BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY

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

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

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Bristol Redevelopment and Housing Authority
Bristol, Virginia

Opinion

We have audited the accompanying financial statements of the Bristol Redevelopment and Housing Authority as of March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the Table of Contents. The prior year summarized comparative information has been derived from the Authority's March 31, 2022, financial statements. In our report dated December 28, 2022, we expressed an unmodified opinion on those financial statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Bristol Redevelopment and Housing Authority as of March 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Bristol Redevelopment and Housing Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bristol Redevelopment and Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

In performing an audit in accordance with generally accepted 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 Bristol 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 Bristol 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 62 through 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

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 December 29, 2023, on our consideration of the Bristol 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 Bristol Redevelopment and Housing Authority's internal control over financial reporting and compliance.

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

Richmond, Virginia
December 29, 2023

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

The Bristol Redevelopment & Housing Authority (hereafter the "Authority") presents its Annual Report for the year ended March 31, 2023, developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments" (hereafter "GASB 34"), and related standards. The Authority's management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual funds' issues or concerns.

The discussion and analysis of the Authority is intended to provide an overview of the Authority's financial activities for the fiscal year ended March 31, 2023. Please read it in conjunction with the financial statements, notes and supplemental schedules that follow this section.

Principal Officials

Commissioners as of March 31, 2023

Denise Franklin, Chair

Jennifer Taylor, Vice Chair

Mark Cofer, Commissioner

Josh Fleenor, Commissioner

Dr. Gary Poulton, Commissioner

Administrative Staff as of March 31, 2023

Lisa Porter, Executive Director / CEO

Diana Carter, VP of Compliance & Planning

Ray Austin, VP of Finance & Administration / CFO

Financial Highlights

- The Authority was awarded a new capital fund (CFP) grant from the U. S. Department of Housing and Urban Development (HUD) of $1,148,126 during fiscal year 2023.

- The Authority received HUD MTW Public Housing operating subsidy in the amount of $1,461,176 and funding for the MTW Housing Choice Voucher Program in the amount of $1,285,977 during fiscal year 2023.

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Overview of Annual Financial Statements

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the basic audited financial statements and supplementary information. The MD&A represents management's examination and analysis of the Authority's financial condition and performance.

The financial statements report information about the Authority by using full accrual accounting methods as utilized by similar business activities in the private sector. In management's opinion, the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Authority in conformity with generally accepted accounting principles.

The Authority is engaged only in "Business-Type Activities" and is considered a "Special Purpose" government under Paragraph 138 of GASB 34. The Authority will present its financial statements according to Paragraph 138 of GASB 34 and those will consist of the following: (a) Statement of Net Position (Balance Sheet) (b) Statement of Revenues, Expenses and Changes in Net Position (Income Statement), and (c) Statement of Cash Flows. In addition to the basic financial statements, the Authority will present notes to the financial statements and required supplementary information.

The **Statement of Net Position** (Balance Sheet) presents information on all the Authority's assets and liabilities, with the difference between the two being Net Position. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-Current". Over time, increases and decreases in Net Position serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The **Statement of Revenues, Expenses, and Changes in Net Position** (Income Statement) presents the results of the business activities of the Authority over the course of the fiscal year. The focus of this statement is the "Change in Net Position", which is similar to Net Income or Net Loss. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The **Statement of Cash Flows** presents changes in cash and cash equivalents resulting from operating, financing, and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of (a) the earnings event, (b) when an obligation arises, or (c) the depreciation of capital assets.

The **Notes to the Financial Statements** provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Authority's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any. Also included is the required **Supplemental Information** containing items such as budget to actual comparisons, debt information, and grant activity.

The financial statements were prepared by the Authority's staff from the detailed general ledgers and supporting documentation for each fund in conformity with generally accepted accounting principles (GAAP). The financial statements were audited and adjusted, if material, during the independent external audit process.

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Summary of Organization and Business

The Authority is a public body and a body corporate and politic organized under the laws of the Commonwealth of Virginia by the City of Bristol for the purpose of providing adequate housing for qualified low-income individuals in accordance with the rules and regulations prescribed by the U. S Department of Housing and Urban Development.

The Authority is governed by a Board of Commissioners appointed by the City of Bristol which has governance responsibilities over all activities related to the Authority. The Authority's Board of Commissioners has full decision-making authority and the power to designate the management of the Authority. The Authority's Board elects its own chairperson. The City of Bristol has no influence over the management, budget, or policies of the Authority. The Authority is a legally separate entity that is fiscally independent of other governments. Therefore, the Authority reports independently and is not included in the City of Bristol's financial reports.

The Authority operates and manages several different programs and presents financial statements from an enterprise fund perspective. Many of the funds maintained by the Authority are required by the U. S. Department of Housing and Urban Development and others are segregated to enhance accountability and control. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions. Each fund is a separate accounting entity with a self-balancing set of accounts. The Authority's funds or programs are as follows:

- MTW Program
    - Low Income Public Housing
    - Capital Fund
    - Housing Choice Voucher
- Business Activities
- Mainstream Voucher Program
- Emergency Housing Voucher Program
- Resident Opportunities and Self Sufficiency Program
- Family Self Sufficiency Program
- Community Development Block Grant (City of Bristol)
- State Rental Assistance Program (SRAP) through the Virginia Department of Behavioral Health and Developmental Services (DBHDS)

The Business Activities Programs are non-federally aided programs administered by the Authority which also includes the development and management of the following:

- Component Unit – Sapling Grove Apartments, LLC
- Component Unit – Village at Oakview, LLC

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Financial Analysis

The following sections present the Authority's financial statements and management's analysis of the Authority's financial condition and activities for this fiscal year. This analysis should be considered in conjunction with the financial statements and notes to the financial statements.

Bristol Redevelopment & Housing Authority
Combined Statement of Net Position
TABLE I

Account Descriptions	2023	2022	Total Change	% Change
Current Assets	3,433,602	3,711,768	(278,166)	-7.49%
Noncurrent Assets	65,758	72,021	(6,263)	-8.70%
Capital Assets	12,918,114	13,170,583	(252,469)	-1.92%
Deferred Outflow of Resources	111,740	195,210	(83,470)	42.76%
Total Assets	**16,529,214**	**17,149,582**	**(620,368)**	**-3.62%**
Current Liabilities	479,985	482,880	(2895)	-0.60%
Noncurrent Liabilities	1,542,140	1,417,878	124,262	8.76%
Deferred Inflow of Resources	172,918	457,364	(284,446)	62.19%
Total Liabilities	**2,195,043**	**2,358,122**	**(163,079)**	**-6.92%**
Investments in Capital Assets	10,778,283	10,822,548	(44,265)	-0.41%
Restricted Net Position	444,949	670,416	(225,467)	33.63%
Unrestricted Net Position	3,110,939	3,298,496	(187,557)	-5.69%
Total Net Position	**14,334,171**	**14,791,460**	**(457,289)**	**-3.09%**
Total Liabilities & Net Position	**16,529,214**	**17,149,582**	**(620,368)**	**-3.62%**

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Major Factors Affecting the Combined Statement of Net Position (the Balance Sheet)

Current assets decreased by $278,166, including $221,295 in Cash and $43,697 in Receivables.

Capital assets decreased by $252,469, which is the net of $395,855 in additions netted with $648,324 in additional Accumulated Depreciation during the fiscal year.

Current liabilities decreased by $274,488, mainly due to decreases in Accounts Payable of $161,445 and Unearned Revenue of $125,895.

Deferred Inflow and Outflow of Resources were adjusted based on the Virginia Retirement System GASB 68 and GASB 75 reports for June 30, 2022 Measurement Date. The adjustments decreased Deferred Outflow of Resources by $83,470 while decreasing Deferred Inflow of Resources by $284,446.

Total ***Net Position*** decreased by $457,289 due in part to the above factors indicated; it is comprised of these types:

(a) ***Unrestricted Net Position*** funds which are not as restricted as the restricted net position category but remain subject to varying degrees of restrictions,

(b) ***Restricted Net Position*** funds which are restricted by HUD or other outside controlling documents and/or entities for specific program and project needs and cannot be used for general Authority purposes,

(c) ***Investment in Capital Asset*** funds which are investments in capital assets net of capital debt.

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Bristol Redevelopment & Housing Authority
Combined Statement of Revenues, Expenses and Change in Net Position
TABLE II

Account Descriptions	2023	2022	Total Change	% Change
Tenant Revenue	1,404,997	1,380,990	24,007	1.74%
HUD Operating Grants	3,488,715	3,251,164	237,551	7.31%
Other Government Grants	7,830	16,459	(8,629)	-52.43%
Interest Income	12,194	5,299	6,895	130.12%
Other Revenue	229,704	160,921	68,783	42.74%
Total Revenue	**5,143,440**	**4,814,833**	**328,607**	**6.82%**
Administration	1,309,383	1,395,361	(85,978)	-6.16%
Tenant Services	177,434	107,576	69,858	64.94%
Utilities	601,827	483,425	118,402	24.49%
Maintenance	1,088,238	939,478	148,760	15.83%
Protective Services	19,143	10,051	9,092	90.46%
General Expenses	657,432	347,281	310,151	89.31%
Housing Assistance Payments	1,351,415	1,177,738	173,677	14.75%
Interest	27,209	27,383	(174)	-0.64%
Depreciation	666,908	629,987	36,921	5.86%
Total Expenses	**5,898,989**	**5,118,280**	**780,709**	**15.25%**
Net Surplus (Loss)	(755,549)	(303,447)	(452,102)	
Capital Additions	298,260	286,893	11,367	3.96%
Total Change in Net Position	(457,289)	(16,554)	(440,735)	
Beginning Net Position	14,791,460	14,808,014	(16,554)	
Ending Net Position	**14,334,171**	**14,791,460**	**(457,289)**	**-3.09%**

Major Factors Affecting the Statement of Revenues, Expenses and Changes in Net Position

Total Revenue increased by $328,607 or 6.82% from the prior year. Federal grants and subsidies from HUD saw an increase (see Table III below) of $396,918 or 11.71% while Rents and other Tenant Revenue remained relatively flat.

Bristol Redevelopment & Housing Authority
HUD Funding Comparative
TABLE III

Year	MTW	Mainstream	EHV	PD&R	ROSS	FSS	Totals
2023	3,439,159	133,118	102,131	-	57,561	55,006	3,786,975
2022	3,159,742	55,467	48,336	25,000	44,374	57,138	3,390,057
Net Change	**279,417**	**77,651**	**53,795**	**(25,000)**	**13,187**	**(2,132)**	**396,918**
% Change	**8.84%**	**139.99%**	**111.29%**	**-100.00%**	**29.72%**	**-3.73%**	**11.71%**

Total Expenses for the fiscal year saw an increase of $780,709, or 15.25%.

