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

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

December 31, 2022

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

We have audited the financial statements of the Charlottesville Redevelopment and Housing Authority for the year ended March 31, 2022, and the related notes to the financial statements, as listed in the table of contents. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 29, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Charlottesville Redevelopment and Housing Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Charlottesville Redevelopment and Housing Authority's financial statements was:

> Management's estimate of accumulated depreciation is based on the estimated useful life of the structures and equipment. We evaluated the key factors and assumptions used to develop the accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 31, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

The Management's Discussion and Analysis are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying Schedule of Expenditures of Federal Awards, Financial Data Schedule, and other supplementary information are presented for purposes of additional analysis as required by the OMB Uniform Guidance, and are not a required part of the financial statements. The information in those schedules has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This information is intended solely for the use of Board of Commissioners, Department of Housing and Urban Development and management of the Charlottesville Redevelopment and Housing Authority and is not intended to be and should not be used by anyone other than these specified parties.

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

TABLE OF CONTENTS

Page

Independent Auditors' Report 1

Management Discussion and Analysis 4

FINANCIAL STATEMENTS

Statement of Net Position 14

Statement of Revenues, Expenses, and Changes in Net Position 16

Statement of Cash Flows..... 17

Notes to Financial Statements 19

SUPPLEMENTAL INFORMATION

Schedule of Expenditures of Federal Awards 43

Notes to Schedule of Expenditures of Federal Awards 44

Statement of Certification of Modernization Costs 45

FINANCIAL COMPLIANCE REPORTS FOR FEDERAL FUNDS

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance 46

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* 48

Summary Schedule of Prior Audit Findings 50

Schedule of Findings and Questioned Costs 51

Financial Data Schedule 53

REQUIRED SUPPLEMENTAL INFORMATION

Required Supplemental Information Related to Pensions 58

Notes to Required Supplementary Information Related to Pensions 60

Required Supplementary Information Related to OPEB Health Insurance..... 61

Notes to Required Supplementary Information Related to OPEB Health Insurance 63

Required Supplementary Information Related to OPEB Group Life Insurance..... 64

Notes to Required Supplementary Information Related to OPEB Health Insurance 66

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

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of the Charlottesville Redevelopment and Housing Authority as of March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Charlottesville Redevelopment and Housing Authority as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 13 the Schedule of Net Pension Liability on page 58, the Schedule of Net OPEB Liability on pages 61 and 64, the Schedule of Employer Contributions to the Virginia Retirement system pension plan on page 59, and the Schedule of Employer Contributions to the OPEB plans on pages 62 and 65, 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)

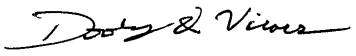
Other Information

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 31, 2022, on our consideration of the Charlottesville 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 Charlottesville Redevelopment and Housing Authority's internal control over financial reporting and compliance.



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

Richmond, Virginia

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

MANAGEMENT DISCUSSION & ANALYSIS
March 31, 2022

This section of the Authority's annual financial report presents Management's analysis of the Authority's financial performance during the Fiscal Year Ended March 31, 2022.

FINANCIAL HIGHLIGHTS AND CONCLUSIONS:

The Charlottesville Redevelopment & Housing Authority had a difficult year due to irregular funding of HUD programs and economic market conditions that have greatly affected the Charlottesville area. These issues are illustrated by the outcome of its fiscal year operations.

- Total net position increased by $2.60 million due to conversion of the Crescent Hall AMP 2 property to a tax credit funded redevelopment project and continued development on the South First street property.
- CRHA had $1.85 million in increased governmental subsidies due to increases in Housing Choice Voucher Program (HCVP) and Public Housing Program funding.
- The Department of Housing and Urban Development (HUD) rates each Authority under the Public Housing Assessment System (PHAS). The Authority had a standard designation for fiscal year ending March 31, 2022.
- The Department of Housing and Urban Development (HUD) also rates each Authority under the Section Eight Management Assessment Program (SEMAP). The Authority received the standard performer designation for the fiscal year ended March 31, 2022.

REQUIRED FINANCIAL STATEMENTS

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

The Statement of Net Position (Balance Sheet) includes all of the Authority's assets and liabilities and provides information about the amounts and investments in assets and the obligations to Authority creditors. It also provides a basis of assessing the liquidity and financial flexibility of the Authority. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the Authority is improving or deteriorating.

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

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

FINANCIAL ANALYSIS OF THE AUTHORITY

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

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

Combined Statement of Net Position
TABLE I

Account Descriptions	2022	2021	Total Change	% Change
Current Assets	2,039,708	1,524,868	514,840	33.76%
Noncurrent Assets	6,183,863	2,081,424	4,102,439	197.10%
Capital Assets	15,699,484	8,676,563	7,022,921	80.94%
Total Assets	23,923,055	12,282,855	11,640,200	**94.77%**
State of Virginia V.R.S.	72,584	125,294	(52,710)	-42.07%
TOTAL ASSETS AND DEF. OUTFLOWS OF RESOURCES	**23,995,639**	**12,408,149**	**11,587,490**	93.39%
Current Liabilities	2,041,329	1,149,377	891,952	77.60%
Noncurrent Liabilities	8,345,744	741,098	7,604,646	1026.13%
Total Liabilities	**10,387,073**	**1,890,475**	**8,496,598**	**449.44%**
Deferred inflows of resources	516,015	23,364	492,651	2108.59%
Investment in Capital Assets	8,152,379	7,929,293	223,086	2.81%
Restricted Net Position	337,216	260,512	76,704	100.00%
Unrestricted Net Position	4,602,956	2,304,505	2,298,451	99.74%
Total Net Position	**13,092,551**	**10,494,310**	**2,598,241**	**24.76%**
TOTAL LIABILITIES, DEF. INFLOWS OF RES. AND NET POSITION	**23,995,639**	**12,408,149**	**11,587,490**	**93.39%**

As illustrated in the Combined Statement of Net Position, the overall Net position of the Authority increased by $2.60 million.

The Authority's Unrestricted Net position decreased by $2.90 million.

The "Investment in Capital Assets" increased by $223,086.

Restricted Net Position increased by $76,704 related to HCVP and Emergency Housing Voucher (EHV) housing assistance activities.

Current assets increased by $514,840 which was mainly due to an increase in cash related to Business Activities and AMPs.

Accounts receivable balances increased by $27,786. TAR's was the main driver in the increase, $116,027, which outpaced across the board decreases in other accounts receivable balances.

The total notes receivable balances at the report date were $3.88 million due to increases in the South First Street LLC loans.

Noncurrent assets increased by $4,10 million due to increases in notes receivables. Other assets and Restricted cash increased by $196,819. The increase to Other Assets is due to increases VRS GASB 68 pension assets and the increase in restricted cash relates to the increase in the HCVP housing assistance payments reserve.

Pension assets related to the Virginia Retirement System GASB 68 audit report at 6/30/2022 increased by $480,508. The balance at this report date is $1,832,739. There were $72,584 in related deferred outflows of resources which include report balances and payments made post report date. This includes pension, group life and group health GASB 75 other pension benefits as well. Other Deferred Inflows of Resources had a balance in the amount of $516,015.

Current liabilities increased by $891,952 due to a variety of changes. The main driver was accounts payable activity increasing by $418,568 related to the timing of payments and receipt of invoices. Other current liabilities increased by $219,390 which was the latest PPA loan received that had not been forgiven as of this report date.

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

REVENUES

In reviewing the Statement of Revenues, Expenses, and Net position, you will find that 66% of the Authority's revenues are derived from grants from the Department of Housing and Urban Development and City of Charlottesville funding. The Authority receives revenue from tenants for dwelling rental charges, excess utilities, and miscellaneous charges of 8% of total revenue. Other Revenue, including Interest from Investments, comprises the remaining 26%. Compared to the Fiscal Year Ended September 30, 2022, revenues had an overall decrease of 1.64 million or 12.11%

Combined Statement of Revenues, Expenses and Change in Net Position
TABLE II

Account Descriptions	2022	2021	Total Change	% Change
Tenant Revenue	970,518	1,141,812	(171,294)	-15.00%
Grant Funding	7,896,480	7,773,809	122,671	1.58%
Interest Income	-	589	(589)	-100.00%
Other Income	3,024,718	4,613,637	(1,588,919)	-34.44%
Total Revenue	**11,891,716**	**13,529,847**	**(1,638,131)**	**-12.11%**
Administration	2,065,256	1,476,718	588,538	39.85%
Tenant Services	114,815	201,076	(86,261)	-42.90%
Utilities	838,590	946,412	(107,822)	-11.39%
Maintenance	1,202,964	994,524	208,440	20.96%
Protective services	-	172,368	(172,368)	-100.00%
Insurance Expense	92,505	87,792	4,713	5.37%
General expense	139,517	381,920	(242,403)	-63.47%
Housing Assistance Payments	4,587,350	4,108,622	478,728	11.65%
Interest expense	4,512	1,436	3,076	214.21%
Depreciation	247,966	255,223	(7,257)	-2.84%
Total Expenses	**9,293,475**	**8,626,091**	**667,384**	**7.74%**
Change in Net Position	2,598,241	4,903,756	(2,305,515)	-47.02%
Beginning Net Position	10,494,310	5,590,554	4,903,756	87.72%
Ending Net Position	**13,092,551**	**10,494,310**	**2,598,241**	**24.76%**

Tenant Revenue - Tenant Revenue received in the Public Housing Program had a net decrease from $1,141,812 to $970,518 or around 15%. This was driven by the relocation activities related to the redevelopment of the Crescent Hall AMP 2 property and South First Street AMP 3 property.

Program Grants/Subsidies – We had an increase in the amount of $122,671 million, or 1.58%, in federal and City grants during fiscal year 2022. See Table IV for detailed analysis. The chart does not include all state funding.

Table III
HUD Funding Comparative

Year	Public Housing	HCVP/MSV/EHV	CFP
2022	2,507,402	4,405,123	282,922
2021	1,697,941	3,659,422	505,584
Net Change	**809,461.00**	**745,701.00**	**(222,662.00)**
% Change	**47.67%**	**20.38%**	**-44.04%**

Year	Cares Act	CDBG/City	Totals
2022	89,423	611,610	7,896,480
2021	536,340	1,374,522	7,773,809
Net Change	**(446,917.00)**	**(762,912.00)**	**122,671.00**
% Change	**100%**	**-55.50%**	**1.58%**

Funding increased for the Public Housing, Section-8 programs while Cares Act and CDBG/City funding decreased. The main drives in the increased Public Housing funding was related to short fall funding.

