# CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

## AUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2025

# CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

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

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



## INDEPENDENT AUDITORS' REPORT

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, 2025, 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, 2025, 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 (GAAS) and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 60, the Schedule of Net OPEB Liability on pages 63 and 66, the Schedule of Employer Contributions to the Virginia Retirement system pension plan on page 61, and the Schedule of Employer Contributions to the OPEB plans on pages 64 and 67, 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 30, 2025, 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
December 30, 2025

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, 2025.

**FINANCIAL HIGHLIGHTS AND CONCLUSIONS**:

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

- Total net position increased by $10,642,677 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 a decrease in governmental subsidies due to increases in HUD Funded programs of $2,027,077 and lower local funding of ($ 4,765488) from the City of Charlottesville.

- The Department of Housing and Urban Development (HUD) rates each Authority under the Public Housing Assessment System (PHAS). The Authority has a troubled designation for fiscal year ending March 31, 2025.

- The Department of Housing and Urban Development (HUD) also rates each Authority under the Section Eight Management Assessment Program (SEMAP). The Authority received the most recent status was substandard physical
- fiscal year ending March 31, 2025.

**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:

**Charlottesville Redevelopment & Housing Authority**
**Combined Statement of Net Position**
**TABLE I**

| Account Descriptions | 2025 | 2024 | Total Change | % Change |
|---|---|---|---|---|
| Current Assets | 4,437,042 | 5,370,247 | -933,205 | 287.39% |
| Noncurrent Assets | 2,165,610 | 2,442,408 | -276,798 | -57.77% |
| Capital Assets | 67,411,364 | 60,925,767 | 6,485,597 | 28.67% |
| | | | 0 | |
| **Total Assets** | 74,014,016 | 68,738,422 | 5,275,594 | **36.80%** |
| | | | 0 | |
| **State of Virginia V.R.S.** | 15,729 | 75,430 | -59,701 | 0.00% |
| | | | 0 | |
| **TOTAL ASSETS AND DEF. OUTFLOWS OF RESOURCES** | **74,029,745** | **68,813,852** | 5,215,893 | 36.78% |
| | | | 0 | |
| Current Liabilities | 3,340,897 | 1,194,154 | 2,146,743 | 7.46% |
| Noncurrent Liabilities | 34,970,911 | 42,029,740 | -7,058,829 | 29.75% |
| | | | 0 | |
| **Total Liabilities** | **38,311,808** | **43,223,894** | -4,912,086 | **26.38%** |
| | | | 0 | |
| Deferred inflows of resources | 110,024 | 624,722 | -514,698 | 366.01% |
| | | | 0 | |
| Investment in Capital Assets | 31,603,122 | 14,446,035 | 17,157,087 | 24.18% |
| Restricted Net Position | 125,953 | 29,097 | 96,856 | 100.00% |
| Unrestricted Net Position | 3,878,838 | 10,490,104 | -6,611,266 | 887.17% |
| | | | 0 | |
| **Total Net Position** | **35,607,913** | **24,965,236** | 10,642,677 | **58.07%** |
| | | | 0 | |
| **TOTAL LIABILITIES, DEF. INFLOWS OF RES. AND NET POSITION** | **74,029,745** | **68,813,852** | 5,215,893 | **36.78%** |

As illustrated in the Combined Statement of Net Position, the overall Net position of the Authority increased by $10,642,677.

The Authority's Unrestricted Net position decreased by $6,611,266.

The "Investment in Capital Assets" increased by $17,157,087.

Restricted Net Position increased by $96,856 related to lower unexpended advances in the HCVP and Emergency Housing Voucher (EHV) programs.

Current assets decreased by $933,205 which was mainly due to investments in capital activity.

Capital assets increased by $6,485,597 due primarily to construction activities and South First Street, Crescent Hall, Greenleaf and AMP4. Additional details regarding capital assets are included in Table IV in this report.

Pension assets related to the Virginia Retirement System GASB 68 audit report at 6/30/2024 increased by $138,636. The balance at this report date is $1,979,512. There was $98,327 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 $162,192.

Current liabilities increased by $2,146,743 due to a variety of changes.