Housing Assistance Payments (HAP) for the Housing Choice Voucher Program increased by $173,677 as Per Unit Cost (PUC) increased due to landlord rent increases and increasing market pressures.

Capital Assets

At year end, the Authority had $12.918 million in net capital assets, which represented a 1.92% net decrease (additions, reductions, and depreciation) from the $13.171 million balance from the prior year. The total increase in Accumulation Depreciation for the fiscal year was $648,324.

The following table shows the comparative change in asset categories from 2022 to 2023.

Bristol Redevelopment & Housing Authority
Combined Statement of Capital Assets
TABLE IV

Account Descriptions	2023	2022	Total Change	% Change
Land	1,027,393	962,573	64,820	6.73%
Buildings & Improvements	38,641,497	37,731,581	909,916	2.41%
Equipment	856,505	823,730	32,775	3.98%
Construction in Progress	278,625	890,281	(611,656)	-68.70%
Subtotal	40,804,020	40,408,165	395,855	
Less Accumulated Depreciation	(27,885,906)	(27,237,582)	(648,324)	2.38%
Total Capital Assets	**12,918,114**	**13,170,583**	**(252,469)**	**-1.92%**

BRISTOL REDEVELOPMENT & HOUSING AUTHORITY
Bristol, Virginia

MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Current and Long-Term Debt Outstanding

The Authority's Current and Long-Term Debt on March 31, 2023, totaled $1,132,141 as compared to $1,095,228 at the end of the previous year, representing a increase of $36,913.

The Authority utilizes operating debt for the purpose of funding short-term revitalization needs in surrounding neighborhoods.

Table V is a summary of activity of all debt liabilities:

Bristol Redevelopment & Housing Authority
Outstanding Debt Schedule
TABLE V

	2023	2022	Total Change	% Change
Current Portion of Long-Term Debt	32,929	32,290	639	1.98%
Long-Term Debt, Net of Current	1,030,045	1,062,938	-32,893	-3.41%
Totals	**1,062,974**	**1,095,228**	**-32,254**	**-2.94%**

Economic Factors and Events Affecting Operations

Several factors will affect the financial position of the Authority in subsequent fiscal years. These factors include:

(1) On April 1, 2021, the Authority was designated by HUD as a Moving to Work (MTW) Cohort 1 agency. This 20-year demonstration program allows for certain waivers and program changes, as well as a great deal of fungibility between the Public Housing, Capital Fund and Housing Choice Voucher Programs. To learn more about the MTW program, please visit the HUD MTW website or our website at www.brha.com.

(2) The COVID-19 pandemic, which began just before the beginning of FY2021, has continued to have a dramatic and long-lasting effect on all aspects of BRHA's operations and financial performance. Tenant receivables are beginning to decline from record highs during and directly following the pandemic, partly due to legal actions taken during the fiscal year. These actions compound the costs of lost revenue with increased expenses such as legal fees, court costs and collection loss write-offs.

(3) Economic conditions during FY2023 had a dramatic negative impact on expenses across the board. Participants under both Public Housing and Voucher programs pay rents based on a specific percentage of their adjusted incomes. BRHA relies on HUD subsidy assistance to make up the difference in cost vs. tenant rents. While HUD continued to try and increase subsidy funding, these increased overhead and maintenance costs due to inflation and supply chain issues resulted in BRHA using reserve funds to cover losses during the fiscal year. Voucher landlords, faced with the same increase in costs for rental units, did increase rents in most instances, which increased the per unit cost of these programs. These factors forced BRHA to reduce its number of outstanding vouchers, assisting less families and ultimately lowering admin funding for these programs. Increased rents will continue to be an issue for the Voucher programs in the coming fiscal year and beyond.

(4) The local affordable housing market has tightened dramatically as landlords increase rents, divest of rental properties to larger corporate entities and/or decide to no longer offer their units to HUD assisted families. BRHA is extremely concerned that new NSPIRE inspection standards coming in the next few years to the Voucher programs will increase the number of landlords who decline to rent to our participants, due to the increased costs and administrative burden it is expected to pass on to them.

(5) The Authority expects that funding related to all HUD programs will continue to lag behind calculated needs. Even if approved, federal funding increases can take months or years to funnel down to the local level.

(6) The Authority continues to pursue redevelopment of some of its public housing inventory utilizing the MTW Flexibility, both federal and state Low-Income Housing Tax Credit programs and/or the HUD Rental Assistance Demonstration program.

(7) By the end of FYE 2024, the Authority expects to be a 100% owner in one of its Component Units, Sapling Grove Apartments, LLC. The partnership will come to the end of its 15-year LIHTC compliance period and the Equity Partners will want to divest of it. We believe that the partnership will be sold to a wholly owned subsidiary of the Authority, with very little investment outlay from the Authority. This change will bring Sapling Grove under the FDS Business Activities column, and no longer require its disclosure as a Component Unit.

Financial Contact

Questions concerning any of the information presented in this Management's Discussion & Analysis or the audit portion should be addressed in writing to:

Lisa R. Porter, Executive Director / CEO
Bristol Redevelopment & Housing Authority
120 Hope Ln
Bristol, Virginia 24201

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF NET POSITION
As of March 31, 2023
(With Comparative Amounts as of March 31, 2022)

ASSETS	2023	2022
Current Assets		
Cash and Cash Equivalents	$ 1,942,939	$ 2,459,188
Restricted Cash and Cash Equivalents	1,076,665	781,711
Investments at Fair Value	199,840	194,298
Receivables, Net	156,255	199,952
Prepaid Expenses and Other Assets	57,903	76,619
Total current assets	3,433,602	3,711,768
Noncurrent Assets		
Other Assets	65,758	72,021
Capital Assets, Net	12,918,114	13,170,583
Total Noncurrent Assets	12,983,872	13,242,604
Total Assets	16,417,474	16,954,372
Deferred Outflow of Resources		
Deferred Outflow of Resources	111,740	195,210
Total Assets and Deferred Outflow of Resources	$ 16,529,214	$ 17,149,582

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF NET POSITION
As of March 31, 2023
(With Comparative Amounts as of March 31, 2022)

LIABILITIES AND NET POSITION	2023	2022
Current Liabilities		
Accounts Payable	$ 180,847	$ 142,050
Accrued Expenses	54,606	47,988
Accrued Compensated Absences, Current	49,945	57,692
Intergovernmental Payable	29,079	36,653
Tenant Security Deposits	97,918	97,263
Unearned Revenue	34,661	43,009
Long Term Debt - Current Portion	32,929	32,290
Other Current Liabilities	-	25,935
Total Current Liabilities	479,985	482,880
Non-Current Liabilities		
Accrued Compensated Absences, Non-Current	93,541	93,890
Long Term Debt, Net of Current Portion	1,030,045	1,062,938
Other Non-Current Liabilities	130,000	153,760
Net Pension and OPEB Liabilities	288,554	107,290
Total Noncurrent Liabilities	1,542,140	1,417,878
Total Liabilities	2,022,125	1,900,758
Deferred Inflow of Resources		
Deferred Inflow of Resources	172,918	457,364
Total Liabilities and Deferred Infow of Resources	2,195,043	2,358,122
NET POSITION		
Net Investment in Capital Assets	10,778,283	10,822,548
Restricted Net Position	444,949	670,416
Unrestricted Net Position	3,110,939	3,298,496
Total Net Position	14,334,171	14,791,460
Total Liabilities, Deferred Infow of Resources, and Net Position	$ 16,529,214	$ 17,149,582

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended March 31, 2023
(With Comparative Amounts for the Year Ended March 31, 2022)

	2023	2022
Operating Revenues		
Rental Income	$ 1,404,997	$ 1,380,990
HUD Operating Grants	3,488,715	3,251,164
Other Government Grants	7,830	16,459
Other Revenue	229,704	160,921
Total Operating Revenues	5,131,246	4,809,534
Operating Expenses		
Administrative	1,364,389	1,395,361
Tenant Services	122,428	107,576
Utilities	601,827	483,425
Maintenance	1,088,238	939,478
Protective Services	19,143	10,051
General Expenditures	657,432	347,281
Housing Assistance Payments	1,351,415	1,177,738
Depreciation	666,908	629,987
Total Operating Expenses	5,871,780	5,090,897
Operating Income (Loss)	(740,534)	(281,363)
Non-Operating Revenues (Expenses)		
Interest Income, Unrestricted	12,194	5,299
Interest on Loans	(27,209)	(27,383)
Total Nonoperating Revenues (Expenses)	(15,015)	(22,084)
Income (Loss) Before Capital Grants	(755,549)	(303,447)
Capital Grants	298,260	138,893
Change in Net Position	(457,289)	(164,554)
Capital Contributions (Consolidated Unit)	-	148,000
Total Beginning Net Position	14,791,460	14,808,014
Total Ending Net Position	$ 14,334,171	$ 14,791,460

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2023
(With Comparative Amounts for the Year Ended March 31, 2022)

	2023	2022
Cash Flows from Operating Activities:		
Cash Received from Tenants	$ 1,441,001	$ 1,215,568
Other Revenue Receipts	229,704	160,921
HUD PHA Operating Grants	3,488,715	3,251,164
Other Government Grants	7,830	16,459
Housing Assistance Payments	(1,351,415)	(1,177,738)
Cash Paid for Operating Expenses	(3,844,380)	(3,494,554)
Net Cash Provided by/(Used) for Operating Activities	(28,545)	(28,180)
Cash Flows from Capital and Related Financing Activities:		
Capital Contributions (Component Unit)	-	148,000
Capital Grants - HUD	298,260	138,893
Principal and Interest Payments on Operating Debt	(83,223)	(58,585)
Net Cash Provided by/(Used) for Financing Activities	215,037	228,308
Cash Flows from Investing Activities:		
Acquisition of Capital Assets	(414,439)	(178,414)
Purchase of Investments	(5,542)	(176)
Interest Income	12,194	5,299
Net Cash Provided by/(Used) for Investing Activities	(407,787)	(173,291)
Net Increase (Decrease) in Cash and Cash Equivalents	(221,295)	26,837
Cash and Cash Equivalents at Beginning of Year	3,240,899	3,214,062
Cash and Cash Equivalents at End of Year	$ 3,019,604	$ 3,240,899
Reconciliation of Cash and Restricted Cash		
Cash and Cash Equivalents	$ 1,942,939	$ 2,459,188
Restricted Cash and Cash Equivalents	1,076,665	781,711
Total Cash and Cash Equivalents	$ 3,019,604	$ 3,240,899

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2023
(With Comparative Amounts for the Year Ended March 31, 2022)