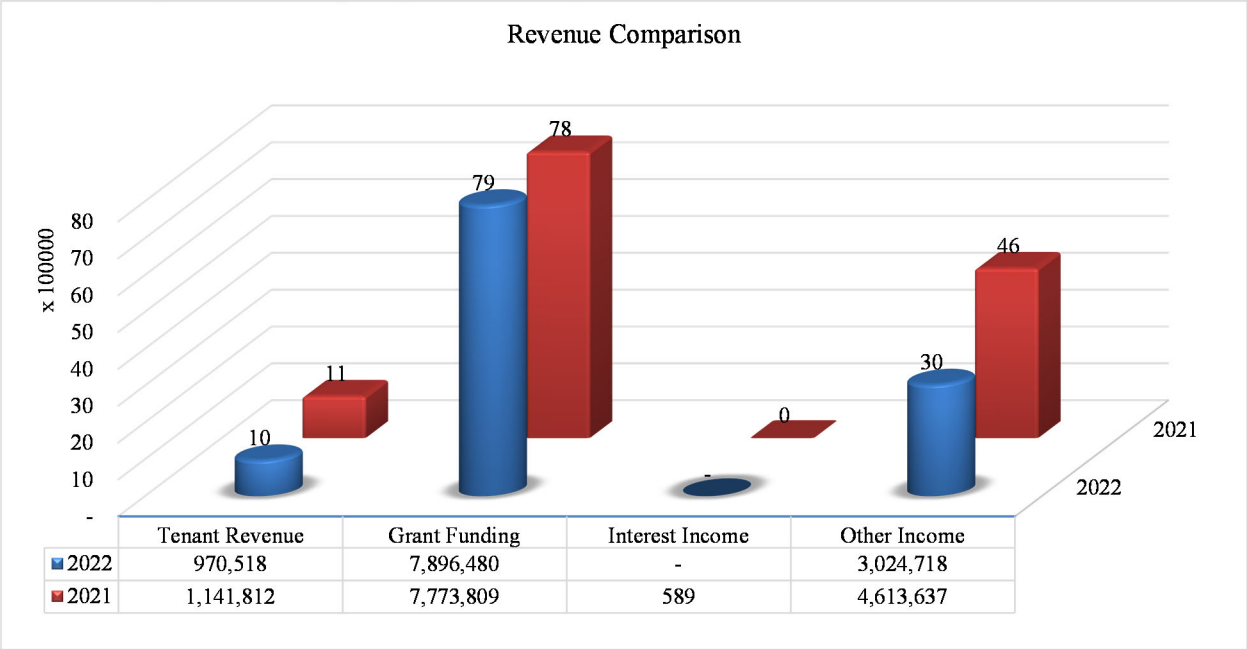
HCVP increased due to increase lease-ups and Crescent Hall LLC coming online during fiscal year 2022.

City funding decreased due to the timing of receipts.

The City of Charlottesville funding improvements of Public Housing sites during the fiscal year and has committed similar funding for the upcoming year as well as funding for a housing assistance program run through the Authority as well as a development staff person to assist the Authority in the redevelopment of Public Housing sites in the near future.

Interest Income/Other Income – The Authority had a decrease in income in the amount of $(589) and a decrease in the amount of $1.59 million in the other income category. The reason for the decrease was related to the lack of significant activity for notes receivable loans in the current year at the same level as fiscal year 2021.

The following is a chart comparing revenue categories from 2022 to 2022.



	Tenant Revenue	Grant Funding	Interest Income	Other Income
2022	970,518	7,896,480	-	3,024,718
2021	1,141,812	7,773,809	589	4,613,637

EXPENSES

The Charlottesville Redevelopment & Housing Authority experienced an increase in operating expenses for the current year $8.62 million to $9.29 million or a $667,384 or 7.74%.

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

Administrative – Administrative costs include all non-maintenance and non-resident service personnel costs (including benefits and accrued leave), legal costs, auditing costs, travel and training costs, and other administrative costs such as supplies, telephone expense, etc.

Administrative expenditures increased by $588,538 due to increased benefits mainly related to GASB 68/OPEB activities. Benefits increased by $630,373.

Tenant Services – Tenant Services costs include all costs incurred by the Authority to provide social services to the residents. The Charlottesville Public Housing Association of Residents (PHAR) is the designated and recognized Resident Advisory Board. PHAR receives funding for board meetings, training costs, and other items to assist the PHAR in staying informed on its role in the Authority's operations.

Tenant Services costs decreased by $86,261 or 42.9% due to less cares act activities in the current year.

Utilities - The total utilities expense for the Authority decreased by $107,822 or 11.39%. This was due to the conversion of Crescent Hall LLC and the South First Street relocation.

Maintenance – Maintenance costs are all costs incurred by the Authority to maintain the 271 Public Housing units. Costs include personnel costs, materials used to maintain the units, contracts for waste

management, telephone/radio service, etc. The Maintenance Expense for the Authority increased by $208,440 or 20.96%. Salaries and benefits due to increased maintenance needs and inflation, materials costs increased due to inflation and increased needs while contract decreased by $1,440.

Protective Services Expenses – The PHA had no protective services costs during the year.

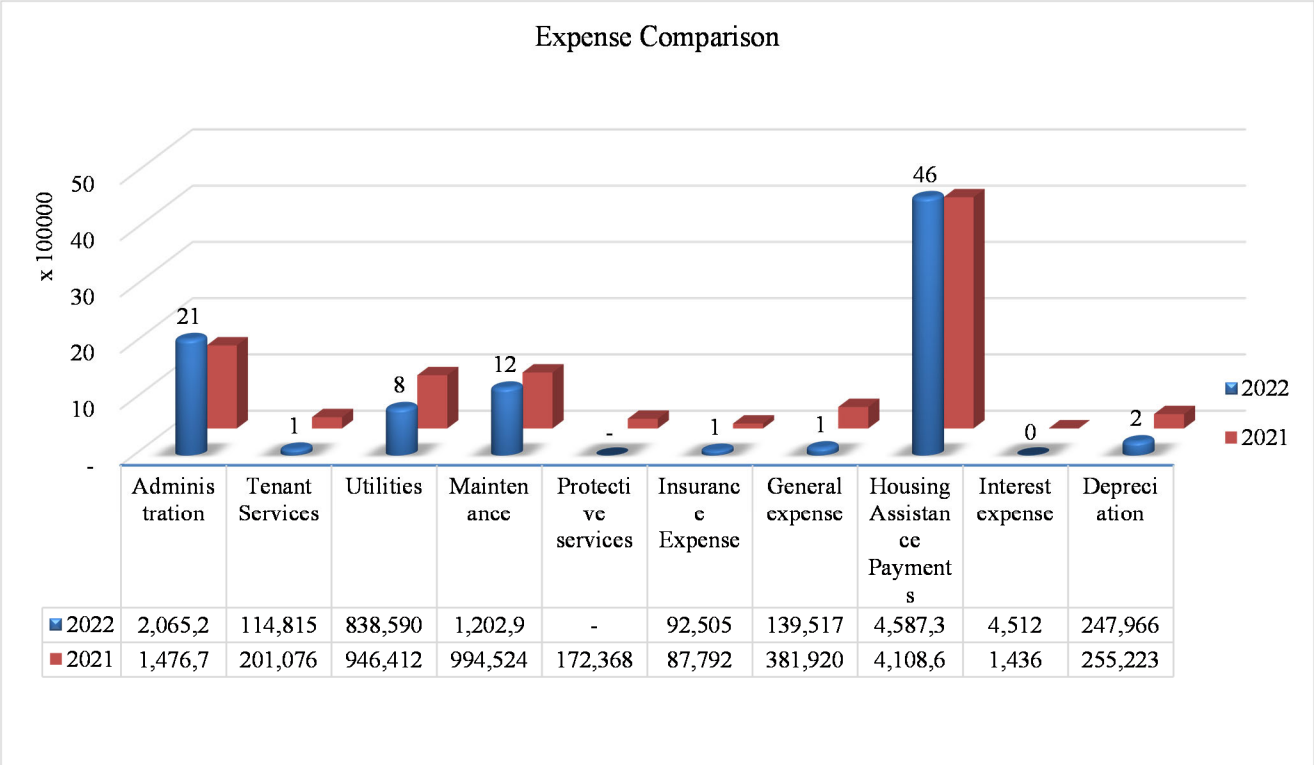
Insurance Expenses – Insurance Expenses include insurance costs (property, auto, liability, workers' compensation, public officials' liability, lead based paint insurance, etc. Insurance expenses decreased by $4,713 or 5.37%. This was due to inflationary pressures.

General Expenses – General Expenses include payment in lieu of taxes to the City of Charlottesville. General expenses for the Authority decreased by $242,403 or 11.65%. This was mainly due to the lack of CDBG activities during the year.

Housing Assistance Payments Program – HAP payments consist of rental payments to owners of private property for which the housing authority has a HAP agreement with the tenant and the owner for the difference between the tenants rent and the applicable payment standard. The Housing Authority has significantly increased the funding and expenditures of this program. HAP payments for the Authority increased by $478,728. This was due to increased lease-ups in the HCV program.

Depreciation – Because the costs of all capitalized additions are spread over the estimated useful life of an asset, the estimated current year costs of capitalized items are recorded as depreciation. Depreciation Expense for the current year decreased by $7,257 or 2.84%.

The following is a chart comparing expense categories from 2022 to 2021.



	Administration	Tenant Services	Utilities	Maintenance	Protective services	Insurance Expense	General expense	Housing Assistance Payments	Interest expense	Depreciation
2022	2,065,2	114,815	838,590	1,202,9	-	92,505	139,517	4,587,3	4,512	247,966
2021	1,476,7	201,076	946,412	994,524	172,368	87,792	381,920	4,108,6	1,436	255,223

CAPITAL ASSETS

At the end of fiscal year 2021 the Authority had invested in Capital Assets of 8.68 million, net of depreciation. As of March 31, 2022, the Authority had an increase its net capital asset in the amount of $8.68 million to $15.70 million or 99.98%. The following illustrates the Capital Asset values for 2022 and 2021.

Combined Statement of Capital Assets
TABLE IV

Account Descriptions	2022	2021	Total Change	% Change
Land	3,038,907	4,138,907	(1,100,000)	-26.58%
Buildings & improvements	33,955,895	25,702,665	8,253,230	32.11%
Equipment	1,649,583	1,531,925	117,658	7.68%
	38,644,385	31,373,497	7,270,888	23.18%
Accumulated Depreciation	(22,944,901)	(22,696,934)	(247,967)	1.09%
Total Capital Assets	**15,699,484**	**8,676,563**	**7,022,921**	**80.94%**

The PHA had the ongoing redevelopment of the Crescent Hall AMP 2 as well as the development of the South Street project. This led 6.99 million of new capital costs. The PHA also had $232,191 in Capital Fund capital expenditures during fiscal year 2022. There were $44,576 in additional capital additions during the year. The PHA operated four (4) CFP grants during fiscal year 2022 with a total of $4.5 million expenditures.

The PHA had $247,966 in depreciation expense with no write-offs.

Table V gives us a picture of the HUD Capital Fund Program activity in a cumulative nature

Capital Fund Program Activity
Table V

Description	CFP 18	CFP 19	CFP 20	CFP 21	CFP Totals
Grant Budgets	840,509	879,343	965,970	965,970	3,651,792
Grant Expenditures	783,685	502,028	384,246	112,665	1,782,624
Remaining Budget	56,824	377,315	581,724	853,305	1,869,168
Grant Expenditures	783,685	502,028	384,246	112,665	1,782,624
Grant Revenues	777,205	500,903	384,246	112,665	1,775,019
Grant A/R	6,480	1,125	-	-	7,605

NONCURRENT LIABILITIES

Non-current liabilities increased by $4.28 million due to increased loans for the Crescent Hall LLC development.

The PHA took out a loan to purchase vehicles in fiscal year 2018. The total debt at the year-end is $16,003 in long-term debt and 11,000 in short-term debt. This is a net decrease in the amount of $(22,335).