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

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

| Account Descriptions | 2025 | 2024 | Total Change | % Change |
|---|---|---|---|---|
| Tenant Revenue | 3,924,131 | 2,524,462 | 1,399,669 | 55.44% |
| Grant Funding | 11,402,205 | 17,387,423 | -5,985,218 | -34.42% |
| Interest Income | | 5,003 | -5,003 | -100.00% |
| Other Income | 9,823,951 | 1,012,933 | 8,811,018 | 869.85% |
| Gain on sale of Capital Assets | | 2,692,463 | -2,692,463 | -100.00% |
| | | | 0 | |
| **Total Revenue** | **25,150,287** | **23,622,284** | 1,528,003 | 6.47% |
| | | | 0 | |
| Administration | 3,540,379 | 3,012,714 | 527,665 | 17.51% |
| Tenant Services | 40,307 | 68,669 | -28,362 | -41.30% |
| Utilities | 1,124,150 | 962,177 | 161,973 | 16.83% |
| Maintenance | 2,472,318 | 1,247,182 | 1,225,136 | 98.23% |
| Protective services | 72,712 | | | |
| Insurance Expense | | 252,810 | -252,810 | -100.00% |
| General expense & Insurance | 500,251 | -249,894 | 750,145 | -300.19% |
| Housing Assistance Payments | 8,903,592 | 6,952,168 | 1,951,424 | 28.07% |
| Interest expense | | 289,185 | -289,185 | -100.00% |
| Depreciation | 2,491,019 | 1,788,794 | 702,225 | 39.26% |
| | | | 0 | |
| **Total Expenses** | **19,144,728** | **14,323,805** | 4,820,923 | 33.66% |
| | | | | |
| **Non-Operating Revenues (Expenses)** | | | | |
| | | | | |
| Interest and Investment Revenue | 32,538 | | | |
| Interest Expense | -1,049,538 | | | |
| | | | | |
| **Total Nonoperating Revenues (Expenses)** | -1,017,000 | | | |
| Income (Loss) Before Capital Grants | 4,988,559 | | | |
| | | | | |
| Capital Grants | 978,853 | | | |
| | | | | |
| Change in Net Position | 5,967,412 | 9,298,479 | -3,331,067 | -35.82% |
| | | | 0 | |
| Beginning Net Position | 24,965,236 | 15,235,906 | 9,729,330 | 63.86% |
| | | | | |
| Equity Transfers and Prior Period Adjustments | 4,675,265 | | | |
| | | | 0 | |
| **Ending Net Position** | **35,607,913** | **24,534,385** | 11,073,528 | 45.13% |

**REVENUES**

In reviewing the Statement of Revenues, Expenses, and Net position, you will find that 45% 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 16% of total revenue. Compared to the Fiscal Year Ended March 31, 2024, revenues increase by $3,245,792 or 14.82%

**Tenant Revenue** - Tenant Revenue received in the Housing Program had a net increase of $1,436,794 from $2,487,337 to $3,924,131or 57.7%. This was driven by increased rents and in Housing and, adding new properties.

**Program Grants/Subsidies** – There was a increase in grant funding of $1,831,403 from $9,570,802 in FY2024 to $11,402,205 in FY2025. State and Local grant levels were $4,644,681 lower due to decreased CSRAP and City Funding in relation to FY2024 amounts. The City of Charlottesville funded improvements of Public Housing sites during the fiscal year and has committed similar funding for the upcoming year. The following is detailed comparative analysis of FY2024 and FY2025 Federal funding by Program:

**Other Income** – Other income increased $202,897 from $1,421,787 in FY2024 to $1,624,684 in FY2025. This increase was related to slightly higher other income activity in the current year in relation to FY2024.

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**Table III**
**HUD Funding Comparative**

| Year | Public Housing | | HCVP/MSV/EHV | | CFP |
|---|---|---|---|---|---|
| 2025 | 2,377,817 | | 8,797,772 | | 978,853 |
| 2024 | 2,290,274 | | 6,770,695 | | 2,102,360 |
| **Net Change** | **87543.00** | **0.00** | **2,027,077.00** | **0.00** | **-1,123,507.00** |
| **% Change** | **3.82%** | | **29.94%** | | **-53.44%** |

| Year | FSS/ROSS/JP | | CDBG/City | | Totals |
|---|---|---|---|---|---|
| 2025 | 226,616 | | 1,333,836 | | 13,714,894 |
| 2024 | 124,770 | | 6,099,324 | | 17,387,423 |
| **Net Change** | **101,846.00** | **0.00** | **-4,765,488.00** | **0.00** | **-3,672,529.00** |
| **% Change** | **82%** | | **-78%** | | **-21%** |

**EXPENSES**
The Charlottesville Redevelopment & Housing Authority experienced an increase in operating expenses of $4,820,923 or 33.66% as expenses increased from $14,323,805 in FY2024 to $19,144,728 as follows:

**Administrative –** Administrative costs include all non-maintenance and non-resident service personnel costs (including benefits and accrued leave), legal costs, auditing costs, travel and training costs, and other administrative costs such as supplies, telephone expense, etc. Administrative expenses were $527,665 higher than in FY2024 due primarily to additional salaries. Office, travel, train, telephone, etc. increased in direct correlation to the hiring of additional staff.

**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 $28,362 or 41.3% in FY25 compared to FY24.

**Utilities** - The total utilities expense for the Authority increased by $161,973 or 16.83% from $962,177 in FY2024 to $1,124,150 in FY2025 which was primarily the result of continued conversion activities at Crescent Hall LLC and the acquisition of the Greenleaf.