	2023	2022
Reconciliation of Operating Income (Loss) to Net Cash Provided by/ (Used) for Operating Activities:		
Operating Income (Loss)	$ (740,534)	$ (281,363)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by/(Used) for Operating Activities:		
Depreciation Expense	666,908	629,987
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
(Increase) Decrease in Receivables, Net	43,697	(48,214)
(Increase) Decrease in Prepaid Expenses	18,716	(22,861)
(Increase) Decrease in Other Assets	6,263	6,262
(Increase) Decrease in Deferred Outflow of Resources	83,470	95,993
Increase (Decrease) in Accounts Payable	38,797	(161,445)
Increase (Decrease) in Accrued Expenses	6,618	17,220
Increase (Decrease) in Intergovernmental Payable	(7,574)	1,783
Increase (Decrease) in Accrued Compensated Absences	(8,096)	(9,866)
Increase (Decrease) in Tenant Security Deposits	655	8,687
Increase (Decrease) in Other Current Liabilities	(25,935)	(15,630)
Increase (Decrease) in Unearned Revenue	(8,348)	(125,895)
Increase (Decrease) in Deferred Inflow of Resources	(284,446)	405,880
Increase (Decrease) in Net Pension Liability	181,264	(528,718)
Net Cash Provided (Used) by Operating Activities	$ (28,545)	$ (28,180)

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization - The Bristol Redevelopment and Housing Authority is a public body and a body corporate and politic created by the City of Bristol in 1937 under the authority of the General Statutes of the State of Virginia and the National Housing Act of 1937. The Authority was created for the purpose of providing safe and sanitary housing for the low-income citizens of Bristol. The Authority engages in the development, operation, and administration of a Low Rent Housing Program and other federally assisted programs.

The governing body of the Authority consists of a Chairperson and a Board of Commissioners, but the Authority designates its own management. The City of Bristol provides no financial support to the Authority and 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. Although the Mayor of the City of Bristol appoints the governing board of the Authority, no other criteria established by NCGA Statement 3 (and adopted by the Governmental Accounting Standards Board) for inclusion of the Authority in the financial reports of the City are met. Therefore, a separate financial report is prepared for the Authority according to GASB Statement 14. These financial statements do not reflect, nor are required to reflect, blended or discretely presented component unit activity.

B. Description of Programs - The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Low-Rent Public Housing
The public housing program is the primary operating program of the BRHA and is designed to provide low-cost housing. BRHA is the owner of approximately 362 public housing units located throughout the City of Bristol. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Public Housing Capital Fund
Capital grants, funded by HUD, are used for new construction and to improve the physical condition, management, and operation of exiting public housing.

Housing Choice Vouchers (HCV)
The Authority administers the leasing of up to 307 units through the Housing Choice Voucher Program. This program establishes partnership between the Authority and private housing providers throughout the Authority's service area. The Authority earns administrative fees from HUD for facilitating and managing the public/private housing partnership.

Resident Opportunities and Self Sufficiency (ROSS)
ROSS grants are provided by HUD to be utilized for providing the residents of public housing with supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient.

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Description of Programs (continued)

State and Local
The State and Local program reflects funding received by the Virginia Department of Behavioral Health and Developmental Services to administer the State Rental Assistance Program. The program is designed to provide rental assistance and supportive services to individuals who meet the program eligibility criteria.

Component Units
To manage its business and financial affairs more effectively, the Authority has created an affiliate entity to support its various ventures. While the Authority, as the parent entity, manages federal, state and local programs, the affiliate entities support the various LIHTC developments.

Mainstream Vouchers
The Authority administers the leasing of up to 39 units for non-elderly disabled tenants through the Mainstream Voucher Program. This program establishes partnership between the Authority and private housing providers throughout the Authority's service area. The Authority earns administrative fees from HUD for facilitating and managing the public/private housing partnership.

Move to Work Demonstration Program (MTW)
The Authority, recognized by HUD as a high-performing housing authority, was selected to participate in HUD's Moving to Work Demonstration Program effective April 1, 2021. The program allows the Authority an exemption from a multitude of HUD regulations and reporting requirements, and significant flexibility to combine its HUD funding for reallocation among the Authority's administrative, capital, and development activities. As part of the MTW program, the Authority has block grant funding capability for the Asset Management Projects (AMPs) (Operating and Capital) and Housing Choice Voucher program. All of the funds received from these programs are deposited into the MTW program and spent on MTW eligible items, including the funding of these programs, at the Authority's discretion.

C. Reporting Entity - In accordance with GASB 61, The Financial Reporting Entity Omnibus - An Amendment of GASB No. 14 and No. 34 ("GASB 61"), the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the Authority or the organization is fiscally dependent on the Authority and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the Authority. An organization has a financial benefit or burden relationship with the Authority if any one of the following conditions exist:

- the Authority is legally entitled to or can otherwise access the organization's resources
- the Authority is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization
- the Authority is obligated in some manner for the debt of the organization

Based on the aforementioned criteria, the following component units are included in the Authority's reporting entity:

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

Sapling Grove Apartments LLC – This entity is a Virginia limited liability company formed in 2007 to construct and operate thirteen buildings in Bristol, Virginia. The buildings consist of 26 residential rental apartments, of which 10 are public housing units. As of December 31, 2022, the Company has three members – Virginia Affordable Housing Management Corporation owns .001% special member interest, SGA Management, LLC owns a .009% managing member interest, and the Housing Equity Fund of Virginia XI, LLC owns a 99.99% investor member interest. Profit, losses, tax credits, and cash disbursements are allocated among the members on their respective ownership interest.

Village at Oakview LLC – This entity is a Virginia limited liability company formed in 2016 to construct and operate twelve buildings of affordable housing in Bristol, Virginia. The buildings consist of 48 residential rental apartments, of which 16 are public housing units. As of December 31, 2022, the Company has three members –VAHM, LLC owns a .001% special member interest, Village Management, LLC owns a .009% managing member interest, and the Housing Equity Fund of Virginia XX, LLC owns a 99.99% investor member interest. Profit, losses, tax credits, and cash disbursements are allocated among the members based on their respective ownership interest.

Blended Presentation - In accordance with GASB 61, the Authority's financial statements are presented utilizing the blended method because the Authority's governing body and the Component Units' governing bodies are substantively the same; as such, a blended presentation of their financial statements is warranted.

D. Basis of Accounting - The Authority uses fund accounting to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The Authority maintains Proprietary Fund types, the operations of which are accounted for in Enterprise Funds. These funds are established to account for operations similar to business enterprises where operations are primarily supported by user charges.

The financial statements of the Authority have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to Government Units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority has elected to apply all applicable GASB as well as Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise fund types use the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, the emphasis is on the measurement of net income similar to the approach used by commercial enterprises. Revenues are recognized when earned and expenses are recognized when incurred. All assets and liabilities associated with the operation of these funds are included on the statement of net assets. However, all inter-authority balances and transactions have been eliminated in consolidation.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. **Basis of Accounting (continued)** - The Authority adopted GASB 68, Accounting and Financial Reporting for Pensions ("GASB68"). GASB 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with pension plans of State and Local Governments. For defined benefit pensions, GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, GASB 68 details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions.

The Authority adopted GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* ("GASB 75"). This Statement is required for government agencies with fiscal years beginning after June 15, 2018 and has a similar reporting requirement for other postemployment benefits ("OPEB") as the GASB Statement 68 has for pension plans. Agencies are required to record OPEB liabilities, deferred inflows of resources, deferred outflows of resources and expenditures associated with OPEB plans of State and Local Governments in a similar fashion to the recognition of the net pension liability required by GASB Statement 68.

E. **Cash, Cash Equivalents and Investments** - Highly liquid investments with initial maturities of three months or less from date of purchase are considered cash equivalents. It is the Authority's policy to maintain collateralization in accordance with HUD requirements. Restricted cash and cash equivalents consist of tenant security deposits and net assets restricted for housing assistance payments. Investments are stated at market value. Fluctuations in market value and gain or loss upon disposition of investments are recorded in investment income.

F. **Accounts Receivable, Net** - Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. The Authority recognizes a receivable from HUD and other governmental agencies for amounts billed, but not received and for amounts unbilled, but earned as of year-end.

G. **Allowance for Doubtful Accounts** - The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason.

H. **Prepaid Expenses** - Amounts paid as of year-end that will benefit future operations. Prepaid expenses consist of prepayments for liability and property insurance coverage, operating software, and cash surrender values of life insurance contracts.

I. **Capital Assets** - Land, buildings and equipment are capitalized at cost. Donated fixed assets are valued at their estimated fair market value on the date received. Costs determined to represent additions or betterments to existing structures which exceed the capitalization threshold of $10,000 are capitalized. Repairs and maintenance costs are charged to expense as they are incurred. Depreciation is calculated on the straight-line basis over the following estimated useful lives:

Real Property and Improvements	10 - 40 years
Machinery and Equipment	5 - 7 years
Office Furniture, Fixtures and Equipment	5 - 7 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.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. **Impairment of Capital Assets** - The Authority evaluates events or changes in circumstances affecting capital assets to determine whether impairment has occurred. If the Authority determines that a capital asset is impaired, and that impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. There were no impairment losses recorded for the year ended March 31, 2023.

K. **Deferred Revenue** - The Authority's deferred revenue consists of tenant rent payments and HUD funding applicable to future periods. Insurance proceeds received are reported as deferred revenue until expended for approved repairs.

L. **Income Taxes** - As a political subdivision of the State of Virginia, the Authority is exempt from real estate, sales and income taxes. The Authority makes payments in lieu of taxes (PILOT) in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full amount of the real property taxes on Authority owned units.

M. **Compensated Absences** - Full-time employees earn vacation and sick leave at a rate ranging from 12 to 18 days per year in accordance with the Authority's personnel policy. The maximum vacation and sick leave carryover, determined as of December 31 each year, shall be 36 days and 130 days, respectively. At termination, employees are paid for any accumulated vacation leave. Unused sick leave is paid at retirement, up to a maximum of $2,500. The aggregate current and long-term liability recorded for accrued leave at March 31, 2023, was $143,486.

N. **Interfund Activity** - Inter-program receivables/payables are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically throughout the year, and all inter-program balances net to zero. Interprogram receivables and payables are eliminated for financial statement purposes in accordance with GASB 34.

O. **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. The most significant estimates relate to allowance for uncollectible accounts receivable, inventory obsolescence, the liability for post-employment benefits, and depreciation. Actual results could differ from those estimates. These estimates may be adjusted as more current information becomes available and any adjustment could be significant.

