment and Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Suffolk Redevelopment and Housing Authority, as of June 30, 2024, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit of Eagle Landing Apartments, L.P. which represent 100% of the assets, net position, and revenues of the discretely presented component unit column as reported on the Financial Data Schedule as of December 31, 2023.

Those statements of the discretely presented component unit mentioned above were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the discretely presented component units mentioned above which conform the presentation of those financial statements to present in accordance with accounting standards issued by the Governmental Accounting Standards Board. Our opinion, insofar as it relates to the amounts included for the discretely presented component unit mentioned above, prior to these conversion adjustments, is based solely on the report of the other auditors.

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

The financial statements of Eagle Landing Apartments, L.P. were not audited in accordance with *Government Auditing Standards*.

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

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

Responsibilities of Management for the Financial Statements - continued
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 Suffolk Redevelopment and Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Governmental 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 Suffolk Redevelopment and Housing Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Suffolk Redevelopment and Housing Authority's ability to continue as a going concern for a reasonable period of time.

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

Other Matters
Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 12 and the required supplementary information related to pensions and OPEB on pages 75 through 81, 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.

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

Required Supplementary Information - continued
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.

Other Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards, Financial Data Schedule, and other supplementary information as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the U.S. Department of Housing and Urban Development, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of the Suffolk Redevelopment and Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 the 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 Suffolk Redevelopment and Housing Authority's internal control over financial reporting and compliance.

Dooley & Vicars

Dooley & Vicars
Certified Public Accountants, L.L.P.

March 31, 2025
Richmond, Virginia

This section of the Authority's annual financial report presents Management's analysis of the Authority's financial performance during the Fiscal Year Ended June 30, 2024. Please read it in conjunction with the financial statements which follow. The primary focus of local government financial statements has been summarized fund type information on an economic resources measurement focus. SRHA is able to present financial statements that clearly reflect its separate lines of business in a manner that associates revenue and expense with the assets and obligations that generate them.

FINANCIAL HIGHLIGHTS AND CONCLUSIONS:

The net position (assets and deferred outflows of resources over liabilities and deferred inflows of resources) may serve over time as a useful indicator of a Housing Authority's financial position. The outcome of the fiscal year's operations are illustrated below.

- Total net position increased by $2,427,328 during 2024, from $19.6 million in 2023 to $22 million in 2024.

- Revenues increased by $5,492,436 in 2024, from $14.4 million in 2023 to $19.9 million in 2024.

- The total expenses of all Authority programs increased $3.4 million during 2024. Total expenses were $14.05 million in 2023 and $17.5 million in 2024.

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the Authority report information using accounting methods similar to those used by private sector companies (Enterprise Fund).

The Statement of Net Position (Balance Sheet) includes all of the Authority's assets and liabilities and provides information about the amounts and investments in assets and the obligations to Authority creditors. It also provides a basis for assessing the liquidity and financial flexibility of the Authority.

The current year's revenues, expenses and changes in net position are accounted for in the Statement of Revenues, Expenses and Net Position. This statement measures the success of the Authority's operations over the past fiscal year.

The Statement of Cash Flows is to provide information about the Authority's cash receipts and disbursements during the reporting period. The statement reports the net changes in cash resulting from operations.

FINANCIAL ANALYSIS OF THE AUTHORITY

One question frequently asked about an Authority's finances is: "Did the Authority's operations and financial position improve or deteriorate over the previous fiscal year?" The Statement of Net position and the Statement of Revenues, Expenses and Net Position report information about the Authority's activities and are summarized in the following sections.

To begin our analysis, a summary of the Authority's Statement of Net Position is presented in Table I.

As illustrated in the Combined Statement of Net Position, the overall Net position, the Authority increased by $2,427,328.

Restricted Net position decreased by $118,576 due to the utilization of the PHA-held HAP reserves due to higher utilization and increased funding in 2024 and the presentation of net position related to net pension assets as restricted in 2024.

The Authority's Unrestricted Net position increased by $1,520,356 due to net operating income prior to depreciation expense.

The "Investment in Capital Assets" increased by $1,025,548 due to more capital fund investments, offset by depreciation expense.

Combined Statement of Net Position
Table 1

Account Description	2024	2023	Total Change	% Change
Current Assets	9,559,604	8,399,843	1,159,761	13.81%
Non Current Assets	2,160,109	1,796,721	363,388	20.23%
Capital Assets	4,152,106	3,095,001	1,057,105	34.16%
Notes Receivable	6,075,000	6,075,000	-	0.00%
Investment in Joint Ventures	1,019,906	1,019,927	(21)	0.00%
Deferred Outflows	43,811	19,645	24,166	123.01%
Total Assets and Deferred Outflows	23,010,536	20,406,137	2,604,399	12.76%
Current Liabilities	591,923	302,682	289,241	95.56%
Non Current Liabilities	233,159	228,247	4,912	2.15%
Deferred Inflows	124,444	241,526	(117,082)	-48.48%
Total Liabilities and Deferred Inflows	949,526	772,455	177,071	22.92%
Investment in Capital Assets	4,100,531	3,074,983	1,025,548	33.35%
Restricted Net Position	1,703,067	1,821,643	(118,576)	-6.51%
Unrestricted Net Pisition	16,257,412	14,737,056	1,520,356	10.32%
Total Net Position	22,061,010	19,633,682	2,427,328	12.36%
Total Liabilities & Net Position	23,010,536	20,406,137	2,604,399	12.76%

See Table II for a summary of the changes within the Net Position accounts.

Table II
Change of Net Position

Net Assets @ June 30, 2023	19,633,682
Results of Operations	2,427,328
Net Assets @ June 30, 2024	22,061,010

A review of current assets reveals the PHA increased their current assets by $1,159,761 or 13.81% due primarily to increases in cash equivalents and investments and receivable from HUD. See the cash flow statement for complete details on the reasons for the changes in cash and cash equivalents. Noncurrent assets increased by $363,388.

The PHA had a net asset in pension activity related to investment exceeding liabilities and calculations of future cash flows.

Current liabilities increased by $289,241, primarily due to a decrease in accrued expenses and contract retainage held on active capital projects.

While the Statement of Net position shows the change in financial position, the Statement of Revenues, Expenses, and Net position breaks down our revenues and expenses further. Table III, which follows, provides a combined statement of the changes in Net position noted above.

Combined Statement of Revenue, Expenses and Changes in Net Position
Table III

Account Descriptions	2024	2023	Total Changes	% Change
Tenant Revenue	681,206	596,166	85,040	14.26%
Grant Funding	16,116,122	13,293,129	2,822,993	21.24%
Capital Grant Funding	1,534,772	126,903	1,407,869	1109.41%
Interest Income	541,293	168,881	372,412	220.52%
Other Income	1,050,045	245,923	804,122	326.98%
Total Revenue	19,923,438	14,431,002	5,492,436	38.06%
Administration	2,272,882	1,705,407	567,475	33.28%
Tenant Services	68,210	107,499	(39,289)	-36.55%
Utilities	719,676	623,360	96,316	15.45%
Maintenance	749,756	587,223	162,533	27.68%
Insurance Expense	170,155	172,463	(2,308)	-1.34%
General Expense	22,115	39,090	(16,975)	-43.43%
Nonroutine Maintenace		33,550	(33,550)	
Housing Assistance Payments	12,998,891	10,298,453	2,700,438	26.22%
Interest Payments	684	1,036	(352)	0.00%
Depreciation	493,741	483,096	10,645	2.20%
Total Expenses	17,496,110	14,051,177	3,444,933	24.52%
Special Items	-	(410,195)	410,195	
Change in Net Positions	2,427,328	(30,370)	2,457,698	-8092.52%
Beginning Net Position	19,633,682	19,664,052	(30,370)	-0.15%
Ending Net Position	22,061,010	19,633,682	2,427,328	12.36%

REVENUES

In reviewing the Statement of Revenues, Expenses, and Net position, you will find that 89% of the Authority's revenues are derived from grants from the Department of Housing and Urban Development. The Authority receives approximately 3% of its revenue from tenants for dwelling rental charges, excess utilities, and miscellaneous charges. Other Revenue, including Interest from Investments, comprises the remaining 8%. Compared to the Fiscal Year Ended June 30, 2023, revenues had an overall increase of $5,492,436 or 38%.

Tenant Revenue - Tenant Revenue received in the Public Housing Program increased from $596,166 to $681,206 or around 14.26%.

Program Grants/Subsidies – We had an increase in the amount of $4,230,862 in federal grants during fiscal year 2024. This increase is primarily due to increases in HUD funding for the rental assistance program due to higher utilization, increased subsidy awards for public housing, and increased capital grants.

EXPENSES

The Suffolk RHA experienced an increase in operating expenses for the current year from $14.05 million to $17.5 million or 24.52%. Table III gives us a picture view of the changes from year to year between expense categories.

The highlights of the expenses for the current year are as follows:

Administrative – Administrative costs include all non-maintenance and non-resident service personnel costs (including benefits and accrued leave), legal costs, auditing costs, travel and training costs, and other administrative costs such as supplies, telephone expense, etc. Administrative expenses increased by $567,475 or 33.28%. This was due to increases in temporary labor, service contracts and fringe benefits.

Tenant Services – Tenant Services costs include all costs incurred by the Authority to provide social services to the residents. The Resident Advisory Board (RAB) receives funding for board meetings, training costs, and other items to assist the RAB in staying informed on its role in the Authority's operations. The Tenant Advisory Council (TAC) receives assistance with the costs of meetings and other social activities provided. Tenant Services costs decreased by ($39,289) or -36.55%. This is primarily attributable to the loss of HUD-funded service coordinator grants.

Utilities - The total utilities expense for the Authority increased by $96,316 or 15.45%. The increase increases in water and sewer costs.

Maintenance – Maintenance costs are all costs incurred by the Authority to maintain the 260 Public Housing units available for occupancy, which are owned by the Authority in a safe and sanitary manner. Costs include personnel costs, materials used to maintain the units, contracts for waste management, telephone/radio service, etc. The Maintenance Expense for the Authority increased by $162,533 or 27.68%. Categories with significant increases are materials, landscaping, unit turnaround contracts, and plumbing contracts.

EXPENSES – continued

Insurance Expenses – Insurance Expenses include insurance costs (property, auto, liability, workers' compensation, public officials' liability, lead based paint insurance, etc. Insurance expenses decreased by ($2,308) or -1.34%.

General Expenses – General Expenses include collection losses, and payment in lieu of taxes to the City of Suffolk. General expenses for the Authority decreased by ($16,975) or -43.43% due primarily to decreases in fees and costs related to non-capital activities.

Housing Assistance Payments Program – HAP payments consist of rental payments to owners of private property for which the housing authority has a HAP agreement with the tenant and the owner for the difference between the tenants rent and the applicable payment standard. The Housing Authority has significantly increased the funding and expenditures of this program. HAP payments for the Authority increased by $2,700,438. This is a 26.22% increase in HAP activity during the fiscal year due to additional lease ups.

Depreciation – Because the costs of all capitalized additions are spread over the estimated useful life of an asset, the estimated current year costs of capitalized items are recorded as depreciation. Depreciation Expense for the current year increased by $10,645 or 2.20%.

Special item – The financial statement reflect a special item for 2023 of ($410,195) which represents the results of modifications to the terms of loans made to the discretely presented component unit in 2023 that retroactively reduced the original interest rate to 0.00% through March 31, 2023 when previously these notes bore interest from the date initially executed.

CAPITAL ASSETS

Combined Statement of Captial Assets
Table IV

Account Descriptions	2024	2023	Total Change	% Change
Land	745,477	792,384	(46,907)	-5.92%
Buildings & Improvements	20,348,305	18,796,459	1,551,846	8.26%
Equipment	2,961,494	3,025,545	(64,051)	-2.12%
	24,055,276	22,614,388	1,440,888	6.37%
Accumulated Depreciation	19,903,170	19,519,387	383,783	1.97%
Ending Capital Assets	4,152,106	3,095,001	1,057,105	34.16%

The PHA operated four CFP grants during fiscal year 2024. The modernization projects covered all AMP’s.

The PHA had $493,741 in depreciation expense.

CONCLUSION:

Management is committed to staying abreast of regulations and appropriations as well as maintain an ongoing analysis of all budgets and expenses to ensure that the Authority continues to operate at the highest standards established by the Real Estate Assessment Center and the Department of Housing and Urban Development.

This financial report is designed to provide our residents, the citizens of Suffolk, Virginia, all federal and state regulatory bodies, and any creditors with a general overview of the Authority's finances. If you have any questions regarding these financial statements or supplemental information, you may contact Patricia Tyus, Executive Director at (757) 539-2100 or by writing: Suffolk RHA, 530 E. Pinner Street, Suffolk, VA 23434.