**Maintenance –** Maintenance costs are all costs incurred by the Authority to maintain the 455 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 $1,225,136 or 98.23%. This increase is due to expanding our maintenance department. Long term this will lower the cost of using third party vendors.

**Insurance Expenses** – Insurance Expenses include insurance costs (property, auto, liability, workers' compensation, public officials' liability, lead based paint insurance, etc. Insurance expenses increased to $391,340. This was due to across-the-board increases in all insurance lines.

**General Expenses** – General Expenses include other general expenses, compensated absence costs, and payments in lieu of taxes to the City of Charlottesville. General expenses for the Authority increased to $108,911.

**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. HAP payments for the Authority increased by $2,027,077. This was due to increased lease-ups in the HCV and Mainstream programs, and receiving short fall funds.

**Depreciation** – Because the costs of all capitalized additions are spread over the estimated useful life of an asset, the estimated current year costs of capitalized items are recorded as depreciation. Depreciation Expense for the current year increased by $2,167,419 or 8.66% due primarily to the First Street units Crescent Halls and Dogwood coming online and the addition of the Greenleaf property.

## CAPITAL ASSETS

At the end of fiscal year 2025 the Authority had invested in Capital Assets of $70,411,364 net of depreciation. As of March 31, 2025, the Authority had an increase in its net capital asset in the amount of $9,485,597 or 15.57%. The following illustrates the Capital Asset values for 2025 and 2024.

**Charlottesville Redevelopment & Housing Authority**
**Combined Statement of Capital Assets**
**TABLE IV**

| Account Descriptions | 2025 | 2024 | Total Change | % Change |
|---|---|---|---|---|
| Land | 7,388,644 | 3,909,315 | 3,479,329 | **89.00%** |
| Buildings & improvements | 83,355,399 | 79,769,382 | 3,586,017 | **4.50%** |
| Equipment | 6,869,005 | 2,281,335 | 4,587,670 | **201.10%** |
| | 97,613,048 | 85,960,032 | 11,653,016 | **13.56%** |
| Accumulated Depreciation | -27,201,684 | -25,034,265 | -2,167,419 | **8.66%** |
| | | | 0 | |
| **Total Capital Assets** | **70,411,364** | **60,925,767** | 9,485,597 | **15.57%** |

CRHA had ongoing redevelopment of the Crescent Hall AMP 2 as well as the development of the South Street project which contributed $11,653,016 of new capital costs. CRHA also had $978,583 in Capital Fund capital expenditures during fiscal year 2025. Additionally, there was the addition of Greenleaf during the year. CRHA operated five (5) CFP grants during fiscal year 2025 with a total of $978,853 of expenditures.

**LONG-TERM DEBT**

Long-term debt decreased by $4,732,633 from $39,740,982 in FY24 to $35,008,349 in FY2025. These decreases were related to repayment of loans for component unit activities at the Crescent Hall LLC development and the Dogwood properties. Additional details on Authority debt can be found in Note 11 of the Financial Statements.

**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, because 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, similar to other middle-sized cities within Virginia is suffering loss of industry, business and employment opportunities for low to moderate income families. This leads to further strains on the CRHA's limited expendable assets added with HUD and State cuts in funding for the CRHA's programs leads to diminished opportunities for the CRHA 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 staying abreast of regulations and appropriations as well as maintaining 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 CRHA 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 of redevelopment. The two recently completed redevelopment projects at First Street and Crescent Hall will provide much needed improvements to the properties and reposition the authority's financial position related to the public housing properties.

In the upcoming year, CHRA will be acquiring scattered site housing to help to improve its aging housing stock.

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, 2025

| ASSETS | Enterprise Fund |
|---|---|
| **Current Assets** | |
| Cash and Cash Equivalents | $ 2,650,924 |
| Tenant Security Deposits | 109,145 |
| Receivables, Net | 1,574,642 |
| Prepaid Expense and Other Assets | 102,331 |
| **Total current assets** | 4,437,042 |
| **Noncurrent Assets** | |
| Restricted Cash and Cash Equivalents | 86,506 |
| Other Assets | 2,079,104 |
| Capital Assets, Net | 67,411,364 |
| **Total Noncurrent Assets** | 69,576,974 |
| **Total Assets** | 74,014,016 |
| **Deferred Outflow of Resources** | |
| Deferred Outflow of Resources | 15,729 |
| **Total Assets and Deferred Outflow of Resources** | $ 74,029,745 |