P. **Deferred Outflows and Deferred Inflows** - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Net Position - Equity is classified as net position and consists of the following components:

- Net Investment in Capital Assets - Capital assets net of accumulated depreciation and reduced by the outstanding balances of any borrowings attributable to the acquisition or construction of those assets.
- Restricted Net Position - Net position which has been restricted by either external groups such as creditors, grantors, contributors, other governments or law through constitutional provisions or legislation. As of March 31, 2023, the Authority has $444,949 in net position restricted for future housing assistance payments, and reserves and escrows of Component Units, either restricted by investors or held and administered by VH.
- Unrestricted Net Position - Represents net position that does not meet the definition of "restricted' or "invested in capital assets." The Authority's positive value of unrestricted net position may be used to meet ongoing obligations.

R. Pension Plans - The Authority 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 BRHA'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.

S. Other Postemployment Benefits (OPEB) - The Authority participates in the Virginia Group Life Insurance Plan (GLI) Plan that is being maintained by Virginia Retirement System (VRS). For purposes of measuring the net Group Life Insurance Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Group Life Insurance Program OPEB, and Group Life Insurance Program OPEB 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.

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

The Authority's cash and investments, both unrestricted and restricted, consists of checking, savings, super NOW accounts, and investments with Virginia Investment Pool (LGIP) held at financial institutions. Deposits at each financial institution are insured by the FDIC up to $250,000 in addition to being collateralized by pledged securities. Funds are maintained in accordance with Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the Code of Virginia or covered by federal depository insurance.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The Authority is allowed to invest in certain "approved investment securities" in accordance with HUD guidelines. Approved investments generally include any of the following:

a. Direct obligations of the United States of America or obligations fully guaranteed by the United States of America.

b. Bonds, indentures, notes or other obligations issued by agencies or instrumentalities of the United States of America, the obligations of which are full faith and credit obligations of the United States of America.

c. Interest-bearing time or demand deposits or similar banking arrangements which are federally insured in excess of the insurance coverage, may be made at a depository institution provided it is 100 percent collateralized by any of the securities listed above held in the Authority's name.

d. Certificates of deposits or other similar banking arrangements, which are federally insured. A deposit in excess of the insurance coverage may be made at a depository institution provided that it is 100 percent collateralized by any of the securities listed above.

e. Repurchase agreements collateralized by direct obligations of, or obligations in the payment of principal and interest on which are unconditionally guaranteed as to full and timely payment by the United States of America.

The Authority reports all of its investments at fair value, hence no additional disclosure is required under GASB Technical Bulletin No. 2003-1, Disclosure Requirements for Derivatives Not Reported at Fair Value on the Statement of Net Assets.

The Authority has no policy regarding custodial credit risk for deposits. The three custodial credit-risk categories are defined as follows:

a. Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve Bank) in the Entity's name.

b. Collateralized with securities held by the pledging financial institution trust department or agent in entity's name.

c. Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

The Authority's cash and investments with financial institutions at March 31, 2023 and 2022, consist of the following:

	Credit-Risk Categories			Total Bank Balance	Carrying Amount
	1	2	3		
2023	$ 3,282,350	$ -	$ -	$ 3,282,350	$ 3,219,444
2022	$ 3,447,744	$ -	$ -	$ 3,447,744	$ 3,435,197

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 3: RESTRICTED DEPOSITS

Restricted deposits at March 31, 2023 and 2022, include the following:

Nature of Restriction	2023	2022
Tenant Security Deposits	$ 96,280	$ 97,263
FSS Escrows	58,896	39,168
Investor Restricted Reserves	231,734	83,583
Escrows Held by VH	210,690	175,421
SRAP	426,707	366,919
Emergency Housing Voucher	11,767	19,357
Payment of Current Liabilities	40,591	-
Total Restricted Deposits	$ 1,076,665	$ 781,711

NOTE 4: RECEIVABLES

Receivables as of March 31, 2023 and 2022, including allowances for uncollectible accounts, are as follows:

	2023	2022
Tenant Receivable:		
Dwelling Rents	$ 133,013	$ 86,305
Less: Allowance for Doubtful Accounts	(17,813)	(4,984)
Net Tenant Accounts Receivable	115,200	81,321
Other Receivable:		
HUD	35,901	85,537
Other Government	4,373	6,174
Miscellaneous	781	26,920
Net Other Receivable	41,055	118,631
Total Receivables	$ 156,255	$ 199,952

NOTE 5: PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets at March 31, 2023 and 2022, consisted of the following:

	2023	2022
Property and Liability Insurance	$ 12,041	$ 12,236
Employee Health Insurance	23,471	17,984
Prepaid Expenses	17,849	37,925
	53,361	68,145
Component Unit - Insurance	4,542	8,474
Total Prepaid Expenses and Other Assets	$ 57,903	$ 76,619

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 6: NOTES RECEIVABLE

At March 31, 2023 and 2022, the Authority has two Notes Receivable from its Component Unit, Village at Oakview, LLC. The first note in the amount of $1,238,178 does not accrue interest and matures in October 2046. The second note in the amount of $200,000 accrues interest at 2.5% per annum and matures in October 2046. The principal and accrued interest of these notes has been eliminated in the entity-wide consolidation to the extent of audited amounts as of December 31, 2022 and 2021, the closing dates of Village at Oakview, LLC.

At March 31, 2023 and 2022, the Authority is also due a developer fee of $241,684 and $266,684, respectively from Component Unit Sapling Grove Apartments, LLC (SGA). The developer fee is eliminated in the entity-wide consolidation at March 31, 2023.The developer fee shall be repaid from available cash flows from operations as defined in the operating agreements.

NOTE 7: OTHER ASSETS – NONCURRENT

Costs incurred by the Component Units to obtain tax credits are capitalized and amortized over 30 years. At March 31, 2023 and 2022, other noncurrent assets consist of tax credit fees, net of accumulated amortization, in the amount of $65,758 and $72,021, respectively.

NOTE 8: CAPITAL ASSETS, NET

A summary of the changes in capital assets during the year ended March 31, 2023, is as follows:

	3/31/2022	Increase	Transfers	3/31/2023
Land	$ 962,573	$ 64,820	$ -	$ 1,027,393
Buildings and Improvements	37,731,581	298,260	611,656	38,641,497
Furniture, Equipment and Machinery - Dwelling	586,618	-	-	586,618
Furniture, Equipment and Machinery - Nondwelling	237,112	32,775	-	269,887
Construction in Process	890,281		(611,656)	278,625
Total at Historical Cost	40,408,165	395,855	-	40,804,020
Buildings	(26,470,988)	(630,603)	-	(27,101,591)
Furniture, Equipment and Machinery	(766,594)	(17,721)	-	(784,315)
Total Accumulated Depreciation	(27,237,582)	(648,324)	-	(27,885,906)
Capital Assets, Net	$ 13,170,583	$ (252,469)	$ -	$ 12,918,114

Depreciation expense for the years ended March 31, 2023 and 2022, was $666,908 and $629,987, respectively and charged as follows:

	2023	2022
Low Rent Public Housing	$278,905	$ 243,125
Component Unit	374,167	374,167
Business Activities	13,836	12,695
Total Depreciation	$666,908	$ 629,987

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 9: ACCOUNTS PAYABLE

Accounts payable at March 31, 2023 and 2022, consisted of the following:

	2023	2022
Vendors and Contractors	$ 180,847	$ 142,050
City of Bristol (PILOT)	29,079	36,653
Total Accounts Payable	$ 209,926	$ 178,703

NOTE 10: ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities at March 31, 2023 and 2022, consisted of the following:

	2023	2022
Wages and Payroll Taxes	$ -	$ 2,674
Accrued Compensated Absences - Current Portion	49,945	57,692
Long Term Debt - Current Portion	32,929	32,290
Accrued Interest Payable (VH)	2,185	2,252
Unearned Revenue	34,661	43,009
Accrued Utilities	-	43,062
Tenant Security Deposits	97,918	97,263
FSS Escrow	52,421	25,935
Total Accrued Expenses and Other Current Liabilities	$ 270,059	$ 304,177

NOTE 11: NON-CURRENT LIABILITIES

The following is a summary of changes in non-current liabilities for the year ended March 31, 2023:

	3/31/2022	Increases	Decreases	3/31/2023	Current	Non-Current
Compensated Absences	$ 151,592	$ 76,091	$ (84,187)	$ 143,486	$ 49,945	$ 93,541
Long-Term Debt	1,095,228	-	(32,254)	1,062,974	32,929	1,030,045
Accrued Pension and OPEB	107,290	181,264	-	288,554	-	288,554
Other Non-Current Liabilities	153,760	-	(23,760)	130,000	-	130,000
	$1,507,860	$ 257,355	$ (140,201)	$ 1,625,014	$ 82,874	$ 1,542,140

Compensated Absences - Represents the amount of accumulated leave for which employees are entitled to receive payment in accordance with the Authority's Personnel Policy.

Long-Term Debt – Includes 2 mortgage notes payable to Virginia Housing (VH) from the Component Units. The principal balances at December 31, 2022, the closing date of the Component Units, are as follows:

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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 11: NON-CURRENT LIABILITIES (continued)

	SGA	V@O	Total
Total Balance	$ 330,672	$ 732,302	$ 1,062,974
Less: Current Portion	(10,744)	(22,185)	(32,929)
Total Long-Term Balance	$ 319,928	$ 710,117	$ 1,030,045

The SGA VH note has a stated interest rate of 3.50% and matures in November 2043. Required monthly payments of principal and interest are $1,860. The V@O VH note has a stated interest rate of 2.00% and matures in July, 2048. Required monthly payments of principal and interest are $3,050.

Required principal and interest payments for the next 5 years ending December 31, are as follows:

	SGA		V@O		
	Principal	Interest	Principal	Interest	Total
2023	$ 10,744	$ 11,399	$ 22,185	$ 14,407	$ 58,735
2024	11,307	11,011	22,633	13,959	58,910
2025	11,709	10,609	23,090	13,502	58,910
2026	12,125	10,193	23,556	13,036	58,910
2027	12,556	9,761	24,032	12,561	58,910
Thereafter	272,231	83,164	616,806	120,320	1,092,521
TOTAL	$ 330,672	$ 136,137	$ 732,302	$ 187,785	$ 1,386,896

Accrued Pension and Other Postemployment Benefits (OPEB) – At March 31, 2023 and 2022, the Authority reported liabilities of $288,554 and $107,290, respectively for Pension and Other Post-Employment Benefits.

Other Non-Current Liabilities - Other Non-Current liabilities include developer fees of $130,000 not eliminated in the entity-wide consolidation and extended to the Component Units after December 31, 2022, the closing date of the Component Units.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
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NOTE 12: 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.