Suffolk Redevelopment & Housing Authority

Statement of Net Position
June 30, 2024

ASSETS	Primary Government	Component Unit
Current Assets		
Cash and Cash Equivalents	$ 6,984,961	$ 411,452
Restricted Cash, Cash Equivalents	172,014	1,989,231
Unrestricted Investments	1,719,086	-
Restricted Investments	-	556,310
Receivables, Net	514,339	90,003
Inventories, Net	59,892	-
Prepaid Expense and Other Assets	109,312	80,617
Total current assets	9,559,604	3,127,613
Noncurrent Assets		
Capital Assets:		
Land	745,477	2,674,792
Buildings	18,788,289	35,107,751
Furniture, Equipment & Machinery -Admin	-	1,700,162
Furniture, Equipment & Machinery -Dwelling	2,961,494	3,129,811
Construction in Progress	1,560,016	-
Less: Accumulated Depreciation	(19,903,170)	(2,192,343)
Capital Assets, Net	4,152,106	40,420,173
Notes Receivable	6,075,000	-
Investment in Joint Ventures	1,019,906	-
Other Assets	2,160,109	88,107
Total Noncurrent Assets	13,407,121	40,508,280
Total Assets	22,966,725	43,635,893
Deferred Outflow of Resources		
Deferred Outflow of Resources	43,811	-
Total Assets and Deferred Outflow of Resources	$ 23,010,536	$ 43,635,893

Suffolk Redevelopment & Housing Authority

Statement of Net Position
June 30, 2024

LIABILITIES	Primary Government	Component Unit
Current Liabilities		
Accounts Payable	$ 157,322	$ -
Accrued Liabilities	209,766	387,205
Tenant Security Deposits	44,704	59,605
Deferred Revenue	12,511	39,244
Current Portion of Long-Term Debt	11,557	314,571
Other Current Liabilities	156,063	23,750
Total Current Liabilities	591,923	824,375
Noncurrent Liabilities		
Long-Term Debt, Net of Current	40,017	30,454,062
Accrued Absences - Long-Term	14,398	-
Accrued Pension and OPEB	51,434	-
Noncurrent Liabilities - Other	127,310	1,729,500
Total Noncurrent Liabilities	233,159	32,183,562
Total Liabilities	825,082	33,007,937
Deferred Inflow of Resources		
Deferred Inflow of Resources	124,444	-
Net Position		
Investment in Capital Assets - Net of Related Debt	4,100,531	9,651,540
Restricted Net Position	1,703,067	2,485,936
Unrestricted Net Position	16,257,412	(1,509,520)
Total Net Position	22,061,010	10,627,956
Total Liabilities, Deferred Infow of Resources, and Net Position	$ 23,010,536	$ 43,635,893

The accompanying notes are an integral part of these financial statements.

Suffolk Redevelopment & Housing Authority

Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2024

	Primary Government	Component Unit
Operating Revenues		
Tenant Revenue	$ 681,206	$ 2,554,310
Government Operating Grants	16,116,122	-
Other Revenue	1,007,702	2,842,018
Total Operating Revenues	17,805,030	5,396,328
Operating Expenses		
Administrative	2,272,882	369,859
Tenant Services	68,210	2,202
Utilities	719,676	182,114
Maintenance	749,756	240,262
General	192,270	344,850
Housing Assistance Payment	12,998,891	-
Depreciation	493,741	1,176,042
Total Operating Expenses	17,495,426	2,315,329
Operating Income (Loss)	309,604	3,080,999
Non-Operating Revenues (Expenses)		
Interest Expense	(684)	(1,345,577)
Interest and Investment Revenue	541,293	500,180
Total Nonoperating Revenues (Expenses)	582,952	(845,397)
Income (Loss) Before Contributions and Transfers	892,556	2,235,602
Capital Grants - Federal Government	1,534,772	-
Change in Net Position	2,427,328	2,235,602
Total Beginning Net Position	19,633,682	8,392,354
Equity Transfers and Prior Period Adjustments	-	-
Total Ending Net Position	$ 22,061,010	$ 10,627,956

Statement of Cash Flows
For the Year Ended June 30, 2024

	Primary Government		Component Unit	
Cash Flows from Operating Activities:				
Cash Received from Tenants	$	407,677	$	2,503,288
Cash Received from Operating Grants		16,116,122		-
Cash Received from Other Sources		1,113,002		122,142
Cash Paid for Goods and Services		(1,398,781)		(1,744,315)
Cash Paid for Employees and Administrative		(2,971,070)		(432,072)
Housing Assistance Payments		(12,998,891)		-
Cash Paid for Other		6,931		2,760,532
Net Cash Provided (Used) by Operating Activities		274,990		3,209,575
Cash Flows from Capital and Related Financing Activities:				
Capital Grants Received - Federal Government		1,534,772		-
Proceeds from the Sale of Assets		42,343		
Purchases, Sales and Construction of Capital Assets		(1,550,846)		(2,307,838)
Proceeds from capital debt		32,775		721,879
Interest Paid on Capital Debt		(684)		-
Net Cash (Used) for Capital and Related Financing Activities		58,360		(1,585,959)
Cash Flows from Investing Activities:				
Interest and Dividends		541,293		500,180
Purchases of Investments		(73,587)		-
Net Cash Provided by Investing Activities		467,706		500,180
Net Increase (Decrease) in Cash and Cash Equivalents		801,056		2,123,796
Cash and Cash Equivalents at Beginning of Year		6,355,919		276,887
Cash and Cash Equivalents at End of Year	$	7,156,975	$	2,400,683
Reconciliation of Cash and Restricted Cash				
Cash and Cash Equivalents	$	6,984,961	$	411,452
Restricted Cash and Cash Equivalents		172,014		1,989,231
Total Cash and Cash Equivalents	$	7,156,975	$	2,400,683
Noncash Investing, Capital, and Financing Activities				
Accrued Contingent liability				

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

Statement of Cash Flows
For the Year Ended June 30, 2024

	Primary Government	Component Unit
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	$ 309,604	$ 1,735,422
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	493,741	1,176,042
Noncash transfers and expenses		
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables - Net	(327,907)	(22,805)
(Increase) Decrease in Inventory	(3,645)	-
(Increase) Decrease in Prepaid Expenses	46,434	(31,133)
(Increase) Decrease in Interprogram due from	(907,263)	-
(Increase) Decrease in Deferred Outflow of Resources	(24,166)	-
(Increase) Decrease in Other Asset	(363,367)	-
Increase (Decrease) in Security Deposits	6,931	34,605
Increase (Decrease) in Accounts Payable	91,754	-
Increase (Decrease) in Accrued Expenses	45,760	269,569
Increase (Decrease) in Other Liabilities	151,748	27,522
Increase (Decrease) in Unearned Revenue	(5,378)	20,353
Increase (Decrease) in Deferred Inflow of Resources	(117,082)	-
Increase (Decrease) in Interprogram due to	907,263	-
Increase (Decrease) in Noncurrent Liabilities	(29,437)	-
Net Cash Provided (Used) by Operating Activities	$ 274,990	$ 3,209,575

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

Suffolk Redevelopment & Housing Authority

Statement of Net Position - Proprietary Funds
June 30, 2024

ASSETS	Low Rent Public Housing	Business Activities	Housing Choice Vouchers	COCC	Other Non-Major Funds	Interfund Eliminations	Totals Primary Government	Component Unit Discretely Presented
Current Assets								
Cash and Cash Equivalents	$ 3,030,991	$ 657,821	$ 809,459	$ 542,853	$ 1,943,837	$ -	$ 6,984,961	$ 411,452
Restricted Cash, Cash Equivalents	68,470	-	103,544	-	-	-	172,014	1,989,231
Unrestricted Investments	-	738,534	-	384,366	596,186	-	1,719,086	-
Restricted Investments	-	-	-	-	-	-	-	556,310
Receivables, Net	287,546	-	133,071	-	93,722	-	514,339	90,003
Inventories, Net	-	-	-	59,892	-	-	59,892	-
Prepaid Expense and Other Assets	13,856	27,712	6,169	57,626	3,949	-	109,312	80,617
Interprogram due from	598,233	243,091	-	71,130	48,253	(960,707)	-	-
Total current assets	3,999,096	1,667,158	1,052,243	1,115,867	2,685,947	(960,707)	9,559,604	3,127,613
Noncurrent Assets								
Notes Receivable	-	6,075,000	-	-	-	-	6,075,000	-
Capital Assets:								
Land	607,282	115,201	-	-	22,994	-	745,477	2,674,792
Buildings	17,925,455	627,414	-	2,860	232,560	-	18,788,289	35,107,751
Furniture, Equipment & Machinery - Dwelling	-	-	-	-	-	-	-	1,700,162
Furniture, Equipment & Machinery - Admin.	2,255,234	48,421	348,921	155,094	153,824	-	2,961,494	3,129,811
Construction in Progress	1,560,016	-	-	-	-	-	1,560,016	-
Less: Accumulated Depreciation	(18,488,300)	(661,492)	(270,704)	(132,159)	(350,515)	-	(19,903,170)	(2,192,343)
Capital Assets, Net	3,859,687	129,544	78,217	25,795	58,863	-	4,152,106	40,420,173
Investment in Joint Ventures	-	-	-	-	1,019,906		1,019,906	-
Other Assets	557,059	549,177	449,609	457,002	147,262		2,160,109	88,107
Total Noncurrent Assets	4,416,746	6,753,721	527,826	482,797	1,226,031	-	13,407,121	40,508,280
Total Assets	8,415,842	8,420,879	1,580,069	1,598,664	3,911,978	(960,707)	22,966,725	43,635,893
Deferred Outflow of Resources								
Deferred Outflow of Resources	15,148	-	12,229	12,430	4,004	-	43,811	-
Total Assets and Deferred Outflow of Resources	$ 8,430,990	$ 8,420,879	$ 1,592,298	$ 1,611,094	$ 3,915,982	$ (960,707)	$ 23,010,536	$ 43,635,893

Suffolk Redevelopment & Housing Authority

Statement of Net Position - Proprietary Funds
June 30, 2024

LIABILITIES	Low Rent Public Housing	Business Activities	Housing Choice Voucher	COCC	Other Non-Major Funds	Interfund Eliminations	Totals Primary Government	Component Unit Discretely Presented
Current Liabilities								
Accounts Payable	$ 48,641	$ 22,391	$ 3,342	$ 7,582	$ 75,366	$ -	$ 157,322	$ -
Accrued Liabilities	82,649	56,316	28,619	30,095	12,087	-	209,766	387,205
Tenant Security Deposits	44,704	-	-	-	-	-	44,704	59,605
Deferred Revenue	12,511	-	-	-	-	-	12,511	39,244
Current Portion of Long-Term Debt	3,316	-	2,888	4,326	1,027	-	11,557	314,571
Other Current Liabilities	154,280	-	5	9	1,769	-	156,063	23,750
Interprogram due to	47,851	549,778	5,785	97,500	259,793	(960,707)	-	-
Total Current Liabilities	393,952	628,485	40,639	139,512	350,042	(960,707)	591,923	824,375
Noncurrent Liabilities								
Long-Term Debt, Net of Current	10,807	-	12,455	11,656	5,099	-	40,017	30,454,062
Noncurrent Liabilities - Other	45,805	-	121,402	20,056	5,879	-	193,142	1,729,500
Total Noncurrent Liabilities	56,612	-	133,857	31,712	10,978	-	233,159	32,183,562
Deferred Inflows of Resources								
Deferred Inflows of Resources	43,033	-	34,732	35,303	11,376	-	124,444	-
Total Liabilities	$ 450,564	$ 628,485	$ 174,496	$ 171,224	$ 361,020	$ (960,707)	$ 825,082	$ 33,007,937
Net Position								
Investment in Capital Assets - Net of Related Debt	$ 3,845,564	$ 129,544	$ 62,874	$ 9,812	$ 52,737	$ -	$ 4,100,531	$ 9,651,540
Restricted Net Position	557,059	-	449,609	457,002	239,397	-	1,703,067	2,485,936
Unrestricted Net Position	3,534,770	7,662,850	870,587	937,753	3,251,452	-	16,257,412	(1,509,520)
Total Net Position	7,937,393	7,792,394	1,383,070	1,404,567	3,543,586	-	22,061,010	10,627,956
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 8,430,990	$ 8,420,879	$ 1,592,298	$ 1,611,094	$ 3,915,982	$ (960,707)	$ 23,010,536	$ 43,635,893

npanying notes are an integral part of these financial statements.

Suffolk Redevelopment & Housing Authority

Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary funds
For the year ended June 30, 2024

	Low Rent Public Housing	Business Activities	Housing Choice Vouchers	COCC	Other Non-Major Funds	Interfund Eliminations	Totals Primary Government	Component Unit Discretely Presented
Operating Revenues								
Tenant revenue	$ 598,833	$ -	$ -	$ -	$ 82,373	$ -	$ 681,206	$ 2,554,310
Government operating grants	1,897,918	-	14,059,114	-	159,090	-	16,116,122	-
Other revenue	12,243	149,831	97,548	695,539	815,830	(763,289)	1,007,702	2,842,018
Total operating revenues	2,508,994	149,831	14,156,662	695,539	1,057,293	(763,289)	17,805,030	5,396,328
Operating Expenses								
Administrative	1,077,016	38,135	786,766	892,104	242,150	(763,289)	2,272,882	369,859
Tenant services	3,674	-	188	-	64,348	-	68,210	2,202
Utilities	706,949	-	3,607	7,030	2,090	-	719,676	182,114
Maintenance	683,465	21,360	8,269	10,376	26,286	-	749,756	240,262
General	130,449	18,365	16,067	16,113	11,276	-	192,270	344,850
Housing assistance payment	-	-	12,998,891	-	-	-	12,998,891	-
Depreciation	440,662	2,049	24,304	21,761	4,965	-	493,741	1,176,042
Total operating expenses	3,042,215	79,909	13,838,092	947,384	351,115	(763,289)	17,495,426	2,315,329
Operating income (loss)	(533,221)	69,922	318,570	(251,845)	706,178	-	309,604	3,080,999
Non-Operating Revenues (Expenses)								
Interest Expense	(194)	-	(144)	(292)	(54)	-	(684)	(1,345,577)
Gain/Loss on sale of fixed assets	-	-	-	-	42,343	-	42,343	-
Interest and investment revenue	14,435	471,197	6,427	17,188	32,046	-	541,293	500,180
Total nonoperating revenues (expenses)	14,241	471,197	6,283	16,896	74,335	-	582,952	(845,397)
Income (loss) before contributions and transfers	(518,980)	541,119	324,853	(234,949)	780,513	-	892,556	2,235,602
Capital Grants - Federal	1,534,772	-	-	-	-	-	1,534,772	-
Change in Net Position	1,015,792	541,119	324,853	(234,949)	780,513	-	2,427,328	2,235,602
Total Beginning Net Position	6,921,601	7,251,275	1,058,217	1,639,516	2,763,073	-	19,633,682	8,392,354
Total Ending Net Position	$ 7,937,393	$ 7,792,394	$ 1,383,070	$ 1,404,567	$ 3,543,586	$ -	$ 22,061,010	$ 10,627,956