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

# CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

## Statement of Net Position
## March 31, 2025

| | Enterprise Fund |
|---|---|
| **LIABILITIES** | |
| **Current Liabilities** | |
| Bank Overdraft | $ 480,787 |
| Accounts Payable | 301,447 |
| Accrued Expenses | 294,138 |
| Tenant Security Deposits | 203,111 |
| Current Portion of Long-Term Debt | 296,613 |
| Other Current Liabilities | 1,764,801 |
| **Total Current Liabilities** | 3,340,897 |
| **Non-Current Liabilities** | |
| Accrued Pension and OPEB Liabilities | 219,139 |
| Long-Term Debt, Net of Current Portion | 34,711,736 |
| Other Non-Current Liabilities | 40,036 |
| **Total Noncurrent Liabilities** | 34,970,911 |
| **Total Liabilities** | 38,311,808 |
| **Deferred Inflow of Resources** | |
| Deferred Inflow of Resources | 110,024 |
| **Total Liabilities and Deferred Infow of Resources** | 38,421,832 |
| **NET POSITION** | |
| Net Investment in Capital Assets | 31,603,122 |
| Restricted Net Position | 125,953 |
| Unrestricted Net Position | 3,878,838 |
| **Total Net Position** | 35,607,913 |
| **Total Liabilities, Deferred Infow of Resources, and Net Position** | $ 74,029,745 |

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, 2025

| | Enterprise Fund |
|---|---|
| **Operating Revenues** | |
| Tenant Revenue | $ 3,924,131 |
| HUD Operating Grants | 11,402,205 |
| Other Revenue | 9,823,951 |
| **Total Operating Revenues** | 25,150,287 |
| | |
| **Operating Expenses** | |
| Administrative | 3,540,379 |
| Tenant Services | 40,307 |
| Utilities | 1,124,150 |
| Maintenance | 2,472,318 |
| Protective Services | 72,712 |
| Insurance and General | 500,251 |
| Housing Assistance Payments | 8,903,592 |
| Depreciation | 2,491,019 |
| **Total Operating Expenses** | 19,144,728 |
| **Operating Income (Loss)** | 6,005,559 |
| | |
| **Non-Operating Revenues (Expenses)** | |
| Interest and Investment Revenue | 32,538 |
| Interest Expense | (1,049,538) |
| **Total Nonoperating Revenues (Expenses)** | (1,017,000) |
| Income (Loss) Before Capital Grants | 4,988,559 |
| | |
| Capital Grants | 978,853 |
| Change in Net Position | 5,967,412 |
| | |
| Total Beginning Net Position | 24,965,236 |
| Equity Transfers and Prior Period Adjustments | 4,675,265 |
| **Total Ending Net Position** | $ 35,607,913 |

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, 2025

| | Enterprise Fund |
|---|---|
| Cash Flows from Operating Activities: | |
| Cash Received from Grantors | $ 11,402,205 |
| Cash Received from Tenants and Other Activities | 15,654,989 |
| Cash Paid to Suppliers | (10,394,737) |
| Cash Paid to Employees | (4,104,595) |
| Net Cash Provided/(Used) by Operating Activities | 12,557,862 |
| Cash Flows from Capital and Related Financing Activities: | |
| Purchases, Sales and Construction of Capital Assets | (8,545,765) |
| Proceeds (Payments) of Long-Term Debt | (5,782,171) |
| Capital Grants Received | 978,853 |
| Net Cash Provided by (Used) for Capital and Related Financing Activities | (13,349,083) |
| Cash Flows from Investing Activities: | |
| Interest Income | 32,538 |
| Net Cash Provided by Investing Activities | 32,538 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (758,683) |
| Cash and Cash Equivalents at Beginning of Year | 3,605,258 |
| Cash and Cash Equivalents at End of Year | $ 2,846,575 |
| Reconciliation of Cash and Restricted Cash | |
| Cash and Cash Equivalents | $ 2,650,924 |
| Tenant Security Deposits | 109,145 |
| Restricted Cash and Cash Equivalents | 86,506 |
| Total Cash and Cash Equivalents | $ 2,846,575 |

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, 2025

| | Enterprise Fund |
|---|---|
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | |
| Operating Income (Loss) | $ 6,005,559 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | |
| Depreciation Expense | 2,491,019 |
| Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources: | |
| (Increase) Decrease in Receivables, Net | 232,589 |
| (Increase) Decrease in Prepaid Expenses | 73,054 |
| (Increase) Decrease in Other Assets | 4,820,942 |
| (Increase) Decrease in Deferred Outflow of Resources | 59,701 |
| Increase (Decrease) in Bank Overdrafts | 480,787 |
| Increase (Decrease) in Accounts Payable | (351,888) |
| Increase (Decrease) in Accrued Expenses | 124,143 |
| Increase (Decrease) in Accrued Compensated Absences | (193,055) |
| Increase (Decrease) in Tenant Security Deposits | 14,483 |
| Increase (Decrease) in Unearned Revenue | 1,659,835 |
| Increase (Decrease) in Accrued OPEB and Other Liabilities | (2,344,609) |
| Increase (Decrease) in Deferred Inflow of Resources | (514,698) |
| Net Cash Provided (Used) by Operating Activities | $ 12,557,862 |

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, 2025

## 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, 2025

## 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.

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of Accounting (continued) –**

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 ("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, 2025, 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, 2025

**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, 2025.

**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** – The Authority records no liabilities for compensated absences. Employees who have successfully completed 60 days of employment are eligible for paid leave. Leave is not accrued and must be approved prior to being taken. No amount of time off is promised, guaranteed, vested or accrued. Compensation is not reduced for taking time off under this policy, but the time off will not be counted as the hours worked when computing overtime for nonexempt employees. No leave time is paid out upon termination.