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://www.varetire.org/pdf/publications/2023-annual-report.pdf or by writing the System's CFO at P. O. Box 2500, Richmond, VA 23218-2500.

a. Plan Description - All of the Authority's eligible full-time employees participate in the Virginia Retirement System (the VRS / System). The System is a multiple employer defined benefit cost sharing public employee retirement system covering substantially all employees of the State and its component units, as well as employees of participating non-state government entities who are not participants of another state or municipal retirement system. Benefits vest after five years of service credit. Members earn one month of service credit for each month they are employed, and their employer is paying into the VRS. Members are eligible to purchase prior public service, active-duty military service, certain periods of leave and previously refunded VRS service as credit in their plan. VRS administers three defined benefit plans for local government employees—Plan 1, Plan 2, and Hybrid Retirement Plan:

- Members hired before July 1, 2010 and who have service credits before July 1, 2010 are covered under Plan 1. Non-hazardous duty members are eligible for an unreduced retirement benefit beginning at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. They may retire with a reduced benefit as early as, age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.

- Members hired or rehired on or after July 1, 2010 and who have no service credits before July 1, 2010 are covered under Plan 2. Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.

- Members hired on or after January 1, 2014 and who have no service credits before January 1, 2014 are covered under a Hybrid Retirement Plan, a combination of a defined benefit plan (similar to Plan 2) and a defined contribution plan (a mandatory 1% of compensation into a 401 (a) plan account).

Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2 and Hybrid Retirement Plan's defined benefit portion, average final compensation is the average of the member's 60 consecutive months of highest compensation. The retirement multiplier for non-hazardous duty members is 1.70%. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier for eligible political subdivision hazardous duty employees other than sheriffs and jail superintendents is 1.70% or 1.85% as elected by the employer. At retirement, members can elect the Basic

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

Benefit, the Survivor Option, a Partial Lump-Sum Option Plan (PLOP) or the Advance Pension Option. A retirement reduction factor is applied to the Basic Benefit amount for members electing the Survivor Option, PLOP, or Advance Pension Option or those retiring with a reduced benefit.

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2, the COLA cannot exceed 6.00%. During years of no inflation or deflation, the COLA is 0.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

b. Employees Covered by Benefit Terms - As of the June 30, 2021, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

Inactive Members:	
Vested	2
Retirees and Beneficiaries	23
Non-Vested	14
Active Elsewhere in VRS	5
Total Inactive Members	44
Active Members	26
Total Covered Employees	**70**

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. BRHA's contractually required contribution rates for the year ended June 30, 2022 was 7.21% of covered employee compensation. These rates, when combined with employee contributions, are 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 BRHA to the pension plan were $85,569 and $81,851, for the years ended June 30, 2022, and June 30, 2021, respectively.

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

a. Actuarial Assumptions –

The total pension liability for General Employees in the Authority's retirement plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

a. Actuarial Assumptions (continued)

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

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

Pre-Retirement: Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement: Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males set back 3 years; 105% of rates for females set forward 3 years.

Post-Disablement: Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors: Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement: Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age.
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

a. Actuarial Assumptions (continued)

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:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS-Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP-Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.83%

*The above allocation provides a one-year expected return of 7.83%. 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. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

*On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

a. Actuarial Assumptions (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2022, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021, actuarial valuations, whichever was greater. From July 1, 2022 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the Long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability of the VRS Pension Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Balances at June 30, 2021	**$ 27,309,293,000**	**$ 26,558,184,000**	**$ 751,109,000**
Changes for the year:			
Service Cost	640,327,000	-	640,327,000
Interest	1,840,834,000	-	1,840,834,000
Benefit changes	9,042,000	-	9,042,000
Difference between expected and actual experience	(294,247,000)	-	(294,247,000)
Changes of assumptions	(15,000)	-	(15,000)
Contributions-employer	-	608,879,000	(608,879,000)
Contributions-employee	-	276,350,000	(276,350,000)
Net investment income	-	(26,243,000)	26,243,000
Benefit payments, including refunds	(1,307,581,000)	(1,307,581,000)	-
Refunds of employee contributions	(48,297,000)	(48,297,000)	-
Administrative expense	-	(16,525,000)	16,525,000
Other changes	-	264,000	(264,000)
Net Changes	840,063,000	(513,153,000)	1,353,216,000
Balances at June 30, 2022	**$ 28,149,356,000**	**$ 26,045,031,000**	**$ 2,104,325,000**

Totals are from Schedule E Total Pension Liability and Fiduciary Net Position on pages 108-120 of the GASB Statement No. 68 Report.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

b. Net Pension Liability – BRHA's Net Pension Liability was measured as of June 30, 2022. The total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2021, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022. The following table summarizes the changes in BRHA's Net Pension Liability which resulted in $225,941 being reported as a pension liability at March 31, 2023.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Balances at June 30, 2021	**$ 4,039,283**	**$ 3,995,096**	**$ 44,187**
Changes for the year:			
Service Cost	95,255	-	95,255
Interest	271,833	-	271,833
Difference between expected and actual experience	(69,751)	-	(69,751)
Contributions-employer	-	71,604	(71,604)
Contributions-employee	-	50,280	(50,280)
Net investment income	-	(3,910)	3,910
Benefit payments, including refunds of employee contributions	(214,759)	(214,759)	-
Administrative expense	-	(2,483)	2,483
Other changes	-	92	(92)
Net Changes	82,578	(99,176)	181,754
Balances at June 30, 2022	**$ 4,121,861**	**$ 3,895,920**	**$ 225,941**

b. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents BRHA's Net Pension Liability using the discount rate of 6.75%, as well as what it 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%)
BRHA's Net Pension Liability (Asset)	$723,131	$225,941	($183,229)

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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: PENSION PLAN (continued)

d. Pension Expense (Income) - For the year ended March 31, 2023, BRHA recognized pension expense of $57,228. The components of pension expense are as follows:

Service Costs	$	95,255
Interest on the total pension liability		271,833
Expensed portion of current period difference between expected and actual experience in the total pension liability		(27,246)
Member contributions		(50,280)
Projected earnings on plan investments		(266,454)
Expensed portion of current period difference between actual and projected earnings on plan investments		54,073
Administrative expense		2,483
Other		(92)
Scheduled Recognition of Prior Deffered Outflows of Resources expense		111,717
Scheduled Recognition of Prior Deffered (Inflows) of Resources expense		(134,061)
Pension Expense (Income)	$	57,228

e. Deferred Outflows of Resources and Deferred Inflows of Resources - As of March 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,883	$ 42,505
Changes of assumptions	37,641	-
Net difference between projected and actual earnings on pension plan investments	-	113,761
Employer contributions subsequent to the measurement date	52,400	-
Total	$ 91,924	$ 156,266

Deferred outflows of resources in the amount of $52,400 resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended March 31, 2024.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12: 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:

Reporting Date Ending June 30:	
2024	$ (32,001)
2025	(61,606)
2026	(77,207)
2027	54,072
2028	-
Thereafter	-

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (OPEB)

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.

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

a. Plan Description (continued)

Significant plan provisions of the Political Subdivision Group Life Insurance Program OPEB, including eligibility, coverage and benefits are as follows:

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 $8,722 effective June 30, 2022.

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

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 1.31% 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, 2022 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 the entity were $6,409 and $6,113 for the years ended June 30, 2022 and June 30, 2021, respectively.

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

a. Actuarial Valuation Method and Assumptions

The Total GLI OPEB Liability was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

b. Actuarial Assumptions (continued)

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

Pre-Retirement: Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 3 years.

Post-Retirement: Pub-2010 Amount Weighted Safety 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.

Beneficiaries and Survivors: Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally.

Mortality Improvement: Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age.
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

a. Actuarial Valuation Method and Assumptions (continued)

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, 2022, NOL amounts for the Group Life Insurance Program are as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program
Total GLI OPEB Liability	$3,672,085
Less: Plan Fiduciary Net Position	2,467,989
Employers' Net GLI OPEB Liability (Asset)	$1,204,096
Plan Fiduciary Net Position as a Percentage of the Total Political Subdivision GLI OPEB Liability	67.21%

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 table on the following page.

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NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

a. Actuarial Valuation Method and Assumptions (continued)

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS-Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP-Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.83%

* The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, 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 at that time, providing a median return of 7.11%, including expected inflation of 2.50%

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, 2022, 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. From July 1, 2022 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.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

b. Net OPEB Liability - At March 31, 2023, BRHA reported a liability of $62,613 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2021. The covered employer's proportion of the Net OPEB Liability was based on the covered employer's actuarially determined employer contributions to the Group Life Insurance Program for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the BRHA employer's proportion was 0.00520% as compared to 0.00542% at June 30, 2021.

c. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net GLI OPEB liability of BRHA using the discount rate of 6.75%, as well as what BRHA's net GLI OPEB 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%)
BRHA's Net OPEB Liability (Asset)	$91,109	$62,613	$39,584

d. OPEB Expense- For the year ended March 31, 2023, BRHA recognized GLI OPEB expense of $1,516. Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense was related to deferred amounts from changes in proportion.

e. Deferred Outflows of Resources and Deferred Inflows of Resources - At March 31, 2023, BRHA reported deferred outflows of resources and deferred inflows of resources related to GLI OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,958	$ 2,512
Net difference between projected and actual earnings on OPEB plan investments	-	3,912
Changes of assumptions	2,335	6,099
Changes in proportion	1,048	4,129
Employer contributions subsequent to the measurement date	11,475	-
Total	$ 19,816	$ 16,652

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS (continued)

e. Deferred Outflows of Resources and Deferred Inflows of Resources (continued)- Deferred outflows of resources in the amount of $11,475 resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the year ended March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Reporting Date Ending June 30:

2024	$ (1,581)
2025	(1,552)
2026	(3,993)
2027	(209)
2028	(976)
Thereafter	-

Detailed information about the Group Life Insurance Program's Fiduciary Net Position is available in the separately issued VRS 2023 Comprehensive Annual Financial Report (CAFR). A copy of the 2023 VRS CAFR may be downloaded from the VRS website at http://www. varetire.org/Pdf/Publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

NOTE 14: HUD PHA GRANTS

HUD contributions, recognized as grant revenue, for the years ended March 31, 2023 and 2022, were as follows:

	Operating Grant	Capital Grant	Total 2023	Total 2022
Resident Opportunity and Self Sufficiency	$ 57,561	-	$ 57,561	$ 44,374
Community Development Block Grant	1,933	-	1,933	4,132
Mainstream Vouchers	133,118	-	133,118	55,467
Emergency Housing Vouchers	102,131	-	102,131	48,336
Family Self-Sufficiency Program	55,006	-	55,006	57,138
General Research and Technology	-	-	-	25,000
Moving to Work Program	3,140,899	298,260	3,439,159	3,159,742
TOTAL HUD PHA Grants	**$ 3,490,648**	**$ 298,260**	**$ 3,788,908**	**$ 3,394,189**

NOTE 15: 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. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last four years.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO FINANCIAL STATEMENTS- Continued
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 16: 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.

c. Letters of Credit – During 2020, the Authority acquired letters of credit from New Peoples Bank Inc. and First Bank & Trust Company each for an amount up to $250,000. The letters of credit mature in March 2024 and accrue interest at 9.00% and 8.50% per annum, respectively. As of March 31, 2023, the Authority has not drawn funds from these instruments and there is no liability reported in these financial statements.