Suffolk Redevelopment & Housing Authority

Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2024

	Low Rent Public Housing	Buisness Activities	Housing Choice Vouchers	COCC	Other Non-Major Funds	Totals Primary Government	Component Unit Discretely Presented
Cash Flows from Operating Activities:							
Cash Received from Tenants	$ 326,759	$ -	$ -	$ (1,220)	$ 82,138	$ 407,677	$ 2,503,288
Cash Received from Operating Grants	1,897,918	-	14,059,114	-	159,090	16,116,122	-
Cash Received from Other Sources	(585,990)	167,681	19,942	695,539	815,830	1,113,002	122,142
Cash Paid for Goods and Services	(1,328,687)	(112,090)	(94,593)	169,654	(33,065)	(1,398,781)	(1,744,315)
Cash Paid for Employees and Administrative	(1,112,819)	(38,135)	(814,924)	(950,422)	(54,770)	(2,971,070)	(432,072)
Housing Assistance Payments	-	-	(12,998,891)	-	-	(12,998,891)	-
Cash Paid/(Received) for Other	6,931	-	-	-	-	6,931	2,760,532
Net Cash Provided (Used) by Operating Activities	(795,888)	17,456	170,648	(86,449)	969,223	274,990	3,209,575
Capital Grants Received - Federal Government	1,534,772	-	-	-	-	1,534,772	-
Proceeds from the Sale/Disposal of Assets	-		-	-	42,343	42,343	-
Purchases, Sales and Construction of Capital Assets	(1,564,829)	-	(14,964)	(11,834)	40,781	(1,550,846)	(2,307,838)
Proceeds (payments of) from capital debt	7,528	-	12,662	7,508	5,077	32,775	721,879
Interest Paid on Capital Debt	(194)	-	(144)	(292)	(54)	(684)	-
Net Cash (Used) for Capital and Related Financing Activities	(22,723)	-	(2,446)	(4,618)	88,147	58,360	(1,585,959)
Cash Flows from Investing Activities:							
Interest and Dividends	14,435	471,197	6,427	17,188	32,046	541,293	500,180
Purchase/Sale of Investments	-	(34,975)	-	(14,239)	(24,373)	(73,587)	-
Net Cash Provided by Investing Activities	14,435	436,222	6,427	2,949	7,673	467,706	500,180
Net Increase (Decrease) in Cash and Cash Equivalents	(804,176)	453,678	174,629	(88,118)	1,065,043	801,056	2,123,796
Cash and Cash Equivalents at Beginning of Year	3,903,637	204,143	738,374	630,971	878,794	6,355,919	276,887
Cash and Cash Equivalents at End of Year	$ 3,099,461	$ 657,821	$ 913,003	$ 542,853	$ 1,943,837	$ 7,156,975	$ 2,400,683
Reconciliation of Unrestricted Cash and Restricted Cash							
Cash and Cash Equivalents	$ 3,030,991	$ 657,821	$ 809,459	$ 542,853	$ 1,943,837	$ 6,984,961	$ 411,452
Restricted Cash and Cash Equivalents	68,470	-	103,544	-	-	172,014	1,989,231
Total Cash and Cash Equivalents	$ 3,099,461	$ 657,821	$ 913,003	$ 542,853	$ 1,943,837	$ 7,156,975	$ 2,400,683

Suffolk Redevelopment & Housing Authority

Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2024

	Low Rent Public Housing	Buisness Activities	Housing Choice Vouchers	COCC	Other Non-Major Funds	Totals Primary Government	Component Unit Discretely Presented
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating Income (Loss)	$ (533,221)	$ 69,922	$ 318,570	$ (251,845)	$ 706,178	$ 309,604	$ 1,735,422
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:							
Depreciation Expense	440,662	2,049	24,304	21,761	4,965	493,741	1,176,042
Changes in Assets and Liabilities:							
(Increase) Decrease in Receivables - Net	(267,916)	17,850	(77,606)	-	(235)	(327,907)	(22,805)
(Increase) Decrease in Inventory	-	-	-	(3,645)	-	(3,645)	-
(Increase) Decrease in Prepaid Expenses	28,330	(3,633)	3,412	16,665	1,660	46,434	(31,133)
(Increase) Decrease in Interprogram Due From	(598,233)	(189,647)	-	(71,130)	(48,253)	(907,263)	-
(Increase) Decrease in Deferred Outflow of Resources	(9,508)		(7,744)	(5,242)	(1,672)	(24,166)	-
(Increase) Decrease in Other Assets	(74,460)	(433,706)	(65,747)	158,198	52,348	(363,367)	-
(Increase) Decrease in Security Deposits	6,931	-	-	-	-	6,931	34,605
Increase (Decrease) in Accounts Payable	23,240	11,757	(5,165)	2,880	59,042	91,754	-
Increase (Decrease) in Accrued Expenses	24,214	(6,914)	7,565	13,646	7,249	45,760	269,569
Increase (Decrease) in Other Liabilities	151,756	-	(19)	9	2	151,748	27,522
Increase (Decrease) in Unearned Revenue	(4,158)	-	-	(1,220)	-	(5,378)	20,353
Increase (Decrease) in Deferred Inflow of Resources	(26,295)	-	(20,414)	(53,076)	(17,297)	(117,082)	-
Increase (Decrease) in Interprogram Due To	47,851	549,778	5,785	97,500	206,349	907,263	-
Increase (Decrease) in Noncurrent Liabilities	(5,081)	-	(12,293)	(10,950)	(1,113)	(29,437)	-
Net Cash Provided (Used) by Operating Activities	$ (795,888)	$ 17,456	$ 170,648	$ (86,449)	$ 969,223	$ 274,990	$ 3,209,575

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity – The Suffolk Redevelopment and Housing Authority (The Authority) was established by the Council of the City of Suffolk as a political subdivision of the Commonwealth of Virginia. The Authority is responsible for operating a low rent housing program which provides housing for eligible families, for operating redevelopment and conservation programs and for the delivery of services to citizens of low-rent housing and urban renewal areas through the encouragement and development of social and economic opportunities. The operations of the Authority are subsidized in part by the United States Department of Housing and Urban Development (HUD). The Board of Commissioners of the Authority is comprised of nine members appointed to four-year terms by the City Council of Suffolk, including one resident commissioner. The Board of the Authority designates its own management. The City is not responsible for the debts or entitled to the surpluses of the Authority. The Authority has the power to approve its own budget and maintain its own accounting system. The Authority had one discretely presented component unit and one blended component unit as described below.

Component Unit - Discretely Presented - Consists of Eagle Landing Apartments, L.P. (the "Partnership"). The Partnership's purpose is to provide housing, social and economic opportunities for the benefit of low to moderate income people. The Partnership is a component unit of SRHA because of the significance of its operational and financial relationship with SRHA. A copy of the separately issued audited financial statements for the Partnership may be obtained at the main office of SRHA.

Component Unit – Blended - Consists of Eagle Landing Apartments GP, L.L.C., the Co-General Partner of Eagle Landing Apartments, L.P.

Component units are reported as part of the reporting entity under either the blended or discrete method of presentation. Blended involves merging the component unit data with the primary government. The discrete method presents the financial statements of the component unit outside of the basic financial statement totals of the primary government. The Partnership is reported separately to emphasize that it is legally separate from SRHA, the primary government.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include component units in the reporting entity was made by applying the criteria set forth in Section 2100 and 2500 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 61 (amended), of the Governmental Accounting Standards Board: The Financial Reporting Entity: Omnibus. These criteria involve manifestation of oversight responsibility including financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organization included in the reporting entity although the primary organization is not financially accountable.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Government-Wide and Fund Financial Statements - The government-wide fund financial statements report information on all of the activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. The Authority's activities are entirely business-type activities, which rely to a significant extent on fees and charges for support.

Major individual enterprise funds are reported as separate columns in the fund financial statements. All the funds of the Authority are proprietary funds. They are described below:

Proprietary Funds - are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting.

Enterprise Funds – account for operations that are financed in a manner similar to private business enterprises, where the intent is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The government wide fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Authority has no governmental funds. The following are the major proprietary funds:

Low-Rent Housing Fund - The Low-Rent Housing Fund includes the Housing Modernization and Housing Operations Programs. These funds are used to account for housing operations primarily funded by the annual contributions contract with the Department of Housing and Urban Development (HUD). Low-Rent Housing Fund also includes the Public Housing Capital Fund Program which includes grants from HUD for the construction of low-rent housing.

Housing Choice Voucher - Includes the Section 8 Voucher programs. Under these programs, rental assistance payments are made by SRHA primarily to landlords on behalf of eligible families. These programs are funded by the annual contributions contract with HUD.

Business Activities Fund - Includes non-federal rental property and real estate, development and property management activity for the component units.

Central Office Cost Center - This program tracks common overhead expenses incurred by the Authority. To offset these expenses, the COCC receives monthly property management, bookkeeping and asset management fees from other funds, as well as monthly property management and bookkeeping fees from the Section 8 Housing Choice Voucher Program.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Use of Estimates - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingencies at the date of the financial statements, and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates.

D. Cash and Cash Equivalents - Highly liquid investments with initial maturities of three months or less from date of purchase are considered cash equivalents.

E. Investments - Investments are carried at fair value, with changes in fair value recognized as a component of investment income. Fair value is determined by reference to quoted market prices.

F. Land, Structures and Equipment - Land, structures and equipment are capitalized at cost with depreciation calculated on the straight-line basis over the following estimated useful lives:

Real Property	30 years
Real Property Improvements	10 years
Office Furniture and Equipment	5 years
Data Processing Equipment and Automobiles	5 years
Computer Software	3 years

When assets are retired, demolished, or sold, their costs are removed from the accounts and the proceeds, if any, are reflected in revenues currently.

G. Annual Contributions and Operating Subsidies - In accordance with the annual contributions contracts, the Authority receives operating subsidies from HUD. Such amounts are included as grant revenues from the federal government in the financial statements.

H. Income Taxes - As a political subdivision of the State of Virginia, SRHA is exempt from Federal and State income taxes.

I. Compensated Absences - Employees earn annual vacation leave at a rate ranging from 12 days per year, up to a maximum of 24 days per year after 30 years of service. Vacation leave shall be approved in advance by the Executive Director and shall be taken within one year after its accrual. The maximum carryover per year shall be 36 days. At termination, employees are paid for any accumulated annual vacation leave. Employees also are compensated for sick leave earned upon separation after becoming vested for five years of employment. The long-term liability for accrued annual and sick leave benefits at June 30, 2024, was $14,398, and has been recorded as accrued compensated absences, representing the Authority’s commitment to fund such costs from future operations. The amount is included in the accrued liabilities of the Authority.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

J. Indirect Costs - Certain indirect costs are funded on a fee-for-services basis. These fees were approved by the appropriate grantors as of SRHA's overall operations budget for the fiscal year.

K. Net Position - Net Position balances are designated by the Low Rent, Section 8, Business Activities, and the State and Local programs for future expenses, or must be returned to the grantor, and generally may not be used in any manner by SRHA except as specified under their respective contracts.

L. Pension Plans - SRHA participates in a defined benefit pension plan administered by the Virginia Retirement System (VRS). For purposes of measuring net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of SRHA's retirement plan and the additions to/deductions from the plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Inventories - The inventories consist principally of maintenance supplies and are valued at cost (first-in, first-out). Inventories are recognized as expenditures when consumed or sold.

N. Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resource,* represents a consumption of net position that applies to a future period and so will not be recognized as an expense of expenditure until then. The Authority has multiple items that meet the criterion for this category. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Authority has multiple items that meet the criterion for this category related to GASB Statements 68 and 75.