**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, 2025

## 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, 2025.

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

## NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

At March 31, 2025, the carrying amount of the Authority's cash deposits (including restricted deposits), was $2,846,575 and the bank balance was $3,232,871. 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, 2025, the bank balance was insured and collateralized in accordance with HUD regulations as follows:

| | |
|---|---|
| FDIC Insured | $ 250,000 |
| Collateralized | 2,982,871 |
| | $ 3,232,871 |

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, 2025, 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, 2025, including the applicable allowances for uncollectible accounts, are as follows:

| | Public and Indian Housing | Component Unit - Blended | Housing Choice Vouchers | State and Local | Business Activities | ROSS | COCC | Jobs-Plus Pilot Initiative | Total |
|---|---|---|---|---|---|---|---|---|---|
| Receivables: | | | | | | | | | |
| Tenants | $ 77,945 | $ 124,150 | $ 61,490 | $ - | $ 76,992 | $ - | $ - | $ - | $ 340,577 |
| Other Projects | - | 35,387 | 240,439 | - | 28,590 | 5,969 | - | - | 310,385 |
| Other Government | - | - | - | - | 121,011 | - | 172,095 | - | 293,106 |
| Miscellaneous | 217 | - | 230,822 | 83,320 | 342,409 | - | 1,386 | 2,239 | 660,393 |
| Notes, Loans and Mortgages - Current | - | - | - | - | 56,500 | - | - | - | 56,500 |
| Gross Receivables | 78,162 | 159,537 | 532,751 | 83,320 | 625,502 | 5,969 | 173,481 | 2,239 | 1,660,961 |
| Less: Allowance for Uncollectibles | (47,680) | (23,241) | (15,398) | - | - | - | - | - | (86,319) |
| Accounts Receivable, Net | $ 30,482 | $ 136,296 | $ 517,353 | $ 83,320 | $ 625,502 | $ 5,969 | $ 173,481 | $ 2,239 | $ 1,574,642 |

## NOTE 5: INVENTORY

Inventory consists mainly of materials and supplies utilized in the Authority's Public and Indian Housing program. At March 31, 2025, 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, 2025. 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. The Authority has other notes receivable from these component units totaling $2,718,750. These notes are eliminated in the entity-wide financial statements.

## NOTE 7: OTHER ASSETS

Other assets at March 31, 2025, consisted of the following:

| | |
|---|---|
| Net Pension Asset | $ 1,979,512 |
| Development Costs | 99,592 |
| | $ 2,079,104 |

## NOTE 8: CAPITAL ASSETS, NET

A summary of the changes in capital assets during the year ended March 31, 2025, is as follows:

| | 3/31/2024 | Additions | Dispositions | Transfers | 3/31/2025 |
|---|---|---|---|---|---|
| Land | $ 3,909,315 | $ 3,479,329 | $ - | $ - | $ 7,388,644 |
| Buildings | 77,116,549 | 3,602,116 | - | 2,636,734 | 83,355,399 |
| Furniture and Equipment | 2,281,335 | 979,748 | (323,600) | - | 2,937,483 |
| Leasehold Improvements | 16,099 | 915,423 | - | - | 931,522 |
| Construction in Process | 2,636,734 | - | - | (2,636,734) | - |
| | 85,960,032 | 8,976,616 | (323,600) | - | 94,613,048 |
| Accumulated Depreciation | (25,034,265) | (2,491,019) | 323,600 | - | (27,201,684) |
| Capital Assets, Net | $ 60,925,767 | $ 6,485,597 | $ - | $ - | $ 67,411,364 |

Depreciation expense for the year ended March 31, 2025, totaled $2,491,019.