NOTE 17: CONCENTRATION OF CREDIT RISK

Financial instruments that are potentially subject to concentration of credit risk consist principally of cash deposits and investments in financial institutions. All the deposits of the Bristol Redevelopment and Housing Authority are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority's agents in these units' names. Funds are maintained in accordance with Virginia Security for Public Deposits Act (SPDA), Section 2.2- 4400 et. seq. of the Code of Virginia or covered by federal depository insurance. The credit risk is measured by the credit quality rating of investments in debt securities, as described by a national statistical rating organization such as Standard and Poor's (S&P). The Authority's policy provides that investments in fixed income securities have a rating of A or better and be guaranteed by the State or Federal government. The Authority's policy is to select investments of varied maturities to mitigate interest rate risk. See also Note 2.

NOTE 18: ECONOMIC DEPENDENCY

The Moving to Work, Housing Choice Voucher, Mainstream Voucher, and the Low Rent Public Housing programs are economically dependent on annual grants from HUD.

NOTE 19: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 29, 2023, the date on which the financial statements were available to be issued. Prior to the balance sheet date, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of the outbreak on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact to the Authority's consolidated entities and the related investors, and the operations of the Authority, and governmental, regulatory and private sector responses. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty.

SUPPLEMENTAL INFORMATION

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2023

FEDERAL GRANTOR/PROGRAM	Federal Assistance Listing Number	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HUD		
Resident Opportunity and Supportive Services	14.870	$ 57,561
MOVING TO WORK DEMONSTRATION PROGRAM		
MTW - Public and Indian Housing	14.OPS	$ 1,461,176
MTW - Public Housing Capital Fund	14.CFP	692,006
MTW - Housing Choice Voucher	14.HCV	1,285,977
Moving to Work Demonstration Program Subtotal	14.881*	$ 3,439,159
HOUSING VOUCHER CLUSTER		
Mainstream Vouchers	14.879	$ 133,118
Emergency Housing Vouchers	14.EHV	102,131
Housing Voucher Cluster Subtotal		$ 235,249
PIH Family Self-Sufficiency Program	14.896	$ 55,006
PASS-THROUGH FROM CITY OF BRISTOL		
Community Development Block Grant	14.218	$ 1,933
TOTAL U.S. DEPARTMENT OF HUD		$ 3,788,908
TOTAL FEDERAL ASSISTANCE		$ 3,788,908

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Bristol Redevelopment and Housing Authority under programs of the federal government for the year ended March 31, 2023. The information is presented in accordance with the 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). Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the net position, changes in net position or cash flows of the Authority. Some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2: MAJOR PROGRAMS

The (*) to the right of an 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: INDIRECT COST RATE

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

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

STATEMENT OF CERTIFICATION OF MODERNIZATION COSTS
FOR THE YEAR ENDED MARCH 31, 2023

	501-07*	501-08*	501-19	501-20	501-21	501-22	501-23	Totals
Budget	$ 55,889	$ 62,611	$ 844,000	$ 937,761	$ 912,801	$ 1,117,758	$ 1,144,523	$ 5,075,343
Advances:								
Cumulative through 3/31/2022	$ 55,889	$ 62,611	$ 707,909	$ 228,249	$ -	$ -	$ -	$ 1,054,658
Current Year	-	-	136,091	397,585	203,535	-	-	737,211
Cumulative through 3/31/2023	55,889	62,611	844,000	625,834	203,535	-	-	1,791,869
Costs:								
Cumulative through 3/31/2022	55,889	62,611	723,951	257,413	-	-	-	1,099,864
Current Year	-	-	120,049	368,421	203,535	-	-	692,005
Cumulative through 3/31/2023	55,889	62,611	844,000	625,834	203,535	-	-	1,791,869
Excess / (Deficiency)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

*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

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 PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Bristol Redevelopment and Housing Authority
Bristol, Virginia

Opinion on Each Major Program

We have audited the Bristol Redevelopment and Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended March 31, 2023. The Authority's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified above for the year ended March 31, 2023.

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 Bristol 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 Bristol Redevelopment and Housing Authority's compliance with the compliance requirements referred to above.

Responsibilities *of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Bristol Redevelopment and Housing Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bristol 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 Bristol Redevelopment and Housing Authority's compliance with the requirements of each major federal program as a whole.

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

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 Bristol Redevelopment and Housing Authority' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Bristol 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 Bristol Redevelopment and Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal *Control* over Compliance

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

A *significant deficiency in internal control compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with 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 the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weakness* or *significant deficiencies.* We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses.* However, material weaknesses may exist that have not been identified.

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 our 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.

Richmond, Virginia
December 29, 2023

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
Bristol Redevelopment and Housing Authority
Bristol, 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 Bristol Redevelopment and Housing Authority, which comprise the statement of net position as of March 31, 2023, 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 out report thereon December 29, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bristol Redevelopment and Housing Authority's internal control over financial reporting (internal control) as a basis to determine the 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 that 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 any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bristol 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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* (CONTINUED)

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 Bristol 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
Certified Public Accountants, L.L.P.

Richmond, Virginia
December 29, 2023

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MARCH 31, 2023

No Prior Audit Findings.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2023

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(ies) 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(ies) identified that are not considered to be material weakness(es)?	____ yes	__x__ 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 *Title 2, CFR Part 200 (Uniform Guidance)*:	___ yes	__x__ no

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2023
(CONTINUED)

Identification of major programs:

ALN Number(s)	*Name of Federal Program or Cluster*
14.881	Moving to Work Demonstration Program

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

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

Section II -- Financial Statement Findings

There were no financial statement findings.

Section III -- Federal Awards Findings and Questioned Costs

There were no federal award findings or questioned costs.

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14 CFP MTW Demonstration Program for Capital Fund	14 EFA FSS Escrow Forfeiture Account	14 218 Community Development Block Grants/Entitlement Grants	6 2 Component Unit - Blended	14 896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14 879 Mainstream Vouchers	14 OPS MTW Demonstration Program for Low Rent	14 870 Resident Opportunity and Supportive Services	14 HCV MTW Demonstration Program for HCV program	14 EHV Emergency Housing Voucher	14 881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	$166,909				$192,012		$1,057,099	$2,503	$13,332				$25,538	$485,546	$1,942,939		$1,942,939
112 Cash - Restricted - Modernization and Development																	
113 Cash - Other Restricted	$52,421		$6,475		$442,424			$426,707					$11,767		$939,794		$939,794
114 Cash - Tenant Security Deposits	$64,768				$30,412		$1,100								$96,280		$96,280
115 Cash - Restricted for Payment of Current Liabilities	$40,591														$40,591		$40,591
100 Total Cash	$344,689	$0	$6,475	$0	$664,848	$0	$1,058,199	$429,210	$13,332	$0	$0	$0	$37,305	$485,546	$3,019,604	$0	$3,019,604
121 Accounts Receivable - PHA Projects																	
122 Accounts Receivable - HUD Other Projects						$18,804			$11,888		$5,209				$35,901		$35,901
124 Accounts Receivable - Other Government							$4,373								$4,373		$4,373
125 Accounts Receivable - Miscellaneous							$2,656								$2,656	-$2,500	$156
126 Accounts Receivable - Tenants	$107,147				$22,164		$3,762								$133,013		$133,013
126 1 Allowance for Doubtful Accounts -Tenants	-$12,449				-$4,747		-$617								-$17,813		-$17,813
126 2 Allowance for Doubtful Accounts - Other	$0				$0	$0	$0	$0	$0		$0				$0		$0
127 Notes, Loans, & Mortgages Receivable - Current																	
128 Fraud Recovery																	
128 1 Allowance for Doubtful Accounts - Fraud																	
129 Accrued Interest Receivable							$31,458								$31,458	-$30,833	$625
120 Total Receivables, Net of Allowances for Doubtful Accounts	$94,698	$0	$0	$0	$17,357	$18,804	$41,632	$0	$11,888	$0	$5,209	$0	$0	$0	$189,588	-$33,333	$156,255
131 Investments - Unrestricted														$199,840	$199,840		$199,840
132 Investments - Restricted																	
135 Investments - Restricted for Payment of Current Liability																	
142 Prepaid Expenses and Other Assets					$4,541		$53,362								$57,903		$57,903
143 Inventories																	
143 1 Allowance for Obsolete Inventories																	
144 Inter Program Due From							$32,246								$32,246	-$32,246	$0
145 Assets Held for Sale																	
150 Total Current Assets	$439,387	$0	$6,475	$0	$686,746	$18,804	$1,185,439	$429,210	$25,220	$0	$5,209	$0	$37,305	$685,386	$3,499,181	-$65,579	$3,433,602
161 Land	$543,767				$200,039		$283,527								$1,027,393		$1,027,393
162 Buildings	$25,733,554				$12,631,418		$276,525								$38,641,497		$38,641,497
163 Furniture, Equipment & Machinery - Dwellings	$429,444				$157,174										$586,618		$586,618
164 Furniture, Equipment & Machinery - Administration	$45,097						$224,790								$269,887		$269,887
165 Leasehold Improvements																	
166 Accumulated Depreciation	-$24,670,876				-$2,804,916		-$350,114								-$27,825,906		-$27,825,906
167 Construction in Progress	$278,625														$278,625		$278,625
168 Infrastructure																	
160 Total Capital Assets, Net of Accumulated Depreciation	$2,359,611	$0	$0	$0	$10,123,775	$0	$434,728	$0	$0	$0	$0	$0	$0	$0	$12,918,114	$0	$12,918,114
171 Notes, Loans and Mortgages Receivable - Non-Current							$1,338,178								$1,338,178	-$1,338,178	$0
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due																	
173 Grants Receivable - Non Current																	
174 Other Assets					$55,758		$211,684								$277,442	-$211,684	$65,758
176 Investments in Joint Ventures							$870,961								$870,961	-$870,961	$0
180 Total Non-Current Assets	$2,359,611	$0	$0	$0	$10,180,533	$0	$2,855,551	$0	$0	$0	$0	$0	$0	$0	$15,404,695	-$2,420,823	$12,983,872
200 Deferred Outflow of Resources							$111,740								$111,740		$111,740
290 Total Assets and Deferred Outflow of Resources	$2,798,998	$0	$6,475	$0	$10,870,279	$18,804	$4,152,730	$429,210	$25,220	$0	$5,209	$0	$37,305	$685,386	$19,015,616	-$2,485,402	$16,529,214