ECONOMIC FACTORS AND EVENTS AFFECTING OPERATIONS:

As the Charlottesville housing market is not immune from the ups and downs of the economy; nor are our residents and participants. Here are a few of the operational impacts the Authority anticipates having to manage in the coming year:

- Tenant rent adjustments, as a result of unemployment/under-employment and the slow economic recovery, will impact the rent residents and Voucher holders can pay. This may require the Authority to divert unrestricted resources from other program areas or potentially reduce services.

- Many of our residents and Voucher holders rely on financial aid from the State or social services provided by governmental agencies. There have been and will likely continue to be service and revenue reductions that will impact both residents and the Authority's state and local funding sources.

- The City of Charlottesville as most other middle-sized cities within Virginia are suffering loss of industry, business and employment opportunities for low to moderate income families. This leads to further strains on the PHA's limited expendable assets added with HUD and State cuts in funding for the PHA's programs leads to diminished opportunities for the PHA to assist individuals and families in need within their surrounding areas.

CONCLUSIONS:

Overall, while the Charlottesville Redevelopment & Housing Authority had a successful fiscal year, many improvements and tough decisions were made in accordance with the lack of Congressional work on a budget that would solidify the funding for the upcoming year and provide consistent and reasonable funding for HUD requirements. We continue to work through a myriad of issues that have slowed the expected progress in the redevelopment goals and objectives but has not slowed our hope and continued efforts. Management is committed to completing the current redevelopment projects.

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

The Authority continues to focus on their first two (2) redevelopment projects, received state tax credit funding for the Crescent Hall and South First Street development, which the first was a redevelopment and the second a complete new development.

The PHA has experienced financial struggles during the past few fiscal years due to aging properties and a high level of employee turnover. This has caused a major strain on the financial resources of the authority, but this is to be expected as the authority has limited resources outside of the federal programs and the federal housing developments are in dire need for redevelopment. The two (2) redevelopment projects will provide much needed improvements to the properties and reposition the authority's financial position related to the public housing properties.

The PHA has improved their Public Housing PHAS scores each year over the past three years and has estimated that their PHAS scoring for fiscal year 2022 will be a 23.94 which would be a high performer for the financial indicator.

This financial report is designed to provide our residents, the citizens of Charlottesville, Virginia, all federal and state regulatory bodies, and any creditors with a general overview of the Authority's finances. If you have any questions regarding these financial statements or supplemental information, you may contact John Sales, Executive Director at (434) 326-4748 or by writing: Charlottesville Redevelopment & Housing Authority, P.O. Box 1405, Charlottesville, VA 22902-1405.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

Statement of Net Position
March 31, 2022

ASSETS	Enterprise Fund
Current Assets	
Cash and Cash Equivalents	$ 1,562,627
Tenant Security Deposits	84,480
Receivables, Net	347,904
Prepaid Expense and Other Assets	18,823
Total current assets	2,013,834
Noncurrent Assets	
Restricted Cash and Cash Equivalents	492,639
Notes Receivable	3,875,250
Other Assets	1,841,848
Capital Assets, Net	15,699,484
Total Noncurrent Assets	21,909,221
Total Assets	23,923,055
Deferred Outflow of Resources	
Deferred Outflow of Resources	72,584
Total Assets and Deferred Outflow of Resources	$ 23,995,639

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

Statement of Net Position
March 31, 2022

	Enterprise Fund
LIABILITIES	
Current Liabilities	
Accounts Payable	$ 1,019,853
Accrued Expenses	49,109
Accrued Compensated Absences, Current	21,332
Tenant Security Deposits	84,480
Current Portion of Long-Term Debt	11,000
Other Current Liabilities	859,846
Total Current Liabilities	2,045,620
Non-Current Liabilities	
Accrued Pension and OPEB Liabilities	157,609
Accrued Compensated Absences, Non-Current	16,888
Long-Term Debt, Net of Current Portion	7,536,105
Other Non-Current Liabilities	630,851
Total Noncurrent Liabilities	8,341,453
Total Liabilities	10,387,073
Deferred Inflow of Resources	
Deferred Inflow of Resources	516,015
Total Liabilities and Deferred Infow of Resources	10,903,088
NET POSITION	
Net Investment in Capital Assets	11,502,379
Restricted Net Position	337,216
Unrestricted Net Position	1,252,956
Total Net Position	13,092,551
Total Liabilities, Deferred Infow of Resources, and Net Position	$ 23,995,639

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended March 31, 2022

	Enterprise Fund
Operating Revenues	
Tenant Revenue	$ 970,518
HUD Operating Grants	7,052,679
Other Revenue	3,636,328
Total Operating Revenues	11,659,525
Operating Expenses	
Administrative	2,065,256
Tenant Services	114,815
Utilities	838,590
Maintenance	1,202,964
Insurance and General	232,022
Housing Assistance Payments	4,587,350
Depreciation	247,966
Total Operating Expenses	9,288,963
Operating Income (Loss)	2,370,562
Non-Operating Revenues (Expenses)	
Interest and Investment Revenue	(3,076)
Interest Expense	(1,436)
Total Nonoperating Revenues (Expenses)	(4,512)
Income (Loss) Before Capital Grants	2,366,050
Capital Grants	232,191
Change in Net Position	2,598,241
Total Beginning Net Position	10,494,310
Total Ending Net Position	$ 13,092,551

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

Statement of Cash Flows
For the Year Ended March 31, 2022

	Enterprise Fund
Cash Flows from Operating Activities:	
Cash Received from Grantors	$ 7,052,679
Cash Received from Tenants and Other Activities	5,296,631
Cash Paid to Suppliers	(7,067,803)
Cash Paid to Employees	(1,648,063)
Net Cash Provided/(Used) by Operating Activities	3,633,444
Cash Flows from Capital and Related Financing Activities:	
Purchases, Sales and Construction of Capital Assets	(7,270,887)
Proceeds (Payments) of Long-Term Debt	7,518,262
Capital Grants Received	232,191
Net Cash Provided by (Used) for Capital and Related Financing Activities	479,566
Cash Flows from Investing Activities:	
(Proceeds) Payments of Notes Receivable	(3,818,750)
Interest Income	(3,076)
Net Cash Provided by Investing Activities	(3,821,826)
Net Increase (Decrease) in Cash and Cash Equivalents	291,184
Cash and Cash Equivalents at Beginning of Year	1,848,562
Cash and Cash Equivalents at End of Year	$ 2,139,746
Reconciliation of Cash and Restricted Cash	
Cash and Cash Equivalents	$ 1,562,627
Tenant Security Deposits	84,480
Restricted Cash and Cash Equivalents	492,639
Total Cash and Cash Equivalents	$ 2,139,746

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

Statement of Cash Flows
For the Year Ended March 31, 2022

	Enterprise Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ 2,370,562
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation Expense	247,966
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
(Increase) Decrease in Receivables, Net	(27,786)
(Increase) Decrease in Prepaid Expenses	949
(Increase) Decrease in Other Assets	(480,508)
(Increase) Decrease in Deferred Outflow of Resources	52,710
Increase (Decrease) in Accounts Payable	190,015
Increase (Decrease) in Accrued Expenses	(7,532)
Increase (Decrease) in Accrued Compensated Absences	(5,821)
Increase (Decrease) in Tenant Security Deposits	316
Increase (Decrease) in Unearned Revenue	717,255
Increase (Decrease) in Accrued OPEB and Other Liabilities	82,667
Increase (Decrease) in Deferred Inflow of Resources	492,651
Net Cash Provided (Used) by Operating Activities	$ 3,633,444

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization - The Charlottesville Redevelopment and Housing Authority (the "Authority" or "CRHA") is a governmental, public corporation created under federal and state housing laws for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate- income families residing in the City of Charlottesville, Virginia (the "City"). The Authority is responsible for operating certain low-rent housing programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The Authority is governed by a board of commissioners, which is essentially autonomous, but is responsible to HUD. An executive director is appointed by the Authority's Board to manage the day-to-day operations of the Authority.

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:

Public & Indian Housing Program
The public housing program is the primary operating program of the CRHA and is designed to provide low-cost housing. CRHA is the owner of approximately 366 public housing units located throughout the City. 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.

Section 8 Housing Choice Vouchers Program
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rent on a dwelling unit, as approved by HUD, and the amount of rent paid by a participating family.

Mainstream Vouchers Program
Mainstream vouchers assist non-elderly persons with disabilities. Aside from serving a special population, Mainstream vouchers are administered using the same rules as Section 8 housing choice vouchers.

Public Housing Capital Fund Program
The purpose of the Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

State/Local Program
The State/Local Program reflects Community Development Block Grant funds received by the City from HUD, and other local funding granted to the Authority by the City.

Business Activities
The Business Activities Fund includes various projects such as monies for land improvements and single-family mortgage loans, rehabilitation loans and grants in designated sections of the City. In addition, other housing related activities are included in the program.

Other Activities and Programs
Redevelopment activities include planning for the development and redevelopment of Authority properties. Central office activities report the administrative operations of the Authority.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity – The Authority was established as a political subdivision of the Commonwealth of Virginia. CRHA is responsible for operating a low-rent housing program which provides housing for eligible families, for operating redevelopment and conservation programs and for the delivery of services to citizens of low-rent housing and urban renewal areas through the encouragement and development of social and economic opportunities. The Commissioners of CRHA are appointed by City Council. As required by GAAP, these statements present the funds, activities, and functions of CRHA (the primary government).

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2500 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 61, of the Governmental Accounting Standards Board: The Financial Reporting Entity. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following blended component units:

Charlottesville Development Corporation ("CDC") - CDC is a not-for-profit corporation whose purpose is to provide housing and social and economic opportunities for the benefit of low to moderate income people. Disclosures regarding policies of CRHA apply to the component unit unless otherwise indicated. The CDC is reported separately to emphasize that it is legally separate from the Authority (primary government). The CDC has a March 31st fiscal year end.

Crescent Halls Reno, L.L.C. (CHR) – CHR was formed to acquire, develop, rehabilitate, own, maintain and operate a 105-unit apartment complex for rental to individuals and families of low-income known as Crescent Halls. CRHA has significant influence over the Company and the financial activities of the entity are included in CRHA's basic financial statements. CHR has a December 31st fiscal year end.

South First Phase One, L.L.C. (SF1) – SF1 formed to ground lease, develop, construct, own, maintain and operate 62-unit apartment complex located in Charlottesville, Virginia known as South First Phase One. CRHA has significant influence over the Company and the financial activities of the entity are included in CRHA's basic financial statements. SF1 has a December 31st fiscal year end.

D. Basis of Accounting - The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* as amended ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplemental Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, Accounting and Financial Reporting for Non-exchange Transactions

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting (continued) – ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements. On January 30, 2008, HUD issued PIH Notice 2008-9, which requires that unused housing assistance payments ("HAP"), under proprietary fund reporting, should be reported as restricted net position with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported as unrestricted.

In accordance with GASB 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*, the aforementioned funds are treated as restricted cash and cash equivalents on the Authority's Statement of Net Position and Statement of Cash Flows.

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.

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.

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. Collection losses on accounts receivable are charged against the allowance for doubtful accounts.