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2024, the carrying amount of the Authority's deposits, net of bank overdrafts, was $7,156,975 and the bank balance was $7,238,184. Deposits are covered by Federal Depository Insurance or collateralized in accordance with the Virginia Security for Public Deposits Act (the Act) and HUD requirements. Savings and loan institutions are required to collateralize 100% of deposits in excess of federal depository insurance limits under the Act, while HUD requires collateralization of 100% of deposits in excess of federal depository insurance from all banks, savings and loan, and investment institutions for all cash deposits and for investment vehicles not directly held. The State Treasury Board requires SRHA to obtain additional collateral from participating financial institutions to cover collateral shortfalls in the event of default and is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of noncompliance by banks and savings and loan institutions. SRHA follows HUD's guidelines for investment policy.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS – Continued

Investments - As of June 30, 2024, the Authority has the following investments:

Investment Type	Fair Value	Interest Rate	Maturities
Certificates of Deposit	$61,048	0.30%	30 months
Bank Sweep	$840	0.00%	N/A
Money Market (Non-Sweep)	$450,000	0.00%	N/A
Municipal Bonds	$49,979	1.50%	1 month
Municipal Bonds	$50,070	3.40%	2 months
Municipal Bonds	$49,981	2.86%	7 months
Municipal Bonds	$100,006	3.22%	15 months
Municipal Bonds	$51,029	4.00%	40 months
Municipal Bonds	$52,619	5.00%	41 months
Municipal Bonds	$47,538	2.00%	43 months
Municipal Bonds	$43,338	0.94%	50 months
Municipal Bonds	$44,072	1.62%	51 months
Municipal Bonds	$43,421	1.52%	53 months
Municipal Bonds	$44,693	1.94%	88 months
Municipal Bonds	$20,699	1.85%	112 months
Corporate Bonds	$50,215	3.40%	17 months
Corporate Bonds	$49,910	3.80%	17 months
Corporate Bonds	$50,563	3.00%	19 months
Corporate Bonds	$50,114	3.50%	37 months
Corporate Bonds	$50,215	3.70%	37 months
Corporate Bonds	$49,000	3.00%	45 months
Corporate Bonds	$48,952	3.00%	54 months
Corporate Bonds	$49,798	3.30%	55 months
Corporate Bonds	$48,896	3.25%	57 months
Corporate Bonds	$47,817	3.20%	67 months
Corporate Bonds	$49,240	3.50%	68 months
Corporate Bonds	$49,759	3.70%	66 months
Corporate Bonds	$48,311	3.40%	80 months
Corporate Bonds	$47,279	3.25%	81 months
Corporate Bonds	$46,720	3.10%	93 months
Corporate Bonds	$48,486	3.63%	93 months
Corporate Bonds	$43,810	3.25%	95 months

Interest Rate Risk - The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk - The Authority places no limit on the amount the Authority may invest in any one issuer.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3: RECEIVABLES

Receivables as of year-end for the Authority's programs in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Low Rent Public Housing	Housing Choice Vouchers	Business Activites	Other Non-Major Funds	Total Primary Government
Receivables					
PHA Projects	$ 248,724	$ 133,071	$ -	$ 55,082	$ 436,877
Tenants	51,905	-	-	-	51,905
Intergovernmental	-	-	-	38,640	38,640
Miscellaneous	-	-	-	-	-
Fraud Recovery	-	24,778	-	-	24,778
Gross Receivables	300,629	157,849	-	93,722	552,200
Less: Allowance for Uncollectibles	(13,083)	(24,778)	-	-	(37,861)
Net Current Receivables	$ 287,546	$ 133,071	$ -	$ 93,722	$ 514,339
*Notes, Loans and Mortgages - Noncurrent	-	-	6,075,000		6,075,000
Total Net Receivables	$ 287,546	$ 133,071	$ 6,075,000	$ 93,722	$ 6,589,339

*Notes receivable consist of the following:

The Authority is due a promissory note in the amount of $4,600,000 from Eagle Landing Apartments, L.P., a discretely presented component unit. The note bears interest at the rate of 7.31% per annum. Payments of principal and interest are due on May 15th each year from available cash flow as stated in the partnership agreement. Any unpaid principal and accrued interest is due, in full, on or before November 1, 2062. As of June 30, 2024, no interest has been incurred.

The Authority is due a promissory note in the amount of $1,200,000 from Eagle Landing Apartments, L.P., a discretely presented component unit. The note bears interest at the rate of 7.31% per annum. Payments of principal and interest are due on May 15th each year from available cash flow as stated in the partnership agreement. Any unpaid principal and accrued interest is due, in full, on or before November 1, 2062. As of June 30, 2024, the note interest has been incurred.

The Authority is due a Community Development Block Grant (CDBG) loan in the amount of $275,000 from Eagle Landing Apartments, L.P., a discretely presented component unit. The note bears interest at a rate of 3.31% per annum commencing on April 1, 2023. The note is payable from available surplus cash.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3: RECEIVABLES – Continued

All outstanding principal is due at maturity, November 1, 2062. As of June 30, 2024, the note interest has been incurred.

The Authority is due a promissory note through the Affordable Housing Program (AHP) in the amount of $500,000 from Eagle Landing Apartments, L.P., a discretely presented component unit. The note bears interest at the rate of 0% per annum. The note is payable from available cash flow as stated in the partnership agreement. Any unpaid principal and accrued interest is due, in full, on or before November 1, 2062. This note has been fully allowanced for due to the uncertainty of collectability.

The Authority is due a second promissory note in the amount of $500,000 from Eagle Landing Apartments, L.P., a discretely presented component unit. The note bears interest at the rate of 0% per annum. The note is payable from available cash flow as stated in the partnership agreement. Any unpaid principal and accrued interest is due, in full, on or before November 1, 2062. This note has been fully allowanced for due to the uncertainty of collectability.

NOTE 4: LAND, STRUCTURES AND EQUIPMENT

Land, structures and equipment consist of the following at June 30, 2024:

Low Rent Public Housing

	6/30/2023	Increases	Decreases	6/30/2024
Land	$ 607,282	$ -	$ -	$ 607,282
Buildings & Improvements	17,908,382	17,073	-	17,925,455
Equipment	2,295,412	-	(40,178)	2,255,234
Construction Work in Process	25,243	1,534,773	-	1,560,016
Accumulated Depreciation	(18,100,799)	(387,501)	-	(18,488,300)
	$ 2,735,520	$ 1,164,345	$ (40,178)	$ 3,859,687

Business Activities

	6/30/2023	Increases	Decreases	6/30/2024
Land	$ 115,201	$ -	-	$ 115,201
Buildings & Improvements	627,414	-	-	627,414
Equipment	48,421	-	-	48,421
Accumulated Depreciation	(659,443)	(2,049)	-	(661,492)
	$ 131,593	$ (2,049)	$ -	$ 129,544

Housing Choice Voucher

	6/30/2023	Increases	Decreases	6/30/2024
Equipment	$ 351,292	$ -	$ (2,371)	$ 348,921
Accumulated Depreciation	(263,735)	-	(6,969)	(270,704)
	$ 87,557	$ -	$ (9,340)	$ 78,217

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 4: LAND, STRUCTURES AND EQUIPMENT – Continued

COCC

	6/30/2023	Increases	Decreases	6/30/2024
Buildings & Improvements	$ 2,860	$ -	$ -	$ 2,860
Equipment	173,182	47,035	(65,123)	155,094
Accumulated Depreciation	(140,320)	(13,429)	21,590	(132,159)
	$ 35,722	$ 33,606	$ (43,533)	$ 25,795

Other Programs

	6/30/2023	Increases	Decreases	6/30/2024
Land	$ 69,901	$ -	$ (46,907)	$ 22,994
Buildings & Improvements	232,560	-	-	232,560
Equipment	157,238	-	(3,414)	153,824
Construction Work in Process	-	-	-	-
Accumulated Depreciation	(355,090)	-	4,575	(350,515)
	$ 104,609	$ -	$ (45,746)	$ 58,863

NOTE 5: DEFINED BENEFIT PENSION PLAN

The Authority contributes to the Virginia Retirement System (VRS), a cost-sharing multiple employer defined benefit public employee retirement system that acts as a common investment and administrative agent for political subdivisions in the Commonwealth of Virginia.

a. Plan Description

All full-time, salaried employees of SRHA are automatically covered by the VRS Retirement System upon employment. Benefits vest after five (5) years of service. Employees are eligible for an unreduced retirement benefit at age 65 with five (5) years of service.

The VRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by visiting the VRS website at https://employers.varetire.org/financial-reporting/vrs-guidelines-and-resources/ or by writing the System’s CFO at P. O. Box 2500, Richmond, VA 23218-2500.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5: DEFINED BENEFIT PENSION PLAN – Continued

b. Employees Covered by Benefit Terms

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

	Number
Retirees and Beneficiaries	29
Inactive Vested Members	11
Inactive Nonvested Members	29
Active Elsewhere in VRS	24
Active Employees	20
Total Covered Employees	**113**

c. Contributions

The contribution requirement for active employees is governed by Title 51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to state agencies by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensations toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5.00% member contribution. In addition, for existing employees; employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution. SRHA's contractually required contribution rate for the year ended June 30, 2024 was 0.0% of covered employee compensation. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from SRHA to the pension plan were $0 for the year ended June 30, 2024.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5: DEFINED BENEFIT PENSION PLAN – Continued

Liabilities, expenses and deferred outflows/inflows of resources related to pensions

a. Actuarial Assumptions

The total pension liability for General Employees in SRHA's retirement plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.50%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	6.75% net of pension plan investment expense, including inflation*

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5: DEFINED BENEFIT PENSION PLAN – Continued

b. Net Pension Liability

The Authority's net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023. The following table summarizes the changes in the Net Position Liability (Asset) which resulted in $1,610,932 being reported as a pension asset as of June 30, 2024.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at June 30, 2022	**$ 4,529,778**	**$ 6,211,028**	**$ (1,681,250)**
Changes for the year:			
Service Cost	85,521		85,521
Interest	303,484		303,484
Changes of assumptions	-		-
Difference between expected and actual experience	123,196		123,196
Contributions-employer		-	-
Contributions-employee		49,147	(49,147)
Net investment income		396,585	(396,585)
Benefit payments, including refunds of employee contributions	(238,483)	(238,483)	
Administrative expense		(4,000)	4,000
Other changes		151	(151)
Net Changes	273,718	203,400	70,318
Balance at June 30, 2023	**$ 4,803,496**	**$ 6,414,428**	**$ (1,610,932)**

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1 % Increase (7.75%)
Plan's Net Pension Liability	$ (1,016,741)	$ (1,610,932)	$ (2,131,974)

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5: DEFINED BENEFIT PENSION PLAN – Continued

d. Pension Expense (Income)

For the year ended June 30, 2024, SRHA recognized pension income of $63,586. The components of pension income are as follows:

Service Costs	$	85,521
Interest on total pensions liability		303,484
Expensed portion of current period difference between expected and actual experience in the total pension liability		99,352
Expensed portion of current period changes in assumptions		-
Member contributions		(49,147)
Projected earnings on plan investments		(412,724)
Expensed portion of current period difference between actual and projected earnings on plan investments		3,228
Administrative expense		4,000
Other		(151)
Recognition of beginning deferred outflows of resources as pension Expense		137,621
Recognition of beginning deferred inflows of resources as pension Expense		(234,770)
Pension Expense(Income)	$	(63,586)

e. Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2024, SRHA reported deferred outflows of resources and deferred inflows of resources related to pension expense from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 23,844	$ -
Changes of assumptions	-	-
Net difference between expected and actual earnings on pension plan investments	-	100,753
Employer contributions subsequent to the measurement date	-	-
Total	$ 23,844	$ 100,753

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5: DEFINED BENEFIT PENSION PLAN – Continued

e. Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2025	$ (48,345)
2026	(121,010)
2027	89,219
2028	3,227
2029	-
Thereafter	-
Total	$ (76,909)

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP)

The VRS Political Subdivision Employee Virginia Local Disability Program (OPEB-VLDP) is a multiple-employer, cost-sharing plan. For purposes of measuring the net OPEB-VLDP liability, deferred outflows of resources and deferred inflows of resources related to the OPEB-VLDP, and the OPEB-VLDP expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Political Subdivision Employee Virginia Local Disability Program; and the additions to/deductions from the VRS Political Subdivision Employee Virginia Local Disability Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

a. Plan Description- (continued)

Significant plan provisions of the Political Subdivision Employee Virginia Local Disability Program OPEB, including eligibility, coverage and benefits are as follows:

Eligible Employees

The Political Subdivision Employee Virginia Local Disability Program was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits.

- Full-time general employees covered under VRS are automatically enrolled unless their employers have elected to provide comparable coverage.

Benefit Amounts

The Virginia Disability Local Program (VLDP) provides the following benefits for eligible employees:

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

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

Virginia Local Disability Program Notes

- Members approved for short-term or long-term disability at age 60 or older will be eligible for a benefit, provided they remain medically eligible.

- VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long- term care services.

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

b. Contributions

The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2024 was 0.85% of covered employee compensation for employees in the VRS Political Subdivision Employee Virginia Local Disability Program. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2022. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the political subdivision to the VRS Political Subdivision Employee Virginia Local Disability Program were $5,097 for the year ended June 30, 2024.

Liabilities, expenses and deferred outflows/inflows of resources related to OPEB-VLDP

a. Actuarial Assumptions

The total OPEB-VLDP liability was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	6.75% net of pension plan investment expense, including inflation*

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

a. Actuarial Assumptions (continued)

Mortality rates – Largest Ten Locality Employers - General and Non-Hazardous Duty Employees

Pre-Retirement:
Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years

Post-Retirement:
Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year

Post-Disablement:
Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

a. Actuarial Assumptions (continued)

Net Political Subdivision Employee VLDP OPEB Liability

The net OPEB liability (NOL) for the Political Subdivision Employee Virginia Local Disability Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2024, NOL amounts for the VRS Political Subdivision Employee Virginia Local Disability Program is as follows (amounts expressed in thousands):

	Virginia Local Disability OPEB Program
Total VLDP OPEB Liability	$ 9,525
Plan Fiduciary Net Position	11,134
Employer's Net VLDP OPEB Liability (Asset)	$ (1,609)
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	116.89%

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

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

a. Actuarial Assumptions (continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on VRS System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS	4.00%	4.50%	0.18%
PIP	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
	Inflation		2.50%
	* Expected arithmetic nominal		8.25%

*The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The result 7.14%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2022 actuarial valuations, provide a median return 7.14% including inflation.

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

a. Actuarial Assumptions (continued)

Discount Rate

The discount rate used to measure the total Political Subdivision Employee VLDP OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2024, the rate contributed by the political subdivision for the VRS Political Subdivision Employee Virginia Local Disability Program will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2023 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Political Subdivision Employee VLDP OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Political Subdivision Employee VLDP OPEB liability.