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14 CFP MTW Demonstration Program for Capital Fund	14 EFA FSS Escrow Forfeiture Account	14 218 Community Development Block Grants/Entitlement Grants	6 2 Component Unit - Blended	14 896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14 879 Mainstream Vouchers	14 CPS MTW Demonstration Program for Low Rent	14 870 Resident Opportunity and Supportive Services	14 HCV MTW Demonstration Program for HCV program	14 EHV Emergency Housing Voucher	14 881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
311 Bank Overdraft																	
312 Accounts Payable <= 90 Days	$137,067				$11,757		$31,927							$96	$180,847		$180,847
313 Accounts Payable >90 Days Past Due																	
321 Accrued Wage/Payroll Taxes Payable																	
322 Accrued Compensated Absences - Current Portion	$26,647						$20,420							$2,878	$49,945		$49,945
324 Accrued Contingency Liability																	
325 Accrued Interest Payable					$2,185										$2,185		$2,185
331 Accounts Payable - HUD PHA Programs																	
332 Account Payable - PHA Projects																	
333 Accounts Payable - Other Government	$29,079														$29,079		$29,079
341 Tenant Security Deposits	$66,406				$30,412		$1,100								$97,918		$97,918
342 Unearned Revenue	$16,279				$6,533		$82						$11,767		$34,661		$34,661
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					$32,929										$32,929		$32,929
344 Current Portion of Long-term Debt - Operating Borrowings																	
345 Other Current Liabilities								$2,500							$2,500	-$2,500	$0
346 Accrued Liabilities - Other	$52,421														$52,421		$52,421
347 Inter Program - Due To						$18,804						$5,209		$8,233	$32,246	-$32,246	$0
348 Loan Liability - Current																	
310 Total Current Liabilities	$327,899	$0	$0	$0	$83,816	$18,804	$53,529	$2,500	$0	$0	$5,209	$0	$11,767	$11,207	$514,731	-$34,746	$479,985
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					$1,030,045										$1,030,045		$1,030,045
352 Long-term Debt, Net of Current - Operating Borrowings																	
353 Non-current Liabilities - Other					$1,710,695										$1,710,695	-$1,580,695	$130,000
354 Accrued Compensated Absences - Non Current	$49,907						$38,243							$5,391	$93,541		$93,541
355 Loan Liability - Non Current																	
356 FASB 5 Liabilities																	
357 Accrued Pension and OPEB Liabilities							$288,554								$288,554		$288,554
350 Total Non-Current Liabilities	$49,907	$0	$0	$0	$2,740,740	$0	$326,797	$0	$0	$0	$0	$0	$0	$5,391	$3,122,835	-$1,580,695	$1,542,140
300 Total Liabilities	$377,806	$0	$0	$0	$2,824,556	$18,804	$380,326	$2,500	$0	$0	$5,209	$0	$11,767	$16,598	$3,637,566	-$1,615,441	$2,022,125

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14 CFP MTW Demonstration Program for Capital Fund	14 EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	6 2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14 OPS MTW Demonstration Program for Low Rent	14.870 Resident Opportunity and Supportive Services	14 HCV MTW Demonstration Program for HCV program	14 EHV Emergency Housing Voucher	14 881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
400 Deferred Inflow of Resources							$172,918								$172,918		$172,918
508.4 Net Investment in Capital Assets	$2,421,192				$7,922,363		$434,728								$10,778,283		$10,778,283
511.4 Restricted Net Position			$6,475					$425,707	$0				$11,767		$444,949		$444,949
512.4 Unrestricted Net Position	$0	$0	$0	$0	$129,360	$0	$3,164,758	$3	$25,220	$0	$0	$0	$13,771	$648,788	$3,981,900	-$870,961	$3,110,939
513 Total Equity - Net Assets / Position	$2,421,192	$0	$6,475	$0	$8,051,723	$0	$3,599,485	$425,710	$25,220	$0	$0	$0	$25,538	$648,788	$15,205,132	-$870,961	$14,334,171
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$2,738,998	$0	$6,475	$0	$10,876,279	$18,804	$4,152,730	$429,210	$25,220	$0	$5,209	$0	$37,305	$665,386	$19,015,616	-$2,486,402	$16,529,214

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14.CFP MTW Demonstration Program for Capital Fund	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.OPS MTW Demonstration Program for Low Rent	14.870 Resident Opportunity and Supportive Services	14.HCV MTW Demonstration Program for HCV program	14.EHV Emergency Housing Voucher	14.881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$926,790				$368,322		$36,158								$1,331,270	-$127,677	$1,203,593
70400 Tenant Revenue - Other	$174,951				$23,438		$2,771							$244	$201,404		$201,404
70500 Total Tenant Revenue	$1,101,741	$0	$0	$0	$391,760	$0	$38,929	$0	$0	$0	$0	$0	$0	$244	$1,532,674	-$127,677	$1,404,997
70600 HUD PHA Operating Grants		$393,746				$55,006			$133,118	$1,461,176	$57,561	$1,285,977	$102,131		$3,488,715		$3,488,715
70610 Capital Grants		$298,260													$298,260		$298,260
70710 Management Fee																	
70720 Asset Management Fee																	
70730 Book Keeping Fee																	
70740 Front Line Service Fee																	
70750 Other Fees							$50,897								$50,897	-$50,897	$0
70700 Total Fee Revenue															$0	-$50,897	-$50,897
70800 Other Government Grants				$1,933				$5,897							$7,830		$7,830
71100 Investment Income - Unrestricted					$2,277		$4,375							$5,542	$12,194		$12,194
71200 Mortgage Interest Income																	
71300 Proceeds from Disposition of Assets Held for Sale																	
71310 Cost of Sale of Assets																	
71400 Fraud Recovery														$20	$20		$20
71500 Other Revenue	$27		$6,475		$127,678		$57,067	$76,974						$7,674	$275,895	-$46,211	$229,684
71600 Gain or Loss on Sale of Capital Assets																	
72000 Investment Income - Restricted																	
70000 Total Revenue	$1,101,768	$692,006	$6,475	$1,933	$521,715	$55,006	$151,268	$82,871	$133,118	$1,461,176	$57,561	$1,285,977	$102,131	$13,480	$5,666,485	-$224,785	$5,441,700
91100 Administrative Salaries	$295,109				$20,724		$309,332							$77,542	$732,707	-$20,724	$711,983
91200 Auditing Fees	$12,519						$595							$3,132	$16,246		$16,246
91300 Management Fee					$56,781										$56,781	-$50,897	$5,884
91310 Book-keeping Fee																	
91400 Advertising and Marketing	$8,861						$5,122								$13,983		$13,983
91500 Employee Benefit contributions - Administrative	$91,801				$5,933		$157,801							$19,616	$275,151	-$5,933	$269,218
91600 Office Expenses	$64,545				$3,685		$150,013		$2,327				$1,808	$17,091	$239,469		$239,469
91700 Legal Expense	$26,655				$352		$5,276						$40	$152	$32,475		$32,475
91500 Travel	$330						$13,586								$13,916		$13,916
91810 Allocated Overhead	$522,362						-$595,836							$73,274	$0		$0
91900 Other	$1,451						$4,758								$6,209		$6,209
91000 Total Operating - Administrative	$1,023,633	$0	$0	$0	$87,475	$0	$80,847	$0	$2,327	$0	$0	$0	$1,848	$190,807	$1,386,937	-$77,554	$1,309,383
92000 Asset Management Fee																	
92100 Tenant Services - Salaries	$44,236					$41,227					$31,639				$117,102		$117,102
92200 Relocation Costs	$910										$11,800				$12,710		$12,710
92300 Employee Benefit Contributions - Tenant Services	$9,585					$13,779					$14,122				$33,486		$33,486
92400 Tenant Services - Other	$6,546												$7,590		$14,136		$14,136
92500 Total Tenant Services	$57,277	$0	$0	$0	$0	$55,006	$0	$0	$0	$0	$57,561	$0	$7,590	$0	$177,434	$0	$177,434

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14.CFP MTW Demonstration Program for Capital Fund	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.OPS MTW Demonstration Program for Low Rent	14.870 Resident Opportunity and Supportive Services	14.HCV MTW Demonstration Program for HCV program	14 EHV Emergency Housing Voucher	14.881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
93100 Water	$61,929				$16,034		$865								$78,828		$78,828
93200 Electricity	$238,339				$43,010		$6,636								$287,985		$287,985
93300 Gas	$95,397						$814								$96,211		$96,211
93400 Fuel																	
93500 Labor																	
93600 Sewer	$71,005				$15,230		$712								$86,947		$86,947
93700 Employee Benefit Contributions - Utilities																	
93800 Other Utilities Expense	$44,611				$7,445										$52,056		$52,056
93000 Total Utilities	$511,281	$0	$0	$0	$81,719	$0	$8,827	$0	$0	$0	$0	$0	$0	$0	$601,827	$0	$601,827
94100 Ordinary Maintenance and Operations - Labor	$342,943				$6,572		$5,674								$355,189	-$6,572	$348,617
94200 Ordinary Maintenance and Operations - Materials and Other	$248,001				$48,597		$4,052								$300,650		$300,650
94300 Ordinary Maintenance and Operations Contracts	$244,208				$60,329		$26,492								$331,029		$331,029
94500 Employee Benefit Contributions - Ordinary Maintenance	$105,836				$2,485		$2,106								$110,427	-$2,485	$107,942
94000 Total Maintenance	$940,988	$0	$0	$0	$117,983	$0	$38,324	$0	$0	$0	$0	$0	$0	$0	$1,097,299	-$9,057	$1,088,238
95100 Protective Services - Labor																	
95200 Protective Services - Other Contract Costs																	
95300 Protective Services - Other	$19,143														$19,143		$19,143
95500 Employee Benefit Contributions - Protective Services																	
95000 Total Protective Services	$19,143	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,143	$0	$19,143
96110 Property Insurance	$27,267				$31,514		$4,398								$63,179		$63,179
96120 Liability Insurance	$2,866						$411								$3,277		$3,277
96130 Workmen's Compensation	$12,495						$4,310							$2,262	$19,067		$19,067
96140 All Other Insurance	$6,164						$1,811							$1,135	$9,110		$9,110
96100 Total Insurance Premiums	$48,792	$0	$0	$0	$31,514	$0	$10,930	$0	$0	$0	$0	$0	$0	$3,397	$94,633	$0	$94,633
96200 Other General Expenses	$379,602				$19,271		$16,729	$27,017	$126				$2,189	$3,350	$448,284	-$127,677	$320,607
96210 Compensated Absences	$47,923						$26,764							$1,404	$76,091		$76,091
96300 Payments in Lieu of Taxes	$28,602														$28,602		$28,602
96400 Bad debt - Tenant Rents	$94,712				$2,571		$618								$97,901		$97,901
96500 Bad debt - Mortgages																	
96600 Bad debt - Other	$33,972				$5,626										$39,598		$39,598
96800 Severance Expense																	
96000 Total Other General Expenses	$584,811	$0	$0	$0	$27,468	$0	$44,111	$27,017	$126	$0	$0	$0	$2,189	$4,754	$690,476	-$127,677	$562,799
96710 Interest of Mortgage (or Bonds) Payable					$26,656										$26,656		$26,656
96720 Interest on Notes Payable (Short and Long Term)					$4,928										$4,928	-$4,375	$553
96730 Amortization of Bond Issue Costs																	
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0	$31,584	$0	$0	$0	$0	$0	$0	$0	$0	$0	$31,584	-$4,375	$27,209
96900 Total Operating Expenses	$3,185,925	$0	$0	$0	$377,743	$55,006	$183,039	$27,017	$2,453	$0	$57,561	$0	$11,627	$198,958	$4,099,329	-$218,663	$3,880,666