H. Prepaid Expenses - Amounts paid as of year-end that will benefit future operations.

I. Notes Receivable - The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of affordable housing through the issuance of mortgage notes. When preparing financial statements in accordance with generally accepted accounting principles, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period. As of March 31, 2022, management estimates that all notes receivable are collectable and as such has recorded no allowance for uncollectable amounts.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets - Land, buildings and equipment are capitalized at cost. Costs determined to represent additions or betterments to existing structures which exceed the capitalization threshold of $750 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:

Rental Property	27.5 years
Real Property and Improvements	10 years
Office Furniture and Equipment	5 years
Data Processing Equipment and Automobiles	5 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.

K. 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, 2022.

L. Unearned Revenue - The Authority's unearned revenue consists primarily of the prepayment of rent by residents and grants received for development of the component units, held in the state/local program due to timing differences.

M. Compensated Absences - Regular full-time employees earn annual vacation leave at a rate ranging from 12 to 24 days per year in accordance with the Authority's Personnel Policy. Regular part-time employees accrue vacation leave at one-half the above rate. The maximum carryover per year shall be 30 days. At termination, employees are paid for any accumulated leave. The aggregate current and long-term liability recorded for accrued leave at March 31, 2022, was $38,220.

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. 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.

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. 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.

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

1. 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.
2. 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 enabling legislation.
3. Unrestricted Net Position - Represents net position that does not meet the definition of "restricted' or "invested in capital assets."

S. 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 CRHA'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.

T. Other Postemployment Benefits (OPEB) - CRHA participates in a multiple-employer cost-sharing benefit plan administered by the Virginia Retirement System (VRS). For purposes of measuring CRHA's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position; and the additions to/deductions from the VRS plans' net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CRHA also provides benefits to three retirees under a previous OPEB plan offered by the Authority. The Authority funds the plan on a pay-as-you-go basis. For purposes of measuring CRHA's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and the additions to/deductions from the plan have been reported as determined by an actuarial valuation as of March 31, 2022.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

At March 31, 2022, the carrying amount of the Authority's cash deposits (including restricted deposits), was $2,325,602 and the bank balance was $2,325,602. HUD regulations require that all HUD deposits and investments in financial institutions be fully insured or collateralized by U.S. Government obligations that have a market value of not less than the principal amount of the deposits. At March 31, 2022, the bank balance was insured and collateralized in accordance with HUD regulations as follows:

FDIC Insured	$ 250,000
Collateralized	2,075,602
	$ 2,325,602

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal deposit policy for custodial credit risk. As of March 31, 2022, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3: RESTRICTED DEPOSITS

Restricted deposits consist primarily of tenant security deposits and Family Self Sufficiency ("FSS") program escrows which are restricted for use in the Housing Choice Voucher and Public and Indian Housing Programs by FSS program participants.

NOTE 4: RECEIVABLES

Receivables as of March 31, 2022, including the applicable allowances for uncollectible accounts, are as follows:

	Public and Indian Housing	Component Unit - Blended	Housing Choice Vouchers	State and Local	COCC	Mainstream Vouchers	Total
Receivables:							
Tenants	$ 103,284	$ 5,679	$ 43,935	$ -	$ -	$ -	$ 152,898
Other Projects	63,775	-	-	-	-	2,747	66,522
Other Government	-	-	-	125,629	-	-	125,629
Miscellaneous	5,950	-	-	-	199	-	6,149
Fraud Recovery	4,061	-	15,298	-	-	-	19,359
Gross Receivables	177,070	5,679	59,233	125,629	199	2,747	370,557
Less: Allowance for Uncollectibles	(7,354)	(1)	(15,298)	-	-	-	(22,653)
Accounts Receivable, Net	$ 169,716	$ 5,678	$ 43,935	$ 125,629	$ 199	$ 2,747	$ 347,904

NOTE 5: INVENTORY

Inventory consists mainly of materials and supplies utilized in the Authority's Public and Indian Housing program. At March 31, 2022, the inventory balance net of allowance is $0.

NOTE 6: NOTES RECEIVABLE

The Authority has made loans to qualified individuals for the rehabilitation of residences. The loans are non-interest bearing and are secured by a mortgage on the property. The loans have no fixed maturity date and are to be repaid upon the sale of the residences. Notes receivable totaled $56,500 as of March 31, 2022. Management estimates that all notes receivable will be collected and as such has made no allowance for uncollectable amounts.

The Authority also has deed of trust notes receivable from component units South First Phase One, L.L.C. in the amount of $1,100,000, bearing interest of 1.35% per annum and Crescent Halls Reno, L.L.C. in the amounts of $2,920,000, bearing interest of 1.62% per annum. These notes are eliminated in the entity-wide financial statements.

NOTE 7: OTHER ASSETS

Other assets at March 31, 2022, consisted of the following:

Net Pension Asset	$ 1,832,739
Development Costs	9,109
	$ 1,841,848

NOTE 8: CAPITAL ASSETS, NET

A summary of the changes in capital assets during the year ended March 31, 2022, is as follows:

	3/31/2021	Additions	Dispositions	Transfers	3/31/2022
Land	$ 4,138,907	$ -	$ (1,100,000)	$ -	$ 3,038,907
Buildings	24,468,445	20,000	-	-	24,488,445
Furniture and Equipment	1,531,925	117,658	-	-	1,649,583
Construction in Process	1,214,221	8,253,229	-	-	9,467,450
	31,353,498	8,390,887	(1,100,000)	-	38,644,385
Accumulated Depreciation	(22,696,935)	(247,966)	-	-	(22,944,901)
Capital Assets, Net	$ 8,656,563	$ 8,142,921	$ (1,100,000)	$ -	$ 15,699,484

Depreciation expense for the year ended March 31, 2022 totaled $247,966.

NOTE 9: ACCOUNTS PAYABLE

Accounts payable at March 31, 2022, totaled $1,019,853 and consisted of the following:

Vendors and Contractors	$ 1,005,686
Other Governement	14,120
HUD	47
	$ 1,019,853

NOTE 10: ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

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

Wages and Payroll Taxes	$ 45,561
Accrued Interest	3,548
Current Portion of Long-Term Debt	1,000
Accrued Compensated Absences - Current Portion	21,332
Tenant Security Deposits	84,480
Unearned Revenue	171,606
Other Current Liabilities	640,356
	$ 977,883

NOTE 11: NON-CURRENT LIABILITIES

The following is a summary of changes in non-current liabilities for the year ended March 31, 2022:

	3/31/2021	Additions	Retirements	3/31/2022
Compensated Absences - Non Current	$ 19,308	$ 37,388	$ (39,808)	$ 16,888
Accrued OPEB	274,942	-	(117,333)	157,609
Long-Term Debt, Net of Current Portion	15,995	4,181,102	(10,992)	4,186,105
Other Non-Current Liabilities	430,851	200,000	-	630,851
	$ 741,096	$ 4,418,490	$ (168,133)	$ 4,991,453

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

Accrued Other Postemployment Benefits (OPEB) - The Authority pays a portion of the cost of health-related insurance benefits and group life insurance benefits. See Note 13 and Note 14 for additional information.

Long-Term Debt, Net of Current – On July 27, 2018, the Authority financed the purchase of three vehicles with a promissory note payable to Union Bank & Trust in the amount of $55,543. The note bears interest at 4.24% per annum and requires monthly payments in the amount of $1,031, including principal and interest over 5 years. At March 31, 2022, the total principal balance of the note is $15,995, of which $5,003 is included in long-term liabilities, net of current. Payments of principal and interest for the years following March 31, 2021, are as follows:

	Principal	Interest
2023	11,912	456
2024	4,083	37
	$ 15,995	$ 493

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 11: NON-CURRENT LIABILITIES (continued)

Long-Term Debt, Net of Current (continued)– At December 31, 2021, the Component Unit had the following notes payable:

Charlottesville Redevelopment and Housing Authority (CRHA)	$	2,920,000
CCDC - Affordable Housing Opportunity Fund Loan #1		4,624,852
CCDC - Affordable Housing Opportunity Fund Loan #2		1,500,000
CCDC - Bond Loan		1,406,250
	$	10,451,102

The note payable to CRHA was made on March 16, 2021 in the original amount of $2,920,000, bearing interest of 1.62% per annum. The note is secured by a deed of trust and the entire principal and accrued interest on the note were due in full March 16, 2021. As discussed in Note 6, these notes are being eliminated in the entity-wide financial statements.

The CCDC - Affordable Housing Opportunity Fund Loan #1 is for an amount up to $6,400,000, bearing interest of 0% per annum. The loan is payable from Net Cash Flow as stated in the Operating Agreement and is due in full in 2051. At December 31, 2021, $4,624,852 has been drawn from this loan.

The CCDC - Affordable Housing Opportunity Fund Loan #2 is for $1,500,000, bearing interest of 0% per annum. The loan is payable from Net Cash Flow as stated in the Operating Agreement and is due in full in 2051. At December 31, 2021, the balance of this loan is $1,500,000.

The Bond Loan, payable to the Charlottesville Community Development Corporation (CCDC), is for up to $1,875,000 and bears no interest. Payments shall be made from available cash as defined in the operating agreement. If not sooner paid, the principal balance is due in full March 16, 2051. At December 31, 2021, $1,406,250 has been drawn from this loan.

At December 31, 2021, the total Long-Term Debt, Net of Current, of $6,270,000 is eliminated in the Authority-wide financial statements and Long-Term Debt not eliminated in the Authority-wide financial statements is $4,186,105.

Other Non-Current Liabilities - Other Non-Current liabilities include the following:

Due to City of Charlottesville	$	430,851
Developer Fee Payable		200,000
Other Non Current Liabilities	$	630,851

Due to City of Charlottesville - Due to the City of Charlottesville represents a liability in the amount of $430,851 for a Community Development Block Grant awarded from the City that was to be used to purchase land and construct affordable housing units. Land was purchased by the Authority; however, it was determined that it was not possible for the Authority to complete the project by the completion deadline established by HUD. As a result, $430,851 is required to be repaid to the City. The amount is interest free, unsecured and payable upon the disposition of the property by the Authority.

Developer Fee Payable – Due to CCDC in the total amount of $1,000,000. Developer fee payments shall be paid from available cash flow as stated in the operating agreement. At March 31, 2022, the developer fees earned by and payable to CCDC are $200,000.

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.