Detailed information about the VRS Political Subdivision Employee Virginia Local Disability Program's Fiduciary Net Position is available in the separately issued VRS 2022 Comprehensive Annual Financial Report (CAFR). A copy of the 2023 VRS CAFR may be downloaded from the VRS website at https://employers.varetire.org/financial-reporting/vrs-guidelines-and-resources-opeb/ , or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

b. Net OPEB-VLDP Liability

The Net OPEB-VLDP Liability was measured as of June 30, 2024 and the total OPEB-VLDP liability used to calculate the Net OPEB-VLDP Liability was determined by an actuarial valuation as of June 30, 2022. The covered employer's proportion of the Net OPEB-VLDP Liability was based on the covered employer's actuarially determined employer contributions to the Virginia Local Disability Program for the year ended June 30, 2024, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, SRHA's employer's proportion was 0.10739% as compared to 0.11964% at June 30, 2022.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

c. Sensitivity of the Net OBEB-VLDP Liability to Changes in the Discount Rate

The following presents the net OPEB-VLDP liability of the Authority using the discount rate of 6.75%, as well as what the Authority's net OPEB-VLDP liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB-VLDP Liability	($826)	($1,576)	($2,234)

d. OPEB-VLDP Expense (Income)

For the year ended June 30, 2024, the Authority recognized OPEB-VLDP expense of $3,864. Since there was a change in proportionate share between measurement dates, a portion of the VLDP OPEB expense was related to deferred amounts from changes in proportion.

e. Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2024, SRHA had deferred outflows of resources and deferred inflows of resources related to OPEB-VLDP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 592	$ 982
Net difference between projected and actual earnings on plan investments	4	-
Changes in Assumptions	10	144
Changes in Proportion	3	311
Total	**$ 609**	**$ 1,437**

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6: COST-SHARING VIRGINIA LOCAL DISABILITY PROGRAM (OPEB-VLDP) – (Cont.)

f. Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

Deferred outflows of resources related to OPEB-VLDP, resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the Net OPEB-VLDP Liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB-VLDP will be recognized in OPEB expense as follows:

Year ended June 30		
2025	$	(183)
2026		(380)
2027		8
2028		(49)
2029		(104)
Thereafter		(120)

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI)

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

The Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net OPEB-GLI liability, deferred outflows of resources and deferred inflows of resources related to the OPEB-GLI, and OPEB-GLI expense, information about the fiduciary net position of the VRS Group Life Insurance program OPEB and the additions to/deductions from the VRS Group Life Insurance Program OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

a. Plan Description- All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the VRS Group Life Insurance Program upon employment. This plan is administered by the Virginia Retirement System (VRS), along with pensions and other OBEB plans, for public employer groups in the Commonwealth of Virginia. In addition to the Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. Since this is a separate and fully insured program, it is not included as part of the Group Life Insurance Program OPEB. Significant plan provisions of the Political Subdivision Group Life Insurance Program OPEB, including eligibility, coverage and benefits are as follows:

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

a. Plan Description (cont.)

Eligible Employees

The Group Life Insurance Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program.

- Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

Benefit Amounts

The benefits payable under the Group Life Insurance Program have several components.

- Natural Death Benefit – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.

- Accidental Death Benefit – The accidental death benefit is double the natural death benefit.

- Other Benefit Provisions – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances.

Reduction in Benefit Amounts

The benefit amounts provided to members covered under the Group Life Insurance Program are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.

Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)

For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the Group Life Insurance Program. The minimum benefit was set at $8,000 by statute. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment and was increased to $9,254 effective June 30, 2024.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

b. Contributions

The contribution requirements for the Group Life Insurance Program are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the Group Life Insurance Program was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution, however the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2024 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Group Life Insurance Program from SRHA were $5,622 and $5,466 for the years ended June 30, 2023 and June 30, 2022, respectively.

Liabilities, expenses and deferred outflows/inflows of resources related to OPEB-HIC

a. Actuarial Assumptions

The total OPEB-GLI liability was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	6.75% net of pension plan inves expense, including inflation*

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

a. Actuarial Assumptions (cont.)

Mortality rates – Largest Ten Locality Employers - General and Non-Hazardous Duty Employees

Pre-Retirement:
Pub-2010 Amount Weighted General Employee Rates projected generationally; females set forward 2 years

Post-Retirement:
Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 110% of rates for females

Post-Disablement:
Pub-2010 Amount Weighted General Disabled Rates projected generationally; males and females set forward 3 years

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service

No changes were made to disability rates, salary scale, line of duty disability, or discount rate.

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

a. Actuarial Assumptions (cont.)

Net GLI OPEB Liability

The net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the Measurement Date of June 30, 2024, NOL amounts for the Group Life Insurance Program are as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program
Total GLI OPEB Liability	$ 3,907,052
Plan Fiduciary Net Position	2,707,739
Employer's Net GLI OPEB Liability (Asset)	$ 1,199,313
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	69.30%

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

Long-Term Expected Rate of Return

The long-term expected rate of return on the System's investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

Long-Term Expected Rate of Return (Cont.)

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS	4.00%	4.50%	0.18%
PIP	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
Inflation			2.50%
* Expected arithmetic nominal return			8.25%

* The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2024, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)
Discount Rate (Cont.)

From July 1, 2020 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Detailed information about the Group Life Insurance Program's Fiduciary Net Position is available in the separately issued VRS 2021 Comprehensive Annual Financial Report (CAFR). A copy of the 2023 VRS CAFR may be downloaded from the VRS website at https://employers.varetire.org/financial-reporting/vrs-guidelines-and-resources-opeb/, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

b. Net OPEB-GLI Liability

At June 30, 2024, SRHA reported a liability of $53,010 for its proportionate share of the Net OPEB-GLI Liability. The Net OPEB-GLI Liability was measured as of June 30, 2023, and the total OPEB-GLI liability used to calculate the Net OPEB-GLI Liability was determined by an actuarial valuation as of June 30, 2022. The covered employer's proportion of the Net OPEB-GLI Liability was based on the covered employer's actuarially determined employer contributions to the Group Life Insurance Program for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, SRHA's employer's proportion was 0.00408% as compared to 0.00485% at June 30, 2022.

c. Sensitivity of the Net OBEB-GLI Liability to Changes in the Discount Rate

The following presents the net OPEB-GLI liability of the Authority using the discount rate of 6.75%, as well as what the Authority's net OPEB-GLI liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	**Current Discount Rate (6.75%)**	**1% Increase (7.75%)**
Net OPEB-GLI Liability	$78,577	$53,010	$32,338

d. OPEB-GLI Expense (Income)

For the year ended June 30, 2024, the Authority recognized OPEB-GLI revenue of $2,140. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense (income) was related to deferred amounts from changes in proportion.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7: COST-SHARING GROUP LIFE INSURANCE PROGRAM (OPEB-GLI) – (Cont.)

e. Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2024, SRHA reported deferred outflows of resources and deferred inflows of resources related to OPEB-GLI from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 5,294	$ 1,609
Investment Experience	-	-
Net difference between projected and actual earnings on plan investments	-	2,130
Changes in Assumptions	1,133	3,673
Changes in Proportion	355	14,842
Total	**$ 6,782**	**$ 22,254**

There are deferred outflows of resources related to OPEB-GLI of $12,576, resulting from employer contributions subsequent to the measurement date, that will be recognized as a reduction of the Net OPEB-GLI Liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB-GLI will be recognized in OPEB expense as follows:

Year ended June 30	
2025	$ (4,365)
2026	$ (6,420)
2027	$ (2,949)
2028	$ (1,782)
2029	$ 44
Thereafter	$ -

NOTE 8: NONCURRENT LIABILITIES

Noncurrent liabilities at June 30, 2024, consisted of the following:

	6/30/2023	Increases	Decreases	6/30/2024
Accrued Absences - Long-Term	$ 35,030	$ -	$ (20,632)	$ 14,398
Accrued Pension and OPEB	55,287	-	(3,853)	51,434
Long-Term Debt, Net Current	5,668	48,700	(14,351)	40,017
Noncurrent Liabilities - Other	132,262	140,743	(145,695)	127,310
	$ 228,247	$ 189,443	$ (184,531)	$ 233,159

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9: RIGHT-OF-USE ASSET LEASES

As discussed in Note 1 to the financial statements, in 2022, the Authority adopted the new lease standards as part of GASB 87.

The authority leases various types of office equipment and facilities over periods ranging up to five years. As of June 30, 2024, the right-of-use (ROU) assets had a balance of as shown in fixed assets on the balance sheet; the liability is included in the current and long-term portions of debt. The leases require monthly payments throughout their terms and all contain bargain purchase options at the end of their respective terms. Minimum annual future lease payments under the lease follow:

Year ending June 30:	
2025	1,361
Total minimum lease payments	$ 1,361
Less: Amount representing interest	(846)
Present value of minimum lease payments	$ 515

Amortization of these fixed assets under ROU agreements have their asset amortization included with total fixed assets, net of depreciation.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10: CONTINGENCIES AND OTHER MATTERS

a. Litigation and Other Matters

Certain claims, suits and complaints may arise in the ordinary course of business. None have been filed and none are pending against the Authority. In the opinion of the Authority's management, any such matters are adequately covered by insurance.

b. Grants

The Authority has received various other grants for specific purposes. These grants are subject to financial and compliance audits. Such audits could result in requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. The Authority management is of the opinion that disallowances, if any, will not be material.

NOTE 11: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority reports all of its risk management activities in its Low-Rent Housing Fund and pays all claims for retained risks from Low-Rent Housing Fund resources. The Authority intends to fund claims, if any, when they arise from the Low-Rent Housing Fund. For all retained risks, claims expense and liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Liabilities are not discounted. As of and for the year ended June 30, 2024, the Authority had no incurred or paid claims and no claims were outstanding at the beginning or end of the year.

NOTE 12: ECONOMIC DEPENDENCY

Both the PHA Owned Housing Program and the Section 8 Program are economically dependent on annual contributions and grants from HUD. Both programs operate at a loss prior to receiving the contributions and grants.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13: IMPAIRMENT OF CAPITAL ASSETS

In accordance with new financial reporting standards issued by the Government Accounting Standards Board's Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" requires certain note disclosures. There were no permanent impairments experienced by the Housing Authority that required adjustments to the Statement of Net Position.

NOTE 14: CONDUIT DEBT

The Authority serves as a financing conduit for the issuance of Tax-Exempt Revenue Bonds used for the development of various Housing Projects. The Authority receives an origination fee as well as yearly administration fees for performing this service. The respective properties are used as collateral for payment of these bonds and the Authority is not liable for payment in the event of default.

All principal is guaranteed, as to principal payment, through Governmental insurance (ex. FHA) or private insurance. All projects are for 103b(4)A Housing projects.

NOTE 15: GROUND LEASE

On October 23, 2020 the Authority entered into a ground lease with Eagle Landing Apartments, L.P., the discrete component unit, to lease the land on which the Eagle Landing Apartments project resides. The lease term expires October 23, 2117. Per the agreement, an upfront payment of $4,600,000 was paid at lease inception through the form of a note payable as described in Note 3. In addition, base rent of $1 is due annually and the Partnership is required to make additional rent payments in the form of payments in lieu of real estate taxes ("PILOT") in accordance with the ground lease. The ground lease contains other restrictive covenants relating to the use of the property, as more fully described in the agreement.

NOTE 16: SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 31, 2025, the date on which the financial statements were available to be issued.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 17: DISCRETELY PRESENTED COMPONENT UNIT

As a result of GASB 61, Eagle Landing Apartments, L.P. is presented as a discrete component unit.

Cash and Investments as of year-end for the Authority's discrete component unit fund are as follows:

Cash - Unrestricted	$ 411,452
Cash - Restricted	1,989,231
Total Cash	$ 2,400,683

Receivables as of year-end for the Authority's discrete component unit fund, including the applicable allowances for uncollectible accounts, are as follows:

Tenants	$ 57,009
Other Projects	32,994
Miscellaneous	-
Total Receivables	$ 90,003

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 17: DISCRETELY PRESENTED COMPONENT UNIT - (Cont.)

The following is a summary of changes in the Capital Assets for the Authority's discrete component unit fund during the year ended June 30, 2024.

Component Unit Discretely Presented

	6/30/2023	Increases	Decreases	6/30/2024
Land	$ 2,692,396	$ -	$ (17,604)	$ 2,674,792
Buildings & Improvements	27,367,413	7,740,338	-	35,107,751
Equipment	1,287,501	3,542,472	-	4,829,973
Leasehold Improvements	2,370,148	-	(2,370,148)	-
Construction Work in Process	8,908,384	-	(8,908,384)	-
Accumulated Depreciation	(1,023,198)	(1,169,145)	-	(2,192,343)
Total Fixed Assets, Net	$ 41,602,644	$ 10,113,665	$ (11,296,136)	$ 40,420,173

Current liabilities of the discrete component unit fund at year end, are as follows:

Accrued Interest Payable	$ 387,205
Unearned Revenue	39,244
Tennt Security Deposits	59,605
Other Current Liabilities	23,750
Total Current	$ 509,804

Long-Term debt of the discrete component unit fund consists of the following:

HUD Mortgage Payable

On October 23, 2020, the Partnership entered into a building loan agreement with AGM Financial Services, Inc ("AGM") for $23,100,000 that is insured by HUD under the Section 221(d)(4) loan program. The note is collateralized by a deed to secure debt on the rental property. The note bears interest at the rate of 3.16% per annum. Interest only payments are due monthly until conversion to permanent loan. As of December 31, 2023, $23,693,633 has been advanced and is outstanding on the project. Accrued interest as of December 31, 2023, was $62,393. During the year ended December 31, 2023, the Partnership incurred interest of $732,015.

The permanent phase of the building loan payable shall bear interest at 3.16% per annum. Principal and interest payments are payable in monthly installments of $84,839 based on a 40-year amortization. All principal and outstanding interest will be due at maturity, November 1, 2062.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 17: DISCRETELY PRESENTED COMPONENT UNIT - (Cont.)