## NOTE 9: ACCOUNTS PAYABLE

Accounts payable at March 31, 2025, totaled $301,447 and consisted of the following:

| | |
|---|---|
| Vendors and Contractors | $ 82,057 |
| Other Government | 219,390 |
| | $ 301,447 |

## NOTE 10: ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities at March 31, 2025, consisted of the following:

| | |
|---|---|
| Wages and Payroll Taxes | $ 187,283 |
| Accrued Interest | 42,448 |
| Current Portion of Long-Term Debt | 296,613 |
| Bank Overdraft | 480,787 |
| Tenant Security Deposits | 203,111 |
| Accrued Other | 67,181 |
| Other Current Liabilities | 1,762,027 |
| | $ 3,039,450 |

## NOTE 11: NON-CURRENT LIABILITIES

The following is a summary of changes in non-current liabilities for the year ended March 31, 2025:

| | 3/31/2024 | Additions | Retirements | 3/31/2025 |
|---|---|---|---|---|
| Compensated Absences - Non Current | $ 115,832 | $ - | $ (115,832) | $ - |
| Accrued OPEB | 151,662 | 67,477 | - | 219,139 |
| Long-Term Debt, Net of Current Portion | 39,740,975 | - | (5,029,239) | 34,711,736 |
| Other Non-Current Liabilities | 2,021,271 | - | (1,981,235) | 40,036 |
| | $ 42,029,740 | $ 67,477 | $ (7,126,306) | $ 34,970,911 |

**Compensated Absences** - Represents the amount of accumulated leave for which employees are entitled to receive payment in accordance with the Authority's Personnel Policy. Paid leave is no longer accrued as discussed in Note 1.

**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** – As of December 31, 2024, the Component Units had the following notes payable:

| | Crescent Halls Reno LLC | South First Phase One LLC | Totals (Memorandum) |
|---|---|---|---|
| Charlottesville Redevelopment and Housing Authority (CRHA) | $ 2,920,000 | $ 1,160,614 | $ 4,080,614 |
| CCDC - Affordable Housing Opportunity Fund Loan | 9,528,469 | 2,734,000 | 12,262,469 |
| CCDC - City Bond Loan | 1,875,000 | 1,125,000 | 3,000,000 |
| CCDC - Sponsor VH Loan | - | 500,000 | 500,000 |
| Virginia Housing | 2,984,545 | 3,921,418 | 6,905,963 |
| CRHA DHCD Loans | - | 2,525,748 | 2,525,748 |
| CRHA FHLB Loan | 500,000 | 500,000 | 1,000,000 |
| VHDA Loan | 500,000 | - | 500,000 |
| VHTF Loan | 900,000 | - | 900,000 |
| HIEE Loan | 1,935,000 | - | 1,935,000 |
| NHTF Loan | 250,000 | - | 250,000 |
| HOME Loan | 250,000 | - | 250,000 |
| | $ 21,643,014 | $ 12,466,780 | $ 34,109,794 |

## NOTE 11: NON-CURRENT LIABILITIES (continued)

**Long-Term Debt, Net of Current (continued)–** As of December 31, 2024, the Component Units had the following notes payable:

### CRESCENT HALLS RENO, LLC

The note payable to CRHA was made on March 16, 2022, 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, 2022. As discussed in Note 6, this note is being eliminated in the entity-wide financial statements.

The CCDC - Affordable Housing Opportunity Fund Loan is comprised of two notes payable with an aggregate total of $9,528,469, 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

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 paid sooner, the principal balance is due in full March 16, 2051. As of December 31, 2024, $1,875,000 had been drawn from this loan.

The Virginia Housing note has a stated interest rate of 0.5%. Payments of $8,976 are to be made monthly beginning November 1, 2024, and consist of principal and interest. The note and any accrued interest are due in full October 1, 2054. Established principal payments for the next five years are as follows:

| | | |
|---|---|---|
| 2025 | $ | 92,998 |
| 2026 | | 93,464 |
| 2027 | | 93,933 |
| 2028 | | 94,404 |
| 2029 | | 94,877 |
| Thereafter | | 2,514,869 |
| | $ | 2,984,545 |

The CRHA FHLB Loan is for $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 2054. At December 31, 2024, the balance of this loan is $500,000

The VHDA note is for $500,000, bearing interest of 0% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was $500,000.

The VHTF Loan is for $900,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was $900,000.

The HIIE Loan is for $1,935,000, bearing interest of 0% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was $1,935,000.

## NOTE 11: NON-CURRENT LIABILITIES (continued)

### CRESCENT HALLS RENO, LLC (continued)

The NHTF Loan is for $250,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was $250,000.

The HOME Loan is for $250,000, bearing interest of 0.5% per annum and is secured by a deed of trust to CRHA. The loan is payable and is due in full in 2054. At December 31, 2024, the balance of this loan was $250,000.

### SOUTH FIRST PHASE ONE, LLC

The note payable to CRHA was made on January 8, 2021, in the original amount of $1,100,000, bearing interest of 1.35% 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 January 8, 2051. As discussed in Note 6, this note is being eliminated in the entity-wide financial statements.

The CCDC - Affordable Housing Opportunity Fund Loan is for an amount up to $2,500,000, 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. As of December 31, 2023, $2,734,000 has been drawn from this loan.

The Bond Loan, payable to the Charlottesville Community Development Corporation (CCDC), is for up to $1,125,000 and bears no interest. Payments shall be made from available cash as defined in the operating agreement. If not paid sooner, the principal balance is due in full March 16, 2051. As of December 31, 2024, $1,125,000 had been drawn from this loan.