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

The VRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by visiting the VRS website at https://www.varetire.org/pdf/publications/2022-annual-report.pdf or by writing the System's CFO at P. O. Box 2500, Richmond, VA 23218-2500.

b. Employees Covered by Benefit Terms - As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

Inactive Members or Their Beneficiaries Currently Receiving Benefits	11
Inactive Members:	
Vested	10
Non-Vested	32
Active Elsewhere in VRS	8
Total Inactive Members	50
Active Members	12
Total Covered Employees	**73**

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. CRHA's contractually required contribution rate for the year ended June 30, 2021 was 0% of covered employee compensation. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from CRHA to the pension plan were $1,580 and $0 for the years ended June 30, 2020 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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

NOTE 12: PENSION PLAN (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*
Cost-of-living adjustments	2.25% - 2.5%

*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. Since the difference was minimal, a more conservative 7% investment return assumption was used for preparation of pension liabilities.

b. Net Pension Liability - The Authority's net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021. The following table summarizes the changes in the Net Pension Asset which resulted in $1,832,739 being reported as a pension asset as of March 31, 2022.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Balance at June 30, 2020	**$ 2,329,997**	**$ 3,682,318**	**$ (1,352,321)**
Changes for the year:			
Service Cost	41,454	-	41,454
Interest	151,676	-	151,676
Changes of assumptions	107,856	-	107,856
Difference between expected and actual experience	238,968	-	238,968
Contributions-employer	-	(1,367)	1,367
Contributions-employee	-	29,177	(29,177)
Net investment income	-	995,013	(995,013)
Benefit payments, including refunds of employee contributions	(165,895)	(165,895)	-
Administrative expense	-	(2,544)	2,544
Other changes	-	93	(93)
Net Changes	374,059	854,477	(480,418)
Balance at June 30, 2021	**$ 2,704,056**	**$ 4,536,795**	**$ (1,832,739)**

NOTE 12: PENSION PLAN (continued)

c. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of CRHA using the discount rate of 6.75%, as well as what CRHA's net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Plan's Net Pension Liability (Asset)	$ (1,574,340)	$ (1,832,739)	$ (2,051,020)

d. Pension Expense (Income) – For the year ended March 31, 2022, CRHA recognized pension expense (income) as follows:

Service Costs	$ 41,454
Interest on total pensions liability	151,676
Expensed portion of current period difference between expected and actual experience in the total pension liability	211,476
Expensed portion of current-period changes of assumptions	95,448
Member contributions	(29,177)
Projected earnings on plan investments	(243,813)
Expensed portion of current period difference between actual and projected earnings on plan investments	(150,240)
Administrative expense	2,544
Other	(93)
Recognition of beginning deferred outflows of resources as pension expense	37,894
Recognition of beginning deferred inflows of resources as pension expense	(47,537)
Pension Expense(Income)	$ 69,632

e. Deferred Outflows of Resources and Deferred Inflows of Resources - Deferred outflows of resources in the amount of $12,084, 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, 2022.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 27,492	$ -
Changes of assumptions	12,408	-
Net difference between projected and actual earnings on pension plan investments	-	492,938
Employer contributions subsequent to the measurement date	12,084	-
Total	$ 51,984	$ 492,938

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:	
2023	$ (75,706)
2024	(112,344)
2025	(114,748)
2026	(150,240)
2026	-
Thereafter	-

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS – HEALTH INSURANCE PLAN

a. Plan Description - In addition to the pension benefits described in Note 12, the Authority pays a portion of the cost of health-related insurance benefits for employees who were eligible for a prior benefit plan. All Employees eligible for CRHA's paid health care coverage on December 31, 1984, and who continue to work for the Authority without interruption until retirement, remain eligible for Authority paid health care coverage provided by the City of Charlottesville. Employees commencing work with the Authority after December 31, 1984 will not receive subsidized coverage paid by the Authority upon termination of employment, but may continue coverage at their own expense if retiring under the VRS guidelines. A CRHA retiree, eligible for postretirement medical coverage, is defined as a former employee in a VRS covered position who retires and is eligible to receive an early or regular retirement benefit from the VRS and who had health coverage at the time of retirement.

b. Funding Policy - The Authority establishes the employer contribution rates and how the plan will be funded as part of the annual budget process. Various amounts are paid by the Authority on a cash basis as benefits are paid.

c. Employees Covered by Benefit Terms - As of March 31, 2022, three retirees were covered by CRHA's OPEB plan.

d. Actuarial Valuation Method and Assumptions - The total OPEB liability reported by the Authority was based on an actuarial valuation as of April 1, 2022, using the Entry Age Normal Actuarial Cost Method. Under this method, the actuarial value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s).

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS – HEALTH INSURANCE PLAN (continued)

d. Actuarial Valuation Method and Assumptions (continued) - The following is a summary of assumptions used for the actuarial valuation as of March 31, 2022:

Mortality Rates	RP-2014 Total Dataset Mortality Table, adjusted to base year 2006, projected with Scale MP-2021		
Discount Rate	3.46% per annum		
Retiree Premiums and Contributions	Total Premium	Employer Contribution	Participant Contribution
	$3,545	$3,065	$480
Healthcare Cost Trend Rate	Medical: 6.0% graded uniformly to 5.5% over 2 years and following the Getzen model thereafter to an ultimate rate of 3.94% in the year 2075.		
Amortization Periods:			
Contribution Calculation	15 years		
Experience Gains/Losses	amortized over the average working lifetime of all participants which for the current year is 1 year		
Investment Gains/Losses	5 years		
Plan Amendments	immediately recognized		
Changes in Assumptions	amortized over the average working lifetime of all participants		

e. Net OPEB Liability, Deferrals, and Expense (continued) - The following table summarizes the changes in the Net OPEB Liability for the year ending March 31, 2022:

	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (a-b)	Deferred Outflows	Deferred Inflows	OPEB Expense
Balance at March 31, 2021	**$ 235,556**	**$ -**	**$ 235,556**	**$ -**	**$ -**	**$ -**
Changes for the year:						
Service Cost						
Interest	6,279	-	6,279	-	-	6,279
Experience losses (gains)	(96,618)	-	(96,618)	-	-	(96,618)
Changes of assumptions	(13,938)	-	(13,938)			(13,938)
Contributions-employer	-	16,007	(16,007)	-	-	-
Benefits paid	(16,007)	(16,007)	-	-	-	-
Net Changes	**(120,284)**	**-**	**(120,284)**	**-**	**-**	**(104,277)**
Balance at March 31, 2022	**$ 115,272**	**$ -**	**$ 115,272**	**$ -**	**$ -**	**$(104,277)**

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 13: OTHER POST EMPLOYEMENT BENEFITS – HEALTH INSURANCE PLAN (continued)

f. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the net OPEB liability of CRHA using the stated health care cost trend assumption, as well as what the liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the assumed rate:

Net OPEB Liability	1% Decrease	Current Trend Assumption	1% Increase
June 30, 2022	$ 106,744	$ 115,272	$ 124,756

g. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of CRHA using the stated discount rate assumption, as well as what the liability would be if it were calculated using a rate that is 1-percentage-point lower or 1-percentage-point higher than the assumed rate:

Net OPEB Liability	1% Decrease	Current Discount Rate 3.46%	1% Increase
June 30, 2022	$ 124,899	$ 115,272	$ 106,824

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources - The recognized OPEB expense (income) for the year ended March 31, 2022 is ($104,277). Reported deferred outflows of resources and deferred inflows of resources in relation to OPEBs resulted from the following sources:

	Original Amount	Date Established	Original Amortization Period	Recognized Annually in Expense	Deferred Outflows	Deferred Inflows
Experience losses (gains)	$ (96,618)	3/31/2022	n/a	$ (96,618)	$ -	$ -
Change of assumptions	(13,938)	3/31/2022	n/a	(13,938)		
Total				**$ (110,556)**	**$ -**	**$ -**

Changes of assumptions and experience losses (gains) are amortized over the average remaining service periods of active participants. No future service is assumed for inactive participants.

Amounts reported as deferred outflows (inflows) of resources related to OPEBs will be recognized in pension expense in future years as follows:

Reporting Date Ending March 31:	
2023	$ -
2024	-
2025	-
2026	-
2027	-
Thereafter	-

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN

The Virginia Retirement System (VRS) Group Life Insurance Program (OPEB-GLI) is a multiple employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The Group Life Insurance Program was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net OPEB-GLI liability, deferred outflows of resources and deferred inflows of resources related to the OPEB-GLI, and OPEB-GLI expense, information about the fiduciary net position of the VRS Group Life Insurance program OPEB and the additions to/deductions from the VRS Group Life Insurance Program OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

   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.

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

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 $8,616 as of June 30, 2021.

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 0.79% (1.31% X 60%) and the employer component was 0.52% (1.31% 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, 2020 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. 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 CRHA were $3,634 and $2,524 for the years ended June 30, 2021 and June 30, 2020, 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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

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

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

a. Actuarial Valuation Method and Assumptions (continued)

*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. Since the difference was minimal, a more conservative 6.75% investment return assumption was used for preparation of pension liabilities.

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: 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Post-Disablement: Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 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, 2020 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 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

Net GLI OPEB Liability

The Net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total GLI OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the Measurement Date of June 30, 2021, NOL amounts for the Group Life Insurance Program are as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program
Total GLI OPEB Liability	$ 3,577,346
Plan Fiduciary Net Position	2,413,074
Employers' Net GLI OPEB Liability (Asset)	$ 1,164,272
Plan Fiduciary Net Position as a Percentage of the Total Political Subdivision GLI OPEB Liability	67.45%

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.

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (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%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS-Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP-Private Investment Partnership	3.00%	6.84%	0.21%
Total	100.00%		4.89.%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.39%

* The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. 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, 2021, 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, 2021 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.

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

a. Net OPEB Liability - At March 31, 2021, CRHA reported a liability of $39,385 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the CRHA employer's proportion was 0.00236% as compared to 0.00261% at June 30, 2019.

b. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net GLI OPEB liability of CRHA using the discount rate of 6.75%, as well as what CRHA'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%)
CRHA's Net GLI OPEB Liability (Asset)	$ 80,027	$ 42,471	$ 45,325

d. OPEB Expense - For the year ended June 30, 2021, CRHA recognized GLI OPEB expense of $0.

e. Deferred Outflows of Resources and Deferred Inflows of Resources - At March 31, 2022, CRHA 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	$ 2,526	$ 354
Changes of assumptions	1,970	822
Changes in proportionate share	4,398	11,695
Net difference between projected and actual earnings on OPEB plan investments	1,183	-
Total	$ 10,077	$ 12,871

NOTE 14: OTHER POST EMPLOYEMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

e. Deferred Outflows of Resources and Deferred Inflows of Resources (continued)- Deferred outflows of resources and deferred inflows of resources related to GLI OPEB will be recognized in OPEB expense as follows:

Reporting Date Ending June 30:

2023	$	(932)
2024		(931)
2025		(931)
2026		-
2027		-
Thereafter		-

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

NOTE 15: DEFERRED COMPENSATION PLAN

CRHA offers all regular employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees or beneficiaries until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in annuity contracts for the participants. The contracts are managed by the Plan through the City of Charlottesville. The assets and corresponding liability of the Plan are not included in the accompanying financial statements and the Plan assets are not subject to claims of the Authority's general creditors.

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.

NOTE 17: ECONOMIC DEPENDENCY

The Section 8, Mainstream Voucher, and the Low Rent Public Housing programs are economically dependent on annual grants from HUD.

NOTE 18: 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 five years.

NOTE 19: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 31, 2022, the date on which the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. As of March 31, 2020, the coronavirus outbreak continues 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 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.