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

	Project Total	14.CFP MTW Demonstration Program for Capital Fund	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	8.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.OPS MTW Demonstration Program for Low Rent	14.870 Resident Opportunity and Supportive Services	14.HCV MTW Demonstration Program for HCV program	14.EHV Emergency Housing Voucher	14.881 Moving to Work Demonstration Program	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	-$2,084,157	$692,006	$6,475	$1,933	$143,972	$0	-$31,771	$55,854	$130,665	$1,461,176	$0	$1,285,977	$90,504	-$185,478	$1,567,156	-$6,122	$1,561,034
97100 Extraordinary Maintenance																	
97200 Casualty Losses - Non-capitalized																	
97300 Housing Assistance Payments									$109,279				$90,118	$1,152,018	$1,351,415		$1,351,415
97350 HAP Portability-In														$6,122	$6,122	-$6,122	$0
97400 Depreciation Expense	$278,905				$374,187		$13,836								$666,908		$666,908
97500 Fraud Losses																	
97600 Capital Outlays - Governmental Funds																	
97700 Debt Principal Payment - Governmental Funds																	
97800 Dwelling Units Rent Expense																	
90000 Total Expenses	$3,464,830	$0	$0	$0	$751,910	$55,006	$196,875	$27,017	$111,732	$0	$57,561	$0	$101,745	$1,357,098	$6,123,774	-$224,785	$5,898,989
10010 Operating Transfer In	$382,260						$30,000							$3,439,159	$3,851,419	-$3,851,419	$0
10020 Operating transfer Out	-$382,260	-$692,006					-$30,000			-$1,461,176		-$1,285,977			-$3,851,419	$3,851,419	$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	$2,723,320													$1,589,091	$4,312,411	-$4,312,411	$0
10094 Transfers between Project and Program - Out	-$234,224			-$1,933										-$4,076,254	-$4,312,411	$4,312,411	$0
10100 Total Other financing Sources (Uses)	$2,489,096	-$692,006	$0	-$1,933	$0	$0	$0	$0	$0	-$1,461,176	$0	-$1,285,977	$0	$951,996	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$126,034	$0	$6,475	$0	-$230,195	$0	-$45,607	$55,854	$21,386	$0	$0	$0	$386	-$391,622	-$457,289	$0	-$457,289
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$32,929	$0	$0	$0	$0	$0	$0	$0	$0	$0	$32,929		$32,929
11030 Beginning Equity	$2,295,158	$0	$0	$0	$8,281,918	$0	$3,645,093	$370,856	$3,834	$0	$0	$0	$25,152	$1,040,410	$15,662,421	-$870,961	$14,791,460
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																	

Bristol Redevelopment & Housing Authority (VA002)
Bristol, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2023

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11180 Housing Assistance Payments Equity																	
11190 Unit Months Available	4032				312		72		468				180	3660	8724		8724
11210 Number of Unit Months Leased	3895				305		69		368				180	2932	7737		7737
11270 Excess Cash	-$169,743														-$169,743		-$169,743
11610 Land Purchases	$0														$0		$0
11620 Building Purchases	$298,260														$298,260		$298,260
11630 Furniture & Equipment - Dwelling Purchases	$0														$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0														$0		$0
11650 Leasehold Improvements Purchases	$0														$0		$0
11660 Infrastructure Purchases	$0														$0		$0
13510 CFFP Debt Service Payments	$0														$0		$0
13901 Replacement Housing Factor Funds	$0														$0		$0

REQUIRED SUPPLEMENTAL INFORMATION

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
Bristol, Virginia

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2023

Schedule of changes in BRHA's Net Pension Liability and Related Ratios

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$ 95,255	$ 100,197	$ 102,664	$ 92,755	$ 92,747	$ 99,935	$ 94,454	$ 97,953
Interest	271,833	246,573	232,969	231,409	241,470	230,364	222,924	212,485
Change of assumptions	-	136,695	-	88,625	-	(16,756)	-	-
Difference between expected and actual experience	(69,751)	6,835	82,599	(44,246)	(251,486)	67,246	(8,967)	29,330
Contributions - Employer								
Contributions - Employee								
Net investment income								
Benefit payments, including refunds of employee contributions	(214,759)	(207,898)	(225,489)	(220,507)	(232,392)	(211,879)	(192,370)	(188,917)
Administrative expense								
Other	-	-	-	-	-	-	-	-
Net change in total pension liability	82,578	282,402	192,743	148,036	(149,661)	168,910	116,041	150,851
Total pension liability - beginning	4,039,283	3,756,881	3,564,138	3,416,102	3,565,763	3,396,853	3,280,812	3,129,961
Total pension liability - ending (a)	$ 4,121,861	$ 4,039,283	$ 3,756,881	$ 3,564,138	$ 3,416,102	$ 3,565,763	$ 3,396,853	$ 3,280,812
Plan fiduciary net position								
Contributions - employer	$ 71,604	$ 72,228	$ 74,452	$ 73,840	$ 91,215	$ 88,991	$ 100,135	$ 99,973
Contributions - employee	50,280	50,961	50,922	49,921	47,788	48,026	43,061	43,189
Net investment income	(3,910)	870,253	61,780	206,337	221,857	331,651	47,396	122,319
Benefit payments, including refunds of employee contributions	(214,759)	(207,898)	(225,489)	(220,507)	(232,392)	(211,879)	(192,370)	(188,917)
Administrative expense	(2,483)	(2,187)	(2,136)	(2,092)	(1,945)	(1,942)	(1,718)	(1,694)
Other	92	82	(72)	(130)	(195)	(295)	(20)	(26)
Net change in plan fiduciary net position	(99,176)	783,439	(40,543)	107,369	126,328	254,552	(3,516)	74,844
Plan fiduciary net position - beginning	3,995,096	3,211,657	3,252,200	3,144,831	3,018,503	2,763,951	2,767,467	2,692,623
Plan fiduciary net position - ending (b)	$ 3,895,920	$ 3,995,096	$ 3,211,657	$ 3,252,200	$ 3,144,831	$ 3,018,503	$ 2,763,951	$ 2,767,467
BRHA's net pension liability (asset) - ending (a)-(b)	$ 225,941	$ 44,187	$ 545,224	$ 311,938	$ 271,271	$ 547,260	$ 632,902	$ 513,345
Plan fiduciary net position as a percentage of the total Pension liability	95%	99%	85%	91%	92%	85%	81%	84%
Covered employee payroll	$1,186,804	$1,132,097	$1,118,800	$1,095,341	$1,065,018	$ 999,986	$ 972,562	$ 874,335
BRHA's net pension liability as a percentage of covered-employee payroll	19%	4%	49%	28%	25%	55%	65%	59%

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2023
(CONTINUED)

Schedule of Employer Pension Contributions to the VRS for the Years Ended June 30:

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
2022	$85,569	$85,569	$0	$1,186,804	7.21%
2021	$81,851	$81,851	$0	$1,132,097	7.23%
2020	$80,890	$80,890	$0	$1,118,800	7.23%
2019	$80,617	$80,617	$0	$1,095,341	7.36%
2018	$99,793	$91,215	$8,578	$1,065,018	8.56%
2017	$93,699	$88,991	$4,708	$999,986	8.90%
2016	$111,553	$100,135	$11,418	$972,562	10.30%
2015	$100,286	$99,973	$313	$874,335	11.43%
2014	$107,548	$104,038	$3,510	$856,959	12.14%

Schedule is intended to show information for 10 years. Additional years will be included as they become available from the VRS.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB
FOR THE YEAR ENDED MARCH 31, 2023

Schedule of Employer's Share of Net OPEB Liability Group Life Insurance Program for the Measurement Dates Ended June 30:

	2022	2021	2020	2019	2018	2017
Employer's Proportion of the Net GLI OPEB Liability (Asset)	0.00520%	0.00520%	0.00542%	0.00561%	0.00543%	0.00533%
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	$62,613	$63,103	$90,784	$91,289	$82,000	$80,000
Employer's Covered Payroll	$1,186,804	$1,132,097	$1,118,800	$1,100,633	$1,031,566	$983,819
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of its Covered Payroll	5.28%	5.57%	8.11%	8.29%	7.95%	8.13%
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. Additional years will be included as they become available from the VRS.

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB
FOR THE YEAR ENDED MARCH 31, 2023
(CONTINUED)

Schedule of Employer OPEB Contributions to the VRS for the Years Ended June 30:

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
2022	$6,409	$6,409	$0	$1,186,804	0.54%
2021	$6,113	$6,113	$0	$1,132,097	0.54%
2020	$6,042	$6,042	$0	$1,118,800	0.54%
2019	$5,723	$5,723	$0	$1,100,633	0.52%
2018	$5,364	$5,364	$0	$1,031,566	0.52%
2017	$5,116	$5,116	$0	$983,819	0.52%
2016	$4,921	$4,456	$465	$928,435	0.53%
2015	$4,654	$4,215	$439	$878,126	0.53%
2014	$4,399	$3,984	$415	$830,058	0.53%
2013	$4,342	$3,932	$410	$819,175	0.53%

BRISTOL REDEVELOPMENT AND HOUSING AUTHORITY
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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS AND OPEB FOR THE YEAR ENDED MARCH 31, 2023

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, 2021, 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, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 Locality Employers – General Employees

Updated mortality rates 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 from 75 to 80 for all

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

Non - Largest 10 Locality Employers – General Employees

Updated mortality rates 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 from 75 to 80 for all

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