The Virginia Housing note has a stated interest rate of 0.5%. Payments of $10,383 are to be made monthly beginning February, 21, 2024, and consist of principal and interest. The note and any accrued interest are due in full 2059. Established principal payments for the next five years are as follows:

| | | |
|---|---|---|
| 2025 | $ | 105,235 |
| 2026 | | 105,762 |
| 2027 | | 106,292 |
| 2028 | | 106,825 |
| 2029 | | 107,360 |
| Thereafter | | 3,389,944 |
| | $ | 3,921,418 |

The CRHA - DHCD Loans consist of three loans of $650,000, $1,434,000, and $650,000 respectively, and bear interest rates of 1%, 0%, and 1%, respectively. The loans are due in full in 2059.

The Company has an FHLB Loan payable to Virginia Housing in the amount of $500,000. The loan bears no interest and is to be paid from net cash flows with the full balance due in 2051.

As of March 31, 2025, the total Long-Term Debt, Net of Current, of $6,738,750 is eliminated in the Authority-wide financial statements and Long-Term Debt not eliminated in the Authority-wide financial statements is $34,711,736.

## NOTE 11: NON-CURRENT LIABILITIES (continued)

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

| | |
|---|---|
| FSS Escrow | $ 40,036 |
| Other Non Current Liabilities | $ 40,036 |

## 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/2024-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, 2023, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

| | |
|---|---|
| Inactive Members or Their Beneficiaries Currently Receiving Benefits | 13 |
| Inactive Members: | |
| Vested | 10 |
| Non-Vested | 39 |
| Active Elsewhere in VRS | 7 |
| Total Inactive Members | 56 |
| Active Members | 16 |
| **Total Covered Employees** | **85** |

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, 2023 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 $0 and $0 for the years ended June 30, 2024 and June 30, 2023, respectively.

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

**NOTE 12: PENSION PLAN** (Continued)

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

a. Actuarial Assumptions - The total pension liability for General Employees in the Authority's retirement plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

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

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

**NOTE 12: PENSION PLAN (continued)**

b. Net Pension Liability - The Authority's net pension asset was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024. The following table summarizes the changes in the Net Pension Asset which resulted in $1,979,512 being reported as a pension asset as of March 31, 2025.

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a-b) |
|---|---|---|---|
| **Balance at June 30, 2023** | **$ 2,634,109** | **$ 4,474,985** | **$ (1,840,876)** |
| Changes for the year: | | | |
| Service Cost | 64,455 | - | 64,455 |
| Interest | 174,476 | - | 174,476 |
| Changes of assumptions | - | - | - |
| Difference between expected and actual experience | 82,773 | - | 82,773 |
| Contributions-employer | - | - | - |
| Contributions-employee | - | 36,011 | (36,011) |
| Net investment income | - | 427,221 | (427,221) |
| Benefit payments, including refunds of employee contributions | (227,473) | (227,473) | - |
| Administrative expense | - | (2,976) | 2,976 |
| Other changes | - | 84 | (84) |
| Net Changes | 94,231 | 232,867 | (138,636) |
| **Balance at June 30, 2024** | **$ 2,728,340** | **$ 4,707,852** | **$ (1,979,512)** |

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)** | $ (1,724,500) | $ (1,979,512) | $ (2,193,207) |

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

**NOTE 12: PENSION PLAN (continued)**

d. Pension Expense (Income) – For the year ended March 31, 2025, CRHA recognized pension expense (income) as follows:

| | | |
|---|---|---|
| Service Costs | $ | 64,455 |
| Interest on total pensions liability | | 174,476 |
| Expensed portion of current period difference between expected and actual experience in the total pension liability | | 65,176 |
| Member contributions | | (36,011) |
| Projected earnings on plan investments | | (295,502) |
| Expensed portion of current period difference between actual and projected earnings on plan investments | | (26,344) |
| Administrative expense | | 2,976 |
| Other | | (84) |
| Recognition of beginning deferred outflows of resources as pension expense | | 98,327 |
| Recognition of beginning deferred inflows of resources as pension expense | | (162,192) |
| Pension Expense(Income) | $ | (114,723) |

e. Deferred Outflows of Resources and Deferred Inflows of Resources - Deferred outflows of resources in the amount of $0, 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, 2025.