NOTE 20: COMPONENT UNITS

As disclosed in Note 1, the Authority has component units Crescent Halls Reno, L.L.C. and South First Phase One, L.L.C. Condensed financial information of the Component Units, as of December 31, 2021, is presented on the following page:

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 20: COMPONENT UNITS (Continued)

	Cresecent Halls Reno, L.L.C.	South First Phase One, L.L.C.
Condensed Summary of Net Position		
Assets		
Current	$ 70,599	$ -
Capital Assets, Net	$ 10,696,040	$ 1,100,000
Total Assets	$ 10,766,639	$ 1,100,000
Liabilities		
Current	$ 868,604	$ -
Long-Term Debt	$ 9,555,484	$ 1,100,000
Total Liabilities	$ 10,424,088	$ 1,100,000
Net Position		
Net Investment in Capital Assets	$ 1,344,938	$ -
Unrestricted	$ (1,002,387)	$ -
Total Net Position	$ 342,551	$ -
Condensed Summary of Revenues, Expenses and Changes in Net Position		
Operating Revenues		
Tenant Revenue	$ 124,768	$ -
Other Revenue	$ 42,043	$ -
Total Operating Revenue	$ 166,811	$ -
Operating Expenses		
Administrative	$ 102,895	$ -
General	$ 430,960	$ -
Total Operating Expenses	$ 533,855	$ -
Operating Income (Loss)	$ (367,044)	$ -
Depreciation Expense	$ 40,000	$ -
Change in Net Position	$ (407,044)	$ -
Beginning Net Position	$ 356,880	$ -
Prior Period Adjustments, Equity Transfers and Correction of Errors	$ 392,715	$ -
Ending Net Position	$ 342,551	$ -

SUPPLEMENTAL INFORMATION

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2022

	Federal CFDA #	Expenditures
FEDERAL GRANTOR/PROGRAM TITLE		
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:		
Low Rent Public Housing	14.850 *	$ 2,507,402
Cares Act Funding	14.850 *	20,758
Total Low Rent Public Housing	14.850 *	2,528,160
Capital Fund Program	14.872	282,922
Housing Voucher Cluster		
Housing Choice Voucher Program	14.871 *	4,202,006
Cares Act Funding	14.871 *	68,665
Emergency Housing Voucher	14.EHV	97,627
Total Housing Choice Vouchers	14.871 *	4,368,298
Mainstream Vouchers	14.879	105,490
Total Housing Voucher Cluster		4,473,788
TOTAL FEDERAL FINANCIAL AWARDS		$ 7,284,870

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Charlottesville Redevelopment and Housing Authority under programs of the federal government for the year ended March 31, 2022. 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: SUMMARY OF SIGNIFICANT ACCOUNT POLOCIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, OMB Circular A-87, and the State of Virginia, Office of Policy and Management, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3: MAJOR PROGRAMS

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

NOTE 4: 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 5: INDIRECT COST RATE

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

STATEMENT OF CERTIFICATION OF MODERNIZATION COSTS - UNCLOSED
FOR THE YEAR ENDED MARCH 31, 2022

	501-18	501-19	501-20	501-21	Totals
Budget	$ 840,509	$ 879,343	$ 965,970	$ 965,970	$ 3,651,792
Advances:					
Cumulative through 3/31/2021	$ 772,195	$ 314,069	$ 384,246	$ -	$ 1,470,510
Current Year	5,010	186,834	-	112,665	304,509
Cumulative through 3/31/2022	777,205	500,903	384,246	112,665	1,775,019
Costs:					
Cumulative through 3/31/2021	772,195	343,261	384,246	-	1,499,702
Current Year	11,490	158,767	-	112,665	282,922
Cumulative through 3/31/2022	783,685	502,028	384,246	112,665	1,782,624
Excess / (Deficiency)	$ (6,480)	$ (1,125)	$ -	$ -	$ (7,605)

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
Charlottesville Redevelopment and Housing Authority
Charlottesville, Virginia

Opinion on Each Major Program

We have audited the Charlottesville 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, 2022. 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, 2022. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with the *Uniform Guidance.*

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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 Charlottesville 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 does not allow management or employees, in that 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement 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* and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency.

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 31, 2022

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
Charlottesville Redevelopment and Housing Authority
Charlottesville, 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 Charlottesville Redevelopment and Housing Authority, the major fund of the Charlottesville Redevelopment and Housing Authority as of and for the year ended March 31, 2022, and the related notes to the financial statements and have issued our report thereon December 31, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Charlottesville 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 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 Charlottesville 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 did not disclose 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 Charlottesville 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 31, 2022

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MARCH 31, 2022

Finding No. 2021-001 **CFDA No. 14.871 Special Tests and Provisions: Rent Reasonableness**

CONDITION: The Authority failed to employ an effective methodology to determine and document the reasonableness of rents charged by owners to Housing Choice Voucher participants in accordance with its written Administrative Plan and HUD regulations.

Status: This finding has been cleared.

Finding No. 2021-002 **CFDA Nos. 14.871 Eligibility**

CONDITION: The Authority failed to complete annual recertifications in accordance with its Administrative Plan and HUD regulations.

Status: This finding has been cleared.

Finding No. 2021-003 **CFDA No. 14.871 - Special Tests and Provisions: HQS Enforcement**

CONDITION: The Authority failed to document enforcement of Housing Quality Standards (HQS) in accordance with its Administrative Plan and HUD regulations.

Status: This finding has been cleared.

Finding No. 2021-004 **Material Weakness in Internal Controls over Financial Reporting**

CONDITION: During our audit, it was determined that material misstatements were made to the current financial statements resulting from material weakness in internal controls over the financial reporting process.

Status: This finding has been cleared.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2022

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

Identification of major programs:

CFDA Number(s)	*Name of Federal Program or Cluster*
14.850	Public Housing
14.871	Housing Choice Vouchers

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

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2022
(CONTINUED)

Section II – Federal Awards Findings and Questioned Costs

There were no financial statement findings.

Section III -- Financial Statement Findings

There were no federal award findings or questioned costs.

Charlottesville Redev & Housing Authority (VA016)
Charlottesville, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$857,866		$56,499	$483,120		$2,893	$118,419			$154,184	$1,672,981		$1,672,981
112 Cash - Restricted - Modernization and Development													
113 Cash - Other Restricted	$6,437						$293,738		$82,110		$382,285		$382,285
114 Cash - Tenant Security Deposits	$76,058		$8,422								$84,480		$84,480
115 Cash - Restricted for Payment of Current Liabilities													
100 Total Cash	$940,361	$0	$64,921	$483,120	$0	$2,893	$412,157	$0	$82,110	$154,184	$2,139,746	$0	$2,139,746
121 Accounts Receivable - PHA Projects							$43,935				$43,935		$43,935
122 Accounts Receivable - HUD Other Projects	$63,775					$2,747					$66,522		$66,522
124 Accounts Receivable - Other Government													
125 Accounts Receivable - Miscellaneous	$5,950				$125,629					$199	$131,778		$131,778
126 Accounts Receivable - Tenants	$103,284		$5,679								$108,963		$108,963
126.1 Allowance for Doubtful Accounts -Tenants	-$3,293		-$1								-$3,294		-$3,294
126.2 Allowance for Doubtful Accounts - Other	$0				$0	$0	$0			$0	$0		$0
127 Notes, Loans, & Mortgages Receivable - Current													
128 Fraud Recovery	$4,061						$15,298				$19,359		$19,359
128.1 Allowance for Doubtful Accounts - Fraud	-$4,061						-$15,298				-$19,359		-$19,359
129 Accrued Interest Receivable													
120 Total Receivables, Net of Allowances for Doubtful Accounts	$169,716	$0	$5,678	$0	$125,629	$2,747	$43,935	$0	$0	$199	$347,904	$0	$347,904
131 Investments - Unrestricted													
132 Investments - Restricted													
135 Investments - Restricted for Payment of Current Liability													
142 Prepaid Expenses and Other Assets				$18,823							$18,823		$18,823
143 Inventories													
143.1 Allowance for Obsolete Inventories													
144 Inter Program Due From										$202,582	$202,582	-$202,582	$0
145 Assets Held for Sale													
150 Total Current Assets	$1,110,077	$0	$70,599	$501,943	$125,629	$5,640	$456,092	$0	$82,110	$356,965	$2,709,055	-$202,582	$2,506,473
161 Land	$891,811		$730,000	$936,345	$480,751						$3,038,907		$3,038,907
162 Buildings	$21,917,226		$2,247,655		$257,786		$65,778				$24,488,445		$24,488,445
163 Furniture, Equipment & Machinery - Dwellings	$572,848									$18,037	$590,885		$590,885
164 Furniture, Equipment & Machinery - Administration	$644,134			$156,200	$208,949		$48,518			$897	$1,058,698		$1,058,698
165 Leasehold Improvements													
166 Accumulated Depreciation	-$22,190,114		-$40,000	-$156,200	-$466,734		-$76,526			-$15,327	-$22,944,901		-$22,944,901
167 Construction in Progress	$592,966		$8,858,385		$16,099						$9,467,450		$9,467,450
168 Infrastructure													
160 Total Capital Assets, Net of Accumulated Depreciation	$2,428,871	$0	$11,796,040	$936,345	$496,851	$0	$37,770	$0	$0	$3,607	$15,699,484	$0	$15,699,484
171 Notes, Loans and Mortgages Receivable - Non-Current				$56,500	$6,738,750						$6,795,250	-$2,920,000	$3,875,250
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due													
173 Grants Receivable - Non Current													
174 Other Assets	$1,409,666				$9,109		$260,983			$162,090	$1,841,848		$1,841,848
176 Investments in Joint Ventures													
180 Total Non-Current Assets	$3,838,537	$0	$11,796,040	$992,845	$7,244,710	$0	$298,753	$0	$0	$165,697	$24,336,582	-$2,920,000	$21,416,582
200 Deferred Outflow of Resources	$51,974						$9,605			$11,005	$72,584		$72,584
290 Total Assets and Deferred Outflow of Resources	$5,000,588	$0	$11,866,639	$1,494,788	$7,370,339	$5,640	$764,450	$0	$82,110	$533,667	$27,118,221	-$3,122,582	$23,995,639