HUD Mortgage Payable -- Continued

In connection with obtaining the building loan agreement, the Partnership incurred debt financing costs of $332,475 which have been deferred and will be amortized using the straight-line method over the term of the related mortgage debt. As of December 31, 2023, the remaining unamortized deferred financing costs were $324,716, which have been netted with the related mortgage debt for financial statement presentation in accordance with ASU 2015-03. Amortization of deferred financing costs is included in interest expense in the accompanying statement of operations.

Under agreements with the mortgage lender and FHA, the partnership is required to make monthly escrow deposits for taxes, insurance, and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures, and distributions to partners.

Other Loans

On October 1, 2020, SRHA entered into a trust indenture with U.S Bank National Association, the trustee, to issue a total of $21,000,000 of tax exempt Multifamily Housing Revenue Bonds. SRHA agreed to loan the proceeds of the sale of the Bonds to the Partnership to finance the rehabilitation construction. The bonds bear interest at initial rate of 0.275% per annum through November 1, 2022. Then the interest converted to a remarketing rate at 4.125%. Commencing on May 1, 2021, interest only payments were due on May 1 and November 1 each year until maturity. The bonds tendered on May 1, 2023, the mandatory tender date, at which point in time all principal and unpaid interest were paid in full. The bonds are secured by a collateral fund, which required a matching deposit for any bond proceeds disbursed for construction costs. During the year ended December 31, 2023, the Partnership incurred interest expense of $288,750.

On October 23, 2020, the discrete component unit fund secured a ground lease note payable from SRHA in the original amount of $4,600,000. The note is secured by a second deed of trust on the rental property. The note bears compounding interest at a rate of 0% per annum. Annual payments are due from available surplus cash as described in the partnership agreement. All principal and outstanding interest due at maturity, November 1, 2062. As of December 31, 2023, $4,600,000 was outstanding, and accrued interest was $252,195. During the year ended December 31, 2023, the Partnership incurred interest expense of $252,195.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED JUNE 30, 2024

Other Loans – Continued

On October 23, 2020, the Partnership secured an Affordable Housing Program ("AHP") loan from SRHA, an affiliate of the co-general partner, in the original amount of $500,000. The note is secured by a third deed of trust on the rental property along with assignment of all future rents and profits as additional security. The note bears interest of 0%. The note is payable from available surplus cash as described in Note F. Principal is due in full and shall be payable upon the earlier of maturity, November 1, 2062, or the sale, conveyance, or refinancing of the Project. As of December 31, 2023, $500,000 has been funded and is outstanding.

On October 29, 2020, the Partnership secured an Affordable Housing Program ("AHP") loan from SRHA, an affiliate of the co-general partner, in the original amount of $500,000. The note is secured by a sixth deed of trust on the rental property along with assignment of all future rents and profits as additional security. The note bears interest of 0%. The note is payable from available surplus cash as described in Note F. Principal is due in full and shall be payable upon the earlier of maturity, November 1, 2062, or the sale, conveyance, or refinancing of the Project. The loan is subject to the Limited Partner's approval prior to receiving the loan proceeds. As of December 31, 2023, $500,000 has been funded and is outstanding.

On October 23, 2020, the discrete component unit fund secured a note payable loan from SRHA in the original amount of $1,200,000. The note is secured by a fourth deed of trust on the rental property. The note bears compounding interest at a rate of 0% per annum. Annual payments are due from available surplus cash. All principal and outstanding interest due at maturity, November 1, 2062. As of December 31, 2023, $1,200,000 was outstanding, and accrued interest was $65,790. During the year ended December 31, 2023, the Partnership incurred interest expense of $65,790.

On October 23, 2020, the Partnership secured a Community Development Block Grant ("CDBG") loan from SRHA, an affiliate of the co-general partner, in the original amount of $275,000. The note is secured by a fifth deed of trust on the rental property. The note bears interest at a rate of 3.31% per annum commencing on April 1, 2023. The note is payable from available surplus cash as described in Note E. All outstanding principal is due at maturity, November 1, 2062. As of December 31, 2023, $275,000 was outstanding, and accrued interest was $6,827. During the year ended December 31, 2023, the Partnership incurred interest expense of $6,827.

NOTE 18: INVESTMENT IN JOINT VENTURE

As discussed in Note 1, the blended component unit consists of Eagle Landing Apartments GP, L.L.C., the Co-General Partner of Eagle Landing Apartments, L.P. Eagle Landing Apartments GP, L.L.C. owns a 0.00459% interest and has contributed capital in the amount of $1,020,000. This investment is accounted for using the equity method. As of June 30, 2024, the value of the investment is $1,019,927.

SUPPLEMENTAL INFORMATION

Suffolk Redevelopment and Housing Authority (VA025)
SUFFOLK, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$3,030,991		$411,452			$595,448	$657,821		$1,256,254	$809,459		$542,853	$7,304,278		$7,304,278
112 Cash - Restricted - Modernization and Development			$1,178,085										$1,178,085		$1,178,085
113 Cash - Other Restricted	$23,766	$92,135	$751,541							$103,544			$970,986		$970,986
114 Cash - Tenant Security Deposits	$44,704		$59,605										$104,309		$104,309
115 Cash - Restricted for Payment of Current Liabilities															
100 Total Cash	$3,099,461	$92,135	$2,400,683	$0	$0	$595,448	$657,821	$0	$1,256,254	$913,003	$0	$542,853	$9,557,658	$0	$9,557,658
121 Accounts Receivable - PHA Projects										$27,492			$27,492		$27,492
122 Accounts Receivable - HUD Other Projects	$248,724		$32,994							$105,579	$55,082		$442,379		$442,379
124 Accounts Receivable - Other Government									$38,640				$38,640		$38,640
125 Accounts Receivable - Miscellaneous															
126 Accounts Receivable - Tenants	$51,905		$57,009										$108,914		$108,914
126.1 Allowance for Doubtful Accounts -Tenants	-$13,083		$0										-$13,083		-$13,083
126.2 Allowance for Doubtful Accounts - Other	$0		$0						$0	$0	$0		$0		$0
127 Notes, Loans, & Mortgages Receivable - Current															
128 Fraud Recovery										$24,778			$24,778		$24,778
128.1 Allowance for Doubtful Accounts - Fraud										-$24,778			-$24,778		-$24,778
129 Accrued Interest Receivable															
120 Total Receivables, Net of Allowances for Doubtful Accounts	$287,546	$0	$90,003	$0	$0	$0	$0	$0	$38,640	$133,071	$55,082	$0	$604,342	$0	$604,342
131 Investments - Unrestricted						$244,682	$738,534		$351,504			$384,366	$1,719,086		$1,719,086
132 Investments - Restricted			$556,310										$556,310		$556,310
135 Investments - Restricted for Payment of Current Liability															
142 Prepaid Expenses and Other Assets	$13,856		$80,617			$3,949	$27,712			$6,169		$57,626	$189,929		$189,929
143 Inventories												$66,509	$66,509		$66,509
143.1 Allowance for Obsolete Inventories												-$6,617	-$6,617		-$6,617
144 Inter Program Due From	$598,233						$243,091	$40,826	$7,427			$71,130	$960,707	-$960,707	$0
145 Assets Held for Sale															
150 Total Current Assets	$3,999,096	$92,135	$3,127,613	$0	$0	$844,079	$1,667,158	$40,826	$1,653,825	$1,052,243	$55,082	$1,115,867	$13,647,924	-$960,707	$12,687,217
161 Land	$607,282		$2,674,792			$22,994	$115,201						$3,420,269		$3,420,269
162 Buildings	$17,925,455		$35,107,751			$232,560	$627,414					$2,860	$53,896,040		$53,896,040
163 Furniture, Equipment & Machinery - Dwellings			$1,700,162										$1,700,162		$1,700,162
164 Furniture, Equipment & Machinery - Administration	$2,255,234		$3,129,811			$79,459	$48,421		$74,365	$348,921		$155,094	$6,091,305		$6,091,305
165 Leasehold Improvements															
166 Accumulated Depreciation	-$18,488,300		-$2,192,343			-$282,174	-$661,492		-$68,341	-$270,704		-$132,159	-$22,095,513		-$22,095,513
167 Construction in Progress	$1,560,016												$1,560,016		$1,560,016
168 Infrastructure															
160 Total Capital Assets, Net of Accumulated Depreciation	$3,859,687	$0	$40,420,173	$0	$0	$52,839	$129,544	$0	$6,024	$78,217	$0	$25,795	$44,572,279	$0	$44,572,279
171 Notes, Loans and Mortgages Receivable - Non-Current							$6,075,000						$6,075,000		$6,075,000
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due															
173 Grants Receivable - Non Current															
174 Other Assets	$557,059		$88,107			$47,053	$549,177		$100,209	$449,609		$457,002	$2,248,216		$2,248,216
176 Investments in Joint Ventures				$1,019,906									$1,019,906		$1,019,906
180 Total Non-Current Assets	$4,416,746	$0	$40,508,280	$1,019,906	$0	$99,892	$6,753,721	$0	$106,233	$527,826	$0	$482,797	$53,915,401	$0	$53,915,401
200 Deferred Outflow of Resources	$15,148					$1,279			$2,725	$12,229		$12,430	$43,811		$43,811
290 Total Assets and Deferred Outflow of Resources	$8,430,990	$92,135	$43,635,893	$1,019,906	$0	$945,250	$8,420,879	$40,826	$1,762,783	$1,592,298	$55,082	$1,611,094	$67,607,136	-$960,707	$66,646,429
311 Bank Overdraft															
312 Accounts Payable <= 90 Days	$48,641					$1,245	$22,391		$74,121	$3,342		$7,582	$157,322		$157,322
313 Accounts Payable >90 Days Past Due															
321 Accrued Wage/Payroll Taxes Payable	$34,440					$3,060	$56,316		$5,605	$26,179	$2,593	$26,370	$154,563		$154,563
322 Accrued Compensated Absences - Current Portion	$2,836					$407			$379	$2,335		$3,642	$9,599		$9,599
324 Accrued Contingency Liability															
325 Accrued Interest Payable	$90		$387,205						$43	$105		$83	$387,526		$387,526
331 Accounts Payable - HUD PHA Programs															
332 Account Payable - PHA Projects															
	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total

341 Tenant Security Deposits	$44,704		$59,605										$104,309		$104,309
342 Unearned Revenue	$12,511		$39,244										$51,755		$51,755
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$3,316		$314,571						$1,027	$2,888		$4,326	$326,128		$326,128
344 Current Portion of Long-term Debt - Operating Borrowings															
345 Other Current Liabilities	$154,280		$23,750						$1,767				$179,797		$179,797
346 Accrued Liabilities - Other	$45,283								$2	$5		$9	$45,299		$45,299
347 Inter Program - Due To	$47,851					$3,632	$549,778		$203,672	$5,785	$52,489	$97,500	$960,707	-$960,707	$0
348 Loan Liability - Current															
310 Total Current Liabilities	$393,952	$0	$824,375	$0	$0	$8,344	$628,485	$0	$286,616	$40,639	$55,082	$139,512	$2,377,005	-$960,707	$1,416,298
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$10,807		$30,454,062						$5,099	$12,455		$11,656	$30,494,079		$30,494,079
352 Long-term Debt, Net of Current - Operating Borrowings															
353 Non-current Liabilities - Other	$23,766		$1,729,500							$103,544			$1,856,810		$1,856,810
354 Accrued Compensated Absences - Non Current	$4,254					$610			$568	$3,502		$5,464	$14,398		$14,398
355 Loan Liability - Non Current															
356 FASB 5 Liabilities															
357 Accrued Pension and OPEB Liabilities	$17,785					$1,502			$3,199	$14,356		$14,592	$51,434		$51,434
350 Total Non-Current Liabilities	$56,612	$0	$32,183,562	$0	$0	$2,112	$0	$0	$8,866	$133,857	$0	$31,712	$32,416,721	$0	$32,416,721
300 Total Liabilities	$450,564	$0	$33,007,937	$0	$0	$10,456	$628,485	$0	$295,482	$174,496	$55,082	$171,224	$34,793,726	-$960,707	$33,833,019
400 Deferred Inflow of Resources	$43,033					$3,635			$7,741	$34,732		$35,303	$124,444		$124,444
508.4 Net Investment in Capital Assets	$3,845,564		$9,651,540			$52,839	$129,544		-$102	$62,874		$9,812	$13,752,071		$13,752,071
511.4 Restricted Net Position	$557,059	$92,135	$2,485,936			$47,053			$100,209	$449,609		$457,002	$4,189,003		$4,189,003
512.4 Unrestricted Net Position	$3,534,770	$0	-$1,509,520	$1,019,906	$0	$831,267	$7,662,850	$40,826	$1,359,453	$870,587	$0	$937,753	$14,747,892		$14,747,892
513 Total Equity - Net Assets / Position	$7,937,393	$92,135	$10,627,956	$1,019,906	$0	$931,159	$7,792,394	$40,826	$1,459,560	$1,383,070	$0	$1,404,567	$32,688,966	$0	$32,688,966
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$8,430,990	$92,135	$43,635,893	$1,019,906	$0	$945,250	$8,420,879	$40,826	$1,762,783	$1,592,298	$55,082	$1,611,094	$67,607,136	-$960,707	$66,646,429