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 17,597 | $ - |
| Net difference between projected and actual earnings on pension plan investments | - | 127,528 |
| **Total** | $ 17,597 | $ 127,528 |

## 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:

| | |
|---|---|
| 2026 | $ (96,152) |
| 2027 | 36,493 |
| 2028 | (23,929) |
| 2029 | (26,343) |
| 2030 | - |
| Thereafter | - |

## NOTE 13: OTHER POST EMPLOYMENT 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, 2025, 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, 2024, 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, 2025

## NOTE 13: OTHER POST EMPLOYMENT 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 April 1, 2024:

| | |
|---|---|
| Mortality Rates | RP-2014 Total Dataset Mortality Table, adjusted to base year 2006, projected with Scale MP-2021 |
| Discount Rate | 4.23% per annum |
| Retiree Premiums and Contributions | Total Premium $3,605 / Employer Contribution $3,125 / Participant Contribution $480 |
| Healthcare Cost Trend Rate | Medical: 7.0% graded uniformly to 5.6% over 3 years and following the Getzen model thereafter to an ultimate rate of 4.04% 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, 2025:

| | Total OPEB Liability (a) | Plan Net Position (b) | Net OPEB Liability (a-b) | Deferred Outflows | Deferred Inflows | OPEB Expense |
|---|---|---|---|---|---|---|
| **Balance at March 31, 2024** | **$ 101,624** | **$ -** | **$ 101,624** | **$ -** | **$ -** | **$ -** |
| Changes for the year: | | | | | | |
| Service Cost | | | | | | |
| Interest | 3,902 | - | 3,902 | - | - | 3,902 |
| Experience losses (gains) | - | - | - | - | - | - |
| Changes of assumptions | - | - | - | | | - |
| Contributions-employer | - | 9,375 | (9,375) | - | - | - |
| Benefits paid | (9,375) | (9,375) | - | - | - | - |
| **Net Changes** | **(5,473)** | **-** | **(5,473)** | **-** | **-** | **3,902** |
| **Balance at March 31, 2025** | **$ 96,151** | **$ -** | **$ 96,151** | **$ -** | **$ -** | **$ 3,902** |

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

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

a. 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 |
|---|---|---|---|
| March 31, 2025 | $ 89,188 | $ 95,151 | $ 103,815 |

b. 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 | 1% Increase |
|---|---|---|---|
| June 30, 2024 | $ 102,959 | $ 95,151 | $ 90,077 |

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources - The recognized OPEB expense (income) for the year ended March 31, 2025, is $0 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) | $ (3,356) | 3/31/2025 | n/a | $ - | $ - | $ - |
| Change of assumptions | (277) | 3/31/2025 | n/a | - | | |
| **Total** | | | | $ - | $ - | $ - |

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: | |
|---|---|
| 2026 | $ - |
| 2027 | - |
| 2028 | - |
| 2029 | - |
| 2030 | - |
| Thereafter | - |

## NOTE 14: OTHER POST EMPLOYMENT 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 EMPLOYMENT 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 $9,532 as of June 30, 2025.

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 1.18% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.71% (1.18% X 60%) and the employer component was 0.47% (1.18% 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, 2025 was 0.47% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. 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 $4,764 and $3,238 for the years ended June 30, 2023 and June 30, 2022, 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, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

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

## NOTE 14: OTHER POST EMPLOYMENT 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:110% of rates for males set forward 2 years; 105% of rates for females set forward 1 year.

Post-Disablement: Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set forward 3 years; 90% 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, 2023 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 from 75-80 for all. |
| 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 EMPLOYMENT 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 OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the Measurement Date of June 30, 2024, NOL amounts for the Group Life Insurance Program are as follows (amounts expressed in thousands):

| | Group Life Insurance OPEB Program |
|---|---|
| Total GLI OPEB Liability | $ 4,196,055 |
| Less: Plan Fiduciary Net Position | 3,080,133 |
| Employers' Net GLI OPEB Liability (Asset) | $ 1,115,922 |
| Plan Fiduciary Net Position as a Percentage of the Total Political Subdivision GLI OPEB Liability | 73.41% |

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 EMPLOYMENT BENEFITS - GROUP LIFE INSURANCE PLAN (continued)

| Asset Class (Strategy) | Long-Term Target Asset Allocation | Arithmetic Long-Term Expected Rate of Return | Weighted Average Long-Term Expected Rate of Return |
|---|---|---|---|
| Public Equity | 32.00% | 6.70% | 2.14% |
| Fixed Income | 16.00% | 5.40% | 0.86% |
| Credit Strategies | 16.00% | 8.10% | 1.30% |
| Real Assets | 15.00% | 7.20% | 1.08% |
| Private Equity | 15.00% | 8.70% | 1.31% |
| PIP - Private Investment Partnerships | 1.00% | 8.00% | 0.08% |
| Diversifying Strategies | 6.00% | 5.80% | 0.35% |
| Cash | 2.00% | 3.00% | 0.06% |
| Leverage | -3.00% | 3.50% | -0.11% |
| | 100.00% | | 7.07% |
| Expected arithmetic nominal return* | | | 7.07% |

* The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, 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, 2024, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2023 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.

**CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

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

a. Net OPEB Liability - At March 31, 2025, CRHA reported a liability of $37,941 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2024, 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, 2025, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the CRHA employer's proportion was 0.00340% as compared to 0.00375% at June 30, 2023.

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)** | $