Charlottesville Redev & Housing Authority (VA016)
Charlottesville, VA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
311 Bank Overdraft													
312 Accounts Payable <= 90 Days	$148,702		$849,302	$1,967	$503	$1,464				$3,748	$1,005,686		$1,005,686
313 Accounts Payable >90 Days Past Due													
321 Accrued Wage/Payroll Taxes Payable	$14,478			$2,093	$11,096		$3,797			$14,097	$45,561		$45,561
322 Accrued Compensated Absences - Current Portion	$4,212		$2,922		$642		$2,861			$6,404	$17,041		$17,041
324 Accrued Contingency Liability													
325 Accrued Interest Payable			$3,548								$3,548		$3,548
331 Accounts Payable - HUD PHA Programs							$47				$47		$47
332 Account Payable - PHA Projects													
333 Accounts Payable - Other Government	$9,874		$4,246								$14,120		$14,120
341 Tenant Security Deposits	$76,058		$8,422								$84,480		$84,480
342 Unearned Revenue	$71,292		$164		$568,900						$640,356		$640,356
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$11,000										$11,000		$11,000
344 Current Portion of Long-term Debt - Operating Borrowings													
345 Other Current Liabilities				$219,390			$100				$219,490		$219,490
346 Accrued Liabilities - Other													
347 Inter Program - Due To					$127,888		$74,694				$202,582	-$202,582	$0
348 Loan Liability - Current													
310 Total Current Liabilities	$335,616	$0	$868,604	$223,450	$709,029	$1,464	$81,499	$0	$0	$24,249	$2,243,911	-$202,582	$2,041,329
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$5,003		$10,451,102								$10,456,105	-$2,920,000	$7,536,105
352 Long-term Debt, Net of Current - Operating Borrowings													
353 Non-current Liabilities - Other			$200,000		$430,851						$630,851		$630,851
354 Accrued Compensated Absences - Non Current	$6,319		$4,382		$962		$4,291			$9,607	$25,561		$25,561
355 Loan Liability - Non Current													
356 FASB 5 Liabilities													
357 Accrued Pension and OPEB Liabilities	$108,323						$17,517			$27,387	$153,227		$153,227
350 Total Non-Current Liabilities	$119,645	$0	$10,655,484	$0	$431,813	$0	$21,808	$0	$0	$36,994	$11,265,744	-$2,920,000	$8,345,744
300 Total Liabilities	$455,261	$0	$11,524,088	$223,450	$1,140,842	$1,464	$103,307	$0	$0	$61,243	$13,509,655	-$3,122,582	$10,387,073
400 Deferred Inflow of Resources	$396,897						$73,481			$45,637	$516,015		$516,015
508.4 Net Investment in Capital Assets	$2,412,868		$1,344,938	$936,345	$496,851		$37,770			$3,607	$5,232,379	$2,920,000	$8,152,379
511.4 Restricted Net Position							$293,738		$43,478		$337,216		$337,216
512.4 Unrestricted Net Position	$1,735,562	$0	-$1,002,387	$334,993	$5,732,646	$4,176	$256,154	$0	$38,632	$423,180	$7,522,956	-$2,920,000	$4,602,956
513 Total Equity - Net Assets / Position	$4,148,430	$0	$342,551	$1,271,338	$6,229,497	$4,176	$587,662	$0	$82,110	$426,787	$13,092,551	$0	$13,092,551
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$5,000,588	$0	$11,866,639	$1,494,788	$7,370,339	$5,640	$764,450	$0	$82,110	$533,667	$27,118,221	-$3,122,582	$23,995,639

Charlottesville Redev & Housing Authority (VA016)
Charlottesville, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$845,750		$124,768								$970,518		$970,518
70400 Tenant Revenue - Other													
70500 Total Tenant Revenue	$845,750	$0	$124,768	$0	$0	$0	$0	$0	$0	$0	$970,518	$0	$970,518
70600 HUD PHA Operating Grants	$2,558,133	$20,758				$105,490	$4,202,006	$68,665	$97,627		$7,052,679		$7,052,679
70610 Capital Grants	$232,191										$232,191		$232,191
70710 Management Fee										$280,006	$280,006	-$280,006	$0
70720 Asset Management Fee										$41,360	$41,360	-$41,360	$0
70730 Book Keeping Fee										$60,391	$60,391	-$60,391	$0
70740 Front Line Service Fee													
70750 Other Fees													
70700 Total Fee Revenue										$381,757	$381,757	-$381,757	$0
70800 Other Government Grants	$3,443				$608,167						$611,610		$611,610
71100 Investment Income - Unrestricted													
71200 Mortgage Interest Income													
71300 Proceeds from Disposition of Assets Held for Sale													
71310 Cost of Sale of Assets													
71400 Fraud Recovery							$1,411				$1,411		$1,411
71500 Other Revenue	$503,487		$42,043		$2,255,380		$93,329			$129,068	$3,023,307		$3,023,307
71600 Gain or Loss on Sale of Capital Assets													
72000 Investment Income - Restricted													
70000 Total Revenue	$4,143,004	$20,758	$166,811	$0	$2,863,547	$105,490	$4,296,746	$68,665	$97,627	$510,825	$12,273,473	-$381,757	$11,891,716
91100 Administrative Salaries	$173,031		$26,856	$190,446	$167,955		$96,229			$196,423	$850,940		$850,940
91200 Auditing Fees							$0				$0		$0
91300 Management Fee	$212,459						$67,547				$280,006	-$280,006	$0
91310 Book-keeping Fee	$23,221						$37,170				$60,391	-$60,391	$0
91400 Advertising and Marketing	$1,162		$146		$388		$130			$593	$2,419		$2,419
91500 Employee Benefit contributions - Administrative	$538,674		$6,713	$8,654	$40,438		$98,705			$122,637	$815,821		$815,821
91600 Office Expenses	$43,118		$6,558		$13,755		$45,362			$28,813	$137,606		$137,606
91700 Legal Expense	$1,335		$820		$26,493		$4,733		$70	$15,985	$49,436		$49,436
91800 Travel	$2,440		$895		$10		$291	$1,191			$4,827		$4,827
91810 Allocated Overhead	$0										$0		$0
91900 Other	$65,133		$54,947		$15,874		$16,253			$52,000	$204,207		$204,207
91000 Total Operating - Administrative	$1,060,573	$0	$96,935	$199,100	$264,913	$0	$366,420	$1,191	$70	$416,451	$2,405,653	-$340,397	$2,065,256
92000 Asset Management Fee	$32,400		$8,960								$41,360	-$41,360	$0
92100 Tenant Services - Salaries													
92200 Relocation Costs	$2,363		$10,750		$1,798						$14,911		$14,911
92300 Employee Benefit Contributions - Tenant Services													
92400 Tenant Services - Other	$12,335	$2,501	$31,029		$8,363			$45,676			$99,904		$99,904
92500 Total Tenant Services	$14,698	$2,501	$41,779	$0	$10,161	$0	$0	$45,676	$0	$0	$114,815	$0	$114,815
93100 Water	$145,983		$14,528		$1,093						$161,604		$161,604
93200 Electricity	$214,944		$45,936		$1,580						$262,460		$262,460
93300 Gas	$171,889		$6,677		$164						$178,730		$178,730
93400 Fuel													
93500 Labor													
93600 Sewer	$213,168		$20,318		$2,310						$235,796		$235,796
93700 Employee Benefit Contributions - Utilities													
93800 Other Utilities Expense													
93000 Total Utilities	$745,984	$0	$87,459	$0	$5,147	$0	$0	$0	$0	$0	$838,590	$0	$838,590

Charlottesville Redev & Housing Authority (VA016)
Charlottesville, VA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor	$475,482		$83,312	$20,288							$579,082		$579,082
94200 Ordinary Maintenance and Operations - Materials and Other	$221,984		$18,287				$84			$387	$240,742		$240,742
94300 Ordinary Maintenance and Operations Contracts	$189,397		$76,588	$3,216						$231	$269,432		$269,432
94500 Employee Benefit Contributions - Ordinary Maintenance	$96,824		$16,884								$113,708		$113,708
94000 Total Maintenance	$983,687	$0	$195,071	$23,504	$0	$0	$84	$0	$0	$618	$1,202,964	$0	$1,202,964
95100 Protective Services - Labor													
95200 Protective Services - Other Contract Costs													
95300 Protective Services - Other													
95500 Employee Benefit Contributions - Protective Services													
95000 Total Protective Services	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
96110 Property Insurance	$38,034		$9,800		$247						$48,081		$48,081
96120 Liability Insurance	$7,379		$1,552		$3,287					$4,930	$17,148		$17,148
96130 Workmen's Compensation	$7,787		$2,604		$2,692		$2,084			$3,712	$18,879		$18,879
96140 All Other Insurance	$5,465		$1,147		$746		$447			$592	$8,397		$8,397
96100 Total insurance Premiums	$58,665	$0	$15,103	$0	$6,972	$0	$2,531	$0	$0	$9,234	$92,505	$0	$92,505
96200 Other General Expenses			$85,000				$3,323				$88,323		$88,323
96210 Compensated Absences	$18,657				$1,782		$4,816			$14,553	$39,808		$39,808
96300 Payments in Lieu of Taxes	$11,386										$11,386		$11,386
96400 Bad debt - Tenant Rents													
96500 Bad debt - Mortgages													
96600 Bad debt - Other													
96800 Severance Expense													
96000 Total Other General Expenses	$30,043	$0	$85,000	$0	$1,782	$0	$8,139	$0	$0	$14,553	$139,517	$0	$139,517
96710 Interest of Mortgage (or Bonds) Payable	$964		$3,548								$4,512		$4,512
96720 Interest on Notes Payable (Short and Long Term)													
96730 Amortization of Bond Issue Costs													
96700 Total Interest Expense and Amortization Cost	$964	$0	$3,548	$0	$0	$0	$0	$0	$0	$0	$4,512	$0	$4,512
96900 Total Operating Expenses	$2,927,014	$2,501	$533,855	$222,604	$288,975	$0	$377,174	$46,867	$70	$440,856	$4,839,916	-$381,757	$4,458,159
97000 Excess of Operating Revenue over Operating Expenses	$1,215,990	$18,257	-$367,044	-$222,604	$2,574,572	$105,490	$3,919,572	$21,798	$97,557	$69,969	$7,433,557	$0	$7,433,557
97100 Extraordinary Maintenance													
97200 Casualty Losses - Non-capitalized													
97300 Housing Assistance Payments					$646,906	$161,714	$3,763,283		$15,447		$4,587,350		$4,587,350
97350 HAP Portability-In													
97400 Depreciation Expense	$190,484		$40,000		$1,124		$9,143			$7,215	$247,966		$247,966
97500 Fraud Losses													
97600 Capital Outlays - Governmental Funds													
97700 Debt Principal Payment - Governmental Funds													
97800 Dwelling Units Rent Expense													
90000 Total Expenses	$3,117,498	$2,501	$573,855	$222,604	$937,005	$161,714	$4,149,600	$46,867	$15,517	$448,071	$9,675,232	-$381,757	$9,293,475

Charlottesville Redev & Housing Authority (VA016)
Charlottesville, VA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
10010 Operating Transfer In			$392,715								$392,715	-$392,715	$0
10020 Operating transfer Out	-$392,715										-$392,715	$392,715	$0
10030 Operating Transfers from/to Primary Government													
10040 Operating Transfers from/to Component Unit													
10050 Proceeds from Notes, Loans and Bonds													
10060 Proceeds from Property Sales													
10070 Extraordinary Items, Net Gain/Loss													
10080 Special Items (Net Gain/Loss)													
10091 Inter Project Excess Cash Transfer In													
10092 Inter Project Excess Cash Transfer Out													
10093 Transfers between Program and Project - In													
10094 Transfers between Project and Program - Out													
10100 Total Other financing Sources (Uses)	-$392,715	$0	$392,715	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$632,791	$18,257	-$14,329	-$222,604	$1,926,542	-$56,224	$147,146	$21,798	$82,110	$62,754	$2,598,241	$0	$2,598,241
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11030 Beginning Equity	$3,497,382	$0	$356,880	$1,493,942	$4,302,955	$60,400	$418,718	$0	$0	$364,033	$10,494,310		$10,494,310
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$18,257	-$18,257	$0	$0	$0		$21,798	-$21,798		$0	$0		$0
11050 Changes in Compensated Absence Balance													
11060 Changes in Contingent Liability Balance													
11070 Changes in Unrecognized Pension Transition Liability													
11080 Changes in Special Term/Severance Benefits Liability													
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents													
11100 Changes in Allowance for Doubtful Accounts - Other													
11170 Administrative Fee Equity							$293,924				$293,924		$293,924
11180 Housing Assistance Payments Equity							$293,738				$293,738		$293,738
11190 Unit Months Available	3252				0	480	7156		135		11023		11023
11210 Number of Unit Months Leased	3084				0	223	4956		20		8283		8283
11270 Excess Cash	$545,137										$545,137		$545,137
11610 Land Purchases	$0									$0	$0		$0
11620 Building Purchases	$154,584									$0	$154,584		$154,584
11630 Furniture & Equipment - Dwelling Purchases	$0									$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases	$77,607									$0	$77,607		$77,607
11650 Leasehold Improvements Purchases	$0									$0	$0		$0
11660 Infrastructure Purchases	$0									$0	$0		$0
13510 CFFP Debt Service Payments	$0									$0	$0		$0
13901 Replacement Housing Factor Funds	$0									$0	$0		$0