Suffolk Redevelopment and Housing Authority (VA025)
SUFFOLK, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$560,290		$2,513,654			$82,373							$3,156,317		$3,156,317
70400 Tenant Revenue - Other	$38,543		$40,656										$79,199		$79,199
70500 Total Tenant Revenue	$598,833	$0	$2,554,310	$0	$0	$82,373	$0	$0	$0	$0	$0	$0	$3,235,516	$0	$3,235,516
70600 HUD PHA Operating Grants	$1,897,918				$10,088	$93,920				$14,059,114	$55,082		$16,116,122		$16,116,122
70610 Capital Grants	$1,534,772												$1,534,772		$1,534,772
70710 Management Fee												$550,764	$550,764	-$550,764	$0
70720 Asset Management Fee												$14,340	$14,340	-$14,340	$0
70730 Book Keeping Fee												$123,315	$123,315	-$123,315	$0
70740 Front Line Service Fee												$7,120	$7,120	-$7,120	$0
70750 Other Fees															
70700 Total Fee Revenue												$695,539	$695,539	-$695,539	$0
70800 Other Government Grants															
71100 Investment Income - Unrestricted	$14,435		$458,022	-$21		$11,818	$37,491		$20,249	$6,427		$17,188	$565,609		$565,609
71200 Mortgage Interest Income															
71300 Proceeds from Disposition of Assets Held for Sale															
71310 Cost of Sale of Assets															
71400 Fraud Recovery										$5,230			$5,230		$5,230
71500 Other Revenue	$12,243	$830	$2,842,018				$149,831		$815,000	$92,318			$3,912,240	-$67,750	$3,844,490
71600 Gain or Loss on Sale of Capital Assets									$42,343				$42,343		$42,343
72000 Investment Income - Restricted			$42,158				$433,706						$475,864		$475,864
70000 Total Revenue	$4,058,201	$830	$5,896,508	-$21	$10,088	$188,111	$621,028	$0	$877,592	$14,163,089	$55,082	$712,727	$26,583,235	-$763,289	$25,819,946
91100 Administrative Salaries	$285,550		$116,555			$32,643	$13,350		$69,521	$311,920		$353,942	$1,183,481		$1,183,481
91200 Auditing Fees	$11,048		$19,000						$2,368	$5,261		$7,629	$45,306		$45,306
91300 Management Fee	$331,114		$149,156			$35,000			$20,250	$164,400			$699,920	-$550,764	$149,156
91310 Book-keeping Fee	$20,565									$102,750			$123,315	-$123,315	$0
91400 Advertising and Marketing	$11,793		$151				$66		$182	$4,503		$275	$16,970		$16,970
91500 Employee Benefit contributions - Administrative	$9,264		$38,489			-$805	$1,260		$52,719	$30,433		$169,096	$300,456		$300,456
91600 Office Expenses	$156,504		$26,378			$965	$1,832		$5,998	$108,209	$822	$37,107	$337,815	-$67,750	$270,065
91700 Legal Expense	$40,031		$6,079				$19,755		$7,501	$1,617		$29,022	$104,005		$104,005
91800 Travel	$258									$1,231		$5,965	$7,454		$7,454
91810 Allocated Overhead															
91900 Other	$196,549		$6,551			$3,873	$1,872		$11,113	$56,442		$289,068	$565,468	-$7,120	$558,348
91000 Total Operating - Administrative	$1,062,676	$0	$362,359	$0	$0	$71,676	$38,135	$0	$169,652	$786,766	$822	$892,104	$3,384,190	-$748,949	$2,635,241
92000 Asset Management Fee	$14,340		$7,500										$21,840	-$14,340	$7,500
92100 Tenant Services - Salaries					$7,231						$42,153		$49,384		$49,384
92200 Relocation Costs															
92300 Employee Benefit Contributions - Tenant Services					$2,857						$12,107		$14,964		$14,964
92400 Tenant Services - Other	$3,674		$2,202							$188			$6,064		$6,064
92500 Total Tenant Services	$3,674	$0	$2,202	$0	$10,088	$0	$0	$0	$0	$188	$54,260	$0	$70,412	$0	$70,412
93100 Water	$247,806		$28,033			$270			$242	$101		$1,947	$278,399		$278,399
93200 Electricity	$119,270		$118,000						$1,279	$2,842		$4,121	$245,512		$245,512
93300 Gas	$10,487								$255	$567		$822	$12,131		$12,131
93400 Fuel															
93500 Labor															
93600 Sewer	$329,386		$36,081						$44	$97		$140	$365,748		$365,748
93700 Employee Benefit Contributions - Utilities															
93800 Other Utilities Expense															
93000 Total Utilities	$706,949	$0	$182,114	$0	$0	$270	$0	$0	$1,820	$3,607	$0	$7,030	$901,790	$0	$901,790
94100 Ordinary Maintenance and Operations - Labor	$116,254		$88,538										$204,792		$204,792
94200 Ordinary Maintenance and Operations - Materials and Other	$141,630		$89,930			$3,228			$439	$6,784		$6,173	$248,184		$248,184
94300 Ordinary Maintenance and Operations Contracts	$424,609		$32,556			$21,951	$21,360		$668	$1,485		$4,203	$506,832	$0	$506,832
94500 Employee Benefit Contributions - Ordinary Maintenance	$972		$29,238										$30,210		$30,210
94000 Total Maintenance	$683,465	$0	$240,262	$0	$0	$25,179	$21,360	$0	$1,107	$8,269	$0	$10,376	$990,018	$0	$990,018
95100 Protective Services - Labor															
95200 Protective Services - Other Contract Costs															
95300 Protective Services - Other															
95500 Employee Benefit Contributions - Protective Services															
95000 Total Protective Services	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96110 Property Insurance	$91,779		$155,112						$596			$2,141	$249,628		$249,628
96120 Liability Insurance	$12,042					$4,970	$10,642		$3,325	$6,752		$2,208	$39,939		$39,939
96130 Workmen's Compensation	$8,432		$2,363			$201			$1,806	$4,016		$5,622	$22,440		$22,440
96140 All Other Insurance	$8,796		$52,082						$302	$543		$5,982	$67,705		$67,705
96100 Total insurance Premiums	$121,049	$0	$209,557	$0	$0	$5,171	$10,642	$0	$6,029	$11,311	$0	$15,953	$379,712	$0	$379,712
96200 Other General Expenses	$2,653		$127,733				$7,723		$76	$4,756		$160	$143,101		$143,101
96210 Compensated Absences															

Suffolk Redevelopment and Housing Authority (VA025)
SUFFOLK, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit | Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
96300 Payments in Lieu of Taxes			$7,560										$7,560		$7,560
96400 Bad debt - Tenant Rents	$6,747												$6,747		$6,747
96500 Bad debt - Mortgages															
96600 Bad debt - Other															
96800 Severance Expense															
96000 Total Other General Expenses	$9,400	$0	$135,293	$0	$0	$0	$7,723	$0	$76	$4,756	$0	$160	$157,408	$0	$157,408
96710 Interest of Mortgage (or Bonds) Payable			$1,345,577										$1,345,577		$1,345,577
96720 Interest on Notes Payable (Short and Long Term)	$194								$54	$144		$292	$684		$684
96730 Amortization of Bond Issue Costs															
96700 Total Interest Expense and Amortization Cost	$194	$0	$1,345,577	$0	$0	$0	$0	$0	$54	$144	$0	$292	$1,346,261	$0	$1,346,261
96900 Total Operating Expenses	$2,601,747	$0	$2,484,864	$0	$10,088	$102,296	$77,860	$0	$178,738	$815,041	$55,082	$925,915	$7,251,631	-$763,289	$6,488,342
97000 Excess of Operating Revenue over Operating Expenses	$1,456,454	$830	$3,411,644	-$21	$0	$85,815	$543,168	$0	$698,854	$13,348,048	$0	-$213,188	$19,331,604	$0	$19,331,604
97100 Extraordinary Maintenance															
97200 Casualty Losses - Non-capitalized															
97300 Housing Assistance Payments										$12,911,300			$12,911,300		$12,911,300
97350 HAP Portability-In										$87,591			$87,591		$87,591
97400 Depreciation Expense	$440,662		$1,176,042			$3,906	$2,049		$1,059	$24,304		$21,761	$1,669,783		$1,669,783
97500 Fraud Losses															
97600 Capital Outlays - Governmental Funds															
97700 Debt Principal Payment - Governmental Funds															
97800 Dwelling Units Rent Expense															
90000 Total Expenses	$3,042,409	$0	$3,660,906	$0	$10,088	$106,202	$79,909	$0	$179,797	$13,838,236	$55,082	$947,676	$21,920,305	-$763,289	$21,157,016
10010 Operating Transfer In	$187,463												$187,463	-$187,463	$0
10020 Operating transfer Out	-$187,463												-$187,463	$187,463	$0
10030 Operating Transfers from/to Primary Government															
10040 Operating Transfers from/to Component Unit															
10050 Proceeds from Notes, Loans and Bonds															
10060 Proceeds from Property Sales															
10070 Extraordinary Items, Net Gain/Loss															
10080 Special Items (Net Gain/Loss)															
10091 Inter Project Excess Cash Transfer In															
10092 Inter Project Excess Cash Transfer Out															
10093 Transfers between Program and Project - In															
10094 Transfers between Project and Program - Out															
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$1,015,792	$830	$2,235,602	-$21	$0	$81,909	$541,119	$0	$697,795	$324,853	$0	-$234,949	$4,662,930	$0	$4,662,930
11020 Required Annual Debt Principal Payments	$3,246	$0	$19,444,902	$0	$0	$0	$0	$0	$0	$2,301	$0	$5,546	$19,455,995		$19,455,995
11030 Beginning Equity	$6,921,601	$91,305	$8,392,354	$1,019,927	$0	$849,250	$7,251,275	$40,826	$761,765	$1,058,217	$0	$1,639,516	$28,026,036		$28,026,036
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors															
11050 Changes in Compensated Absence Balance															
11060 Changes in Contingent Liability Balance															
11070 Changes in Unrecognized Pension Transition Liability															
11080 Changes in Special Term/Severance Benefits Liability															
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents															
11100 Changes in Allowance for Doubtful Accounts - Other															
11170 Administrative Fee Equity										$1,383,070			$1,383,070		$1,383,070
11180 Housing Assistance Payments Equity										$0			$0		$0
11190 Unit Months Available	3120					144				14940			18204		18204
11210 Number of Unit Months Leased	2742					144				13700			16586		16586
11270 Excess Cash	$3,363,557												$3,363,557		$3,363,557
11610 Land Purchases	$0											$0	$0		$0
11620 Building Purchases	$1,534,772											$0	$1,534,772		$1,534,772
11630 Furniture & Equipment - Dwelling Purchases	$0											$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0											$0	$0		$0
11650 Leasehold Improvements Purchases	$0											$0	$0		$0
11660 Infrastructure Purchases	$0											$0	$0		$0
13510 CFFP Debt Service Payments	$0											$0	$0		$0
13901 Replacement Housing Factor Funds	$0											$0	$0		$0

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

DIRECT FEDERAL ASSISTANCE

FEDERAL GRANTOR/PROGRAM U.S. DEPARTMENT OF HUD	ASSISTANCE LISTING NUMBER	FEDERAL EXPENDITURES
Low Rent Public Housing	14.850*	$ 1,556,376
Total		$ 1,556,376
Housing Choice Vouchers	14.871*	14,059,114
Total Housing Voucher Cluster		14,059,114
Public Housing Capital Fund	14.872*	1,876,314
Section 8 New Construction	14.182	93,920
Resident Opportunity and Supportive Service	14.870	55,082
Family Self-Sufficiency	14.896	10,088
TOTAL US DEPARTMENT OF HUD		17,650,894
Total Federal Assistance		$ 17,650,894

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2024

Note 1: Basis of Accounting

The Schedule of Federal Assistance is prepared on the same basis of accounting as the Authority's financial statements. The Authority complies with the basis of accounting required by HUD.

Note 2: Major Programs

The (*) to the right of the Assistance Listing Number identifies the grant as a major federal program as defined by Title 2 Part 200 (Uniform Guidance).

Note 3: Award Balance

On the Housing Choice Voucher programs, the Authority receives annual funds based on an annual estimate of need. Any Housing Assistance funds received in excess of current year payments is restricted for payment of future Housing Assistance payments.

Note 4: Program Costs

The amounts shown as current year expenditures represent only the federal portion of the actual program costs. Actual program costs, including the housing Authority's portion, may be more than shown.

Note 5: Indirect Cost Allocation

The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

STATEMENT OF CERTIFICATION OF MODERNIZATION COSTS

FOR THE YEAR ENDED JUNE 30, 2024

	VA36P025501-20
The Actual Modernization Costs of Project are as follows:	
Funds Approved	$ 1,167,584
Funds Expended	1,167,584
EXCESS OF FUNDS APPROVED	$ -0-
Funds Advanced	$ 1,167,584
Funds Expended	1,167,584
EXCESS <DEFICIENCY> OF FUNDS ADVANCED	$ -0-

The distribution of costs by project as shown on the Final Statement of Modernization Costs accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Authority's records.

All modernization costs have been paid and all related liabilities have been discharged through payment.

FINANCIAL COMPLIANCE REPORTS
FOR
FEDERAL FUNDS

DV

Dooley & Vicars
Certified Public Accountants, L.L.P.

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Suffolk Redevelopment
and Housing Authority
Suffolk, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Suffolk Redevelopment and Housing Authority'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 Suffolk Redevelopment and Housing Authority's major federal programs for the year ended June 30, 2024. Suffolk Redevelopment and Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The Authority's basic financial statements include the operations of the discretely presented component unit which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2024. Our audit, described below, did not include the operations of the discretely blended component unit because other auditors were engaged to perform audits of compliance.

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 Suffolk Redevelopment and Housing Authority's federal programs.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

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

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

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

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

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to these matters.

Response to Findings

Suffolk Redevelopment and Housing Authority's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

Report on Internal Control over Compliance

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

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider 2024-001 to be a significant deficiency.

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

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

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

Dooley & Vicars
Certified Public Accountants, L.L.P.

March 31, 2025
Richmond, Virginia

DV
Dooley & Vicars
Certified Public Accountants, L.L.P.
Daniel J. Dooley, C.P.A.
Michael H. Vicars, C.P.A.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Suffolk Redevelopment
and Housing Authority
Suffolk, Virginia

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 Suffolk Redevelopment and Housing Authority, which comprise the Statement of Net Position as of June 30, 2024, and the related Statements of Revenues, Expenses, and Changes in Net Position, and Cash Flows for the year then ended, and the related notes to the financial statements and have issued our report thereon March 31, 2025. Our report includes a reference to other auditors who audited the financial statements of Eagle Landing Apartments, L.P. (the discretely presented component unit) as described in our report on Suffolk Redevelopment and Housing Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

The financial statements Eagle Landing Apartments, L.P. were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority'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 that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify deficiencies in internal control that we consider to be material weaknesses. Material weaknesses may exist that have not been identified.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Suffolk Redevelopment and Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2024-001.

Response to Findings

The Authority's response to the noncompliance findings identified in our audit was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion.

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 Suffolk Redevelopment and Housing Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dooley & Vicars

Dooley & Vicars
Certified Public Accountants, L.L.P.

March 31, 2025
Richmond, Virginia

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AT JUNE 30, 2024

Finding No. 2023-001: Significant deficiency in Internal Controls over Federal Awards

CONDITION: The Authority's Housing Choice Voucher program was not pulling Earned Income Verifications (EIVs) within 90 days of move-in, as required by HUD regulations.

STATUS: Finding ongoing. See Finding 2024-001.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section 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(s) identified that are not considered to be material weakness(es)?	____ yes	__x__ none reported
Noncompliance material to financial statements noted?	____ yes	__x__ no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified:	____ yes	__x__ no
• Significant deficiency(s) identified that are not considered to be material weakness(es)?	__x__ yes	____ none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):	__x__ yes	____ no

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Identification of major programs:

ALN Number(s)	*Name of Federal Program or Cluster*
14.871	Housing Choice Vouchers
14.850	Low Rent Public Housing
14.872	Public Housing Capital Fund

Dollar threshold used to distinguish between type A and B programs: $ 750,000

Auditee qualified as low-risk auditee? __x__ yes ____ no

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Section II -- Financial Statement Findings

There were no financial statement findings.

Section III -- Federal Awards Findings and Questioned Costs

Finding No. 2024-001 Housing Choice Voucher: Tenant Eligibility – Significant Deficiency

CONDITION: The Authority's Housing Choice Voucher program was not pulling Earned Income Verifications (EIVs) within 90 days of move-in, as required by HUD regulations. Additionally, the Authority was missing one recertification for a tenant during the audit period, and was missing criminal background checks for tenants. These issues were all for tenants that at Whitemarsh Point Eagle Landing.

CRITERIA: Tenants of the Housing Choice Voucher program are required to be recertified annually and on the interim basis in accordance with HUD regulations. Certification guidelines require use of the EIV System to verify tenants' reported incomes during annual recertifications within 90 days of move-in, and pull the required criminal background checks.

QUESTIONED COSTS: The amount of questioned costs could not be determined.

CONTEXT: Of 40 tenant files examined, two files did not contain documentation that tenant's reported income was verified with an EIV within 90 days of move-in. Of the 40 tenant files examined, nine files did not contain a criminal background check for adults. One file was missing recertification.

EFFECT: The Housing Authority could be renting to tenants who are not paying the appropriate amount of rent per program regulations or be housing someone who does not qualify based on criminal history.

CAUSE: The overall cause was a lack of effective management oversight and quality control over this program.

RECOMMENDATION: The Housing Authority should implement greater oversight over the Housing Choice Voucher tenant compliance and train employees on procedures mandated by HUD regarding tenant income verification, annual recertification and proper background checks during intake.

Suffolk Redevelopment & Housing Authority
Changing Housing, Changing Minds, Changing Lives
OFFICE 757-539-2100
FAX 757-539-5184
TDD 757-538-2886
530 East Pinner St.
Suffolk, VA 23434
SuffolkRHA.org

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

FINANCIAL STATEMENT FINDINGS

Finding No. 2024-001 Housing Choice Voucher: Tenant Eligibility – Significant Deficiency
Contact Person: *Patricia Tyus Executive Director/CEO*

The Authority's Housing Choice Voucher program was not pulling Earned Income Verifications (EIVs) within 90 days of move-in, as required by HUD regulations. Additionally, the Authority was missing one recertification for a tenant during the audit period and was missing criminal background checks for tenants. These issues were all for tenants at Whitemarsh Point Eagle Landing.

CORRECTIVE ACTION: EIV compliance

The Nelrod Company was solicited to provide a Compliance Monitor Plan for SRHA. They did not completely prepare what was required for; but focused on SEMAP, and they were delayed with the deliveries in the contract. We discontinue the contractual relationship and implemented the following items in 2024.

We have completed the following items:

1. SRHA placed a priority on getting the staff EIV access so that all the staff can pull and print the EIVs
2. HCV added additional EIV procedures to the HCV SOPs
3. Worked with Vista Management (PBV) to ensure the EIV are printed and in the files
4. Management staff completed training for the staff on the following dates:
   Quality Control file training—02/08/2024;
   Compliance Training on all processes--09/06/2024;
   Adjustment Payment Training--10/4/2024;
   File Compliance Procedures—1/17/2025.

TARGET DATE: On-going

REQUIRED SUPPLEMENTAL INFORMATION

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024

Plan fiduciary net position	2024	2023	2022	2021	2020
Contributions - employer	$ -	$ -	$ -	$ 3,990	$ 2,189
Contributions - employee	49,147	44,741	48,816	55,182	55,094
Net investment income	396,585	(5,477)	1,391,296	97,405	323,804
Benefit payments, including refunds of employee contributions	(238,483)	(184,158)	(186,101)	(149,652)	(142,256)
Administrative expense	(4,000)	(3,977)	(3,506)	(3,325)	(3,214)
Other	151	(479)	131	(115)	(204)
Net change in plan fiduciary net position	203,400	(149,350)	1,250,636	3,485	235,413
Plan fiduciary net position - beginning	6,211,028	6,360,378	5,109,742	5,106,257	4,870,844
Plan fiduciary net position - ending (b)	$ 6,414,428	$ 6,211,028	$ 6,360,378	$ 5,109,742	$ 5,106,257
SRHA's net pension liability (asset) - ending (a)-(b)	$ (1,610,932)	$(1,681,250)	$(1,929,801)	$ (1,037,815)	$ (1,264,840)
Plan fiduciary net position as a percentage of the total Pension liability	134%	129%	-44%	106%	133%
Covered employee payroll	$ 1,045,018	$ 1,045,018	$ 1,003,056	$ 1,082,848	$ 1,235,335
SRHA's net pension liability as a percentage of covered-employee payroll	-154%	-161%	-192%	-96%	-102%

Plan fiduciary net position	2019	2018	2017	2016	2015
Contributions - employer	$ 1,191	$ 1,223	$ 48,897	$ 46,430	$ 57,032
Contributions - employee	55,994	53,649	58,368	55,159	55,697
Net investment income	340,850	508,326	73,187	179,371	524,715
Benefit payments, including refunds of employee contributions	(148,754)	(112,529)	(77,458)	(59,584)	(73,832)
Administrative expense	(2,960)	(2,934)	(2,492)	(2,377)	(2,763)
Other	(302)	(452)	(31)	(38)	28
Net change in plan fiduciary net position	246,019	447,283	100,471	218,961	560,877
Plan fiduciary net position - beginning	4,624,825	4,177,542	4,077,071	3,858,110	3,297,233
Plan fiduciary net position - ending (b)	$ 4,870,844	$ 4,624,825	$ 4,177,542	$ 4,077,071	$3,858,110
SRHA's net pension liability (asset) - ending (a)-(b)	$ (1,201,167)	$ (1,272,066)	$ (1,016,907)	$ (916,436)	$ (936,170)
Plan fiduciary net position as a percentage of the total Pension liability	133%	136%	123%	129%	132%
Covered employee payroll	$ 1,176,240	$ 1,089,104	$ 1,230,266	$ 1,230,266	$1,010,586
SRHA's net pension liability as a percentage of covered-employee payroll	-102%	-117%	-83%	-74%	-93%

Totals, with the exception of the covered payroll are from Appendixes 16 and 17 – Total Pension Liability and Fiduciary Net Position and the Schedule of Changes in Net Pension Liability/(Asset) on page 19 of the GASB Statement No. 68 Report.

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Schedule of Employer Contributions to VRS for the Fiscal Year Ended June 30, 2024

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employers Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
6/30/2023	$ -	$ -	$ -	$ 1,045,018	0.00%
6/30/2022	$ -	$ -	$ -	$ 1,003,056	0.00%
6/30/2021	$ -	$ -	$ -	$ 1,082,848	0.00%
6/30/2020	$ 8,400	$ 8,400	$ -	$ 1,235,335	0.68%
6/30/2019	$ 1,191	$ 1,191	$ -	$ 1,176,240	0.10%
6/30/2018	$ -	$ 1,223	$ (1,223)	$ 1,089,104	0.00%
6/30/2017	$ 20,791	$ 48,897	$ (28,106)	$ 1,230,266	1.69%
6/30/2016	$ 20,791	$ 46,430	$ (25,639)	$ 1,230,266	1.69%
6/30/2015	$ 19,373	$ 57,032	$ (37,659)	$ 1,146,353	1.69%

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Schedule of Employer's Share of Net OPEB-GLI for the Measurement Dates of June 30:

	2022	2021	2020	2019	2018	2017
Employer's Proportion of the Net GLI OPEB Liability (Asset)	0.40800%	0.00485%	0.00600%	0.00617%	0.00624%	0.00591%
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	$53,010	$61,125	$100,130	$100,403	$94,000	$89,000
Employer's Covered Payroll	$1,048,571	$1,012,306	$1,082,848	$1,209,129	$1,187,030	$1,090,591
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of its Covered Payroll	5.06%	6.04%	9.25%	8.30%	7.92%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.21%	67.45%	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2023 is the seventh year for this presentation, only six years of data is available. However, additional years will be included as they become available.

The Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability for the VRS Group Life Insurance Program for each year is presented on page 130 of the VRS 2023 Comprehensive Annual Financial Report (CAFR).

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Schedule of Employer OPEB-GLI Contributions to the VRS For the Years Ended June 30

Date	Employer's Contribution Rate	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employers Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2023	0.54%	$5,662	$5,662	$0	$1,048,571	0.54%
2022	0.54%	$5,466	$5,466	$0	$1,012,306	0.54%
2021	0.54%	$5,847	$5,847	$0	$1,082,848	0.54%
2020	0.52%	$6,424	$6,424	$0	$1,235,335	0.52%
2019	0.52%	$6,287	$6,287	$0	$1,209,129	0.52%
2018	0.52%	$6,173	$6,173	$0	$1,187,030	0.52%
2017	0.53%	$5,780	$5,780	$0	$1,090,591	0.53%
2016	0.53%	$6,012	$6,012	$0	$1,134,291	0.53%
2015	0.53%	$5,920	$5,920	$0	$1,117,022	0.53%
2014	0.53%	$6,109	$6,109	$0	$1,152,646	0.53%

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Schedule of Employer's Share of Net OPEB-VLDP Liability for the Measurement Dates of June 30:

	2022	2021	2020	2019	2018	2017
Employer's Proportion of the Net VLDP OPEB Liability (Asset)	0.09797%	0.11964%	0.13259%	0.17353%	0.18839%	0.17766%
Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset)	($1,576)	($1,343)	$1,737	$3,515	$1,000	$1,000
Employer's Covered Payroll	$830,643	$560,438	$532,629	$536,261	$457,431	$326,240
Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset) as a Percentage of its Covered Payroll	-0.19%	-0.24%	0.33%	0.66%	0.22%	0.31%
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	107.99%	119.59%	116.89%	49.19%	51.22%	38.40%

Schedule is intended to show information for 10 years. Since 2023 is the seventh year for this presentation, only six years of data is available. However, additional years will be included as they become available.

The Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability for the Virginia Local Disability Program (VLDP) for each year is presented on page 133 of the VRS 2023 Comprehensive Annual Financial Report (CAFR).

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

Schedule of Employer OPEB-VLDP Contributions to the VRS For the Years Ended June 30:

Date	Employer's Contribution Rate	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employers Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2023	0.85%	$7,060	$7,060	$0	$830,643	0.85%
2022	0.83%	$4,652	$4,652	$0	$560,438	0.83%
2021	0.83%	$4,421	$4,421	$0	$532,629	0.83%
2020	0.72%	$4,669	$4,669	$0	$648,490	0.72%
2019	0.72%	$3,861	$3,861	$0	$536,261	0.72%
2018	0.60%	$2,745	$2,745	$0	$457,431	0.48%
2017	0.60%	$1,957	$1,957	$0	$326,240	0.52%
2016	0.60%	$1,405	$1,405	$0	$234,084	0.60%
2015	0.60%	$473	$473	$0	$78,892	0.60%
2014	0.60%	$23	$23	$0	$3,813	0.60%

SUFFOLK REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB
FOR THE YEAR ENDED JUNE 30, 2024

Note 1: Changes of Benefit Terms

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

Note 2: Changes of assumptions

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, as adopted by the Board of Trustees at its April 20, 2021 meeting. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 - Non-Hazardous Duty:

Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020

Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age

Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service

All Others - Non-Hazardous Duty:

Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020

Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age

Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service