REQUIRED SUPPLEMENTAL INFORMATION

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2022

Schedule of Changes in CRHA's Net Pension Liability and Related Ratios as of June 30:

	2021	2020	2019	2018	2017	2016	2015
Total pension liability							
Service cost	$ 41,454	$ 32,609	$ 38,766	$ 33,692	$ 51,105	$ 63,052	$ 86,271
Interest	151,676	162,212	159,703	163,675	167,467	166,372	170,632
Change of assumptions	107,856	-	53,376	-	24,274	-	-
Difference between expected and actual experience	238,968	(185,377)	37,585	(86,707)	(120,034)	(29,795)	(145,637)
Contributions - Employer							
Contributions - Employee							
Net investment income							
Benefit payments, including refunds of employee contributions	(165,895)	(165,186)	(170,311)	(164,511)	(189,449)	(154,392)	(165,742)
Administrative expense							
Other	-	-	-	-	-	(24,127)	-
Net change in total pension liability	374,059	(155,742)	119,119	(53,851)	(66,637)	21,110	(54,476)
Total pension liability - beginning	2,329,997	2,485,739	2,366,620	2,420,471	2,487,108	2,465,998	2,520,474
Total pension liability - ending (a)	$ 2,704,056	$ 2,329,997	$ 2,485,739	$ 2,366,620	$ 2,420,471	$ 2,487,108	$ 2,465,998
Contributions - employer	$ (1,367)	$ 1,580	$ (2,270)	$ 490	$ 457	$ 12,453	$ 16,473
Contributions - employee	29,177	21,608	21,645	26,349	21,489	25,141	30,780
Net investment income	995,013	71,176	239,494	259,896	395,686	56,219	151,946
Benefit payments, including refunds of employee contributions	(165,895)	(165,186)	(170,311)	(164,511)	(189,449)	(178,519)	(165,742)
Administrative expense	(2,544)	(2,504)	(2,478)	(2,315)	(2,403)	(2,172)	(2,170)
Other	93	(83)	(150)	(228)	(347)	(24)	(32)
Net change in plan fiduciary net position	854,477	(73,409)	85,930	119,681	225,433	(86,902)	31,255
Plan fiduciary net position - beginning	3,682,318	3,755,727	3,669,797	3,550,116	3,324,683	3,411,585	3,380,330
Plan fiduciary net position - ending (b)	$ 4,536,795	$ 3,682,318	$ 3,755,727	$ 3,669,797	$ 3,550,116	$ 3,324,683	$ 3,411,585
CRHA's net pension liability (asset) - ending (a)-(b)	$ (1,832,739)	$(1,352,321)	$(1,269,988)	$(1,303,177)	$(1,129,645)	$ (837,575)	$ (945,587)
Plan fiduciary net position as a percentage of the total Pension liability	168%	158%	151%	155%	147%	134%	138%
Covered employee payroll	$ 599,540	$ 672,982	$ 504,459	$ 512,367	$ 772,373	$ 792,958	$ 854,400
CRHA's net pension liability as a percentage of covered-employee payroll	-306%	-201%	-252%	-254%	-146%	-106%	-111%

These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

Totals, with the exception of the covered payroll, are from Schedule E - Total Pension Liability and Fiduciary Net Position on pages 96-131 and the Summary of Collective Amounts on page 3 of the GASB Statement No. 68 Report.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2022
(continued)

Schedule of CRHA's Employer Contributions to the VRS Pension Plan as of 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
2021	$ -	$ -	$ -	$ 599,540	0.00%
2020	$ -	$ -	$ -	$ 672,982	0.00%
2019	$ 5,246	$ 5,246	$ -	$ 504,459	1.04%
2018	$ 5,329	$ 5,329	$ -	$ 512,367	1.04%
2017	$ 457	$ 457	$ -	$ 772,373	0.06%
2016	$ 12,453	$ 12,453	$ -	$ 792,958	1.57%
2015	$ 18,919	$ 18,919	$ -	$ 854,400	2.21%

These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2021

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 following changes in actuarial assumptions were made effective June 30, 2016 based on the most recent experience study of the System for the four-year period ending June 30, 2016:

Largest 10 - Non-Hazardous Duty:

Updated mortality table to PUB2010 public sector mortality table.
Adjusted retirement rates to better fit experience and changed final retirement from to 75 to 80.
Adjusted withdrawal rates to better fit experience at each year age and service through 9 years.

All Others - Non-Hazardous Duty:

Updated mortality table to PUB201 O public sector mortality table.
Adjusted retirement rates to better fit experience and changed final retirement from to 75 to 80.
Adjusted withdrawal rates to better fit experience at each year age and service through 9 years.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB HEALTH INSURANCE
FOR THE YEAR ENDED MARCH 31, 2022

Schedule of Changes in CRHA's Net OPEB Health Insurance Plan Liability and Related Ratios for Fiscal Year Ending March 31:

	2018	2019*	2020	2021*	2022
Total OPEB Liability					
Interest	$ 9,221	$ 8,886	$ 7,516	$ 6,550	$ 6,279
Change of assumptions	-	-	-	-	(13,938)
Difference between expected and actual experience	-	-	(25,955)	-	(96,618)
Benefit payments, including refunds of employee contributions	(18,146)	(19,598)	(21,166)	(15,369)	(16,007)
Net change in total OPEB Liability	(8,925)	(10,712)	(39,605)	(8,819)	(120,284)
Total OPEB Liability - beginning	303,617	294,692	283,980	244,375	235,556
Total OPEB Liability - ending (a)	$ 294,692	$ 283,980	$ 244,375	$ 235,556	$ 115,272
Plan fiduciary net position					
Contributions - employer	$ 18,146	$ 19,598	$ 21,166	$ 15,369	$ 16,007
employee contributions	(18,146)	(19,598)	(21,166)	(15,369)	(16,007)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -	$ -
CRHA's Net OPEB Liability (asset) - ending (a)-(b)	$ 294,692	$ 283,980	$ 244,375	$ 235,556	$ 115,272
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered employee payroll	n/a	n/a	n/a	n/a	n/a
CRHA's Net OPEB Liability as a percentage of covered-employee payroll	n/a	n/a	n/a	n/a	n/a

*Projected

These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB HEALTH INSURANCE
FOR THE YEAR ENDED MARCH 31, 2022
(continued)

Schedule of CRHA's Employer Contributions to the OPEB Health Insurance Plan for Fiscal Year Ending March 31:

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	$ 19,259	$ 16,007	$ 3,252	n/a	n/a
2021*	$ 19,980	$ 15,369	$ 4,611	n/a	n/a
2020	$ 23,804	$ 21,166	$ 2,638	n/a	n/a
2019*	$ 24,703	$ 19,598	$ 5,105	n/a	n/a
2018	$ 25,450	$ 18,146	$ 7,304	n/a	n/a

*Projected

These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB HEALTH INSURANCE
FOR THE YEAR ENDED MARCH 31, 2022

Note 1: Changes of Benefit Terms

There have been no material changes to the OPEB provisions since the prior actuarial valuation.

Note 2: Changes of Assumptions

The following changes in actuarial assumptions were made effective April 1, 2022:

1. The discount rate is 3.46% based on the S&P Municipal Bond Index as of March 31, 2022, compared to the prior rate of 2.86%

2. Mortality was updated from being projected using Scale MP-2019 to Scale MP-2021.

3. The health care cost trend rates assumption is updated from 7.5% graded uniformly to 6.75% over 3 years and following the 2020 Getzen model thereafter to an ultimate rate of 4.04% in the year 2075 to 6.0% graded uniformly to 5.5% over 2 years and following the 2022 Getzen model thereafter to an ultimate rate of 3.94% in the year 2075.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB GROUP LIFE INSURANCE
FOR THE YEAR ENDED MARCH 31, 2022

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

	2021	2020	2019	2018	2017
Employer's Proportion of the Net GLI OPEB Liability (Asset)	0.00365%	0.00236%	0.00261%	0.00309%	0.00260%
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	$42,471	$39,385	$42,471	$47,000	$40,000
Employer's Covered Payroll	$672,982	$485,361	$512,367	$587,605	$480,170
Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of its Covered Payroll	6.31%	8.11%	7.69%	8.00%	8.33%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.45%	52.64%	52.64%	51.22%	48.86%

These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB GROUP LIFE INSURANCE
FOR THE YEAR ENDED MARCH 31, 2022

Schedule of CRHA's Employer Contributions to the OPEB Group Life Insurance Plan for Fiscal Year Ending 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
2021	$ 3,634	$ 3,634	$ -	$ 672,982	0.54%
2020	$ 2,524	$ 2,524	$ -	$ 485,361	0.52%
2019	$ 2,664	$ 2,664	$ -	$ 512,367	0.52%
2018	$ 3,056	$ 3,056	$ -	$ 587,605	0.52%
2017	$ 2,497	$ 2,497	$ -	$ 480,170	0.52%
2016	$ 2,921	$ 2,646	$ 275	$ 551,179	0.53%
2015	$ 3,447	$ 3,122	$ 325	$ 650,349	0.53%
2014	$ 4,250	$ 3,849	$ 401	$ 801,827	0.53%
2013	$ 3,937	$ 3,566	$ 371	$ 742,833	0.53%
2012	$ 3,557	$ 2,264	$ 1,293	$ 808,481	0.44%

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB GROUP LIFE INURANCE
FOR THE YEAR ENDED MARCH 31, 2022

Note 1: Changes of Benefit Terms

There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation. The 2014 valuation includes Hybrid Retirement Plan members for the first time. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. Because this is a fairly new benefit and the number of participants was relatively small, the impact on the liabilities as of the measurement date of June 30, 2018 are not material.

Note 2: Changes of Assumptions

The following changes in actuarial assumptions were made effective June 30, 2019 based on the most recent experience study of the System for the four-year period ending June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 - Non-Hazardous Duty:

Updated mortality table RP-2014 projected to 2020
Lowered retirement rates at older ages and changed final retirement from 70 to 75
Adjusted withdrawal rates to better fit experience at each year age and service years
Lowered disability rates
Increased line of duty disability rate from 14% to 20%
Decrease discount rate from 7.00% to 6.75%

All Others – Non-Hazardous Duty:

Updated mortality table RP-2014 projected to 2020
Lowered retirement rates at older ages and changed final retirement from 70 to 75
Adjusted withdrawal rates to better fit experience at each year age and service years
Lowered disability rates
Increased line of duty disability rate from 14% to 15%
Decrease discount rate from 7.00% to 6.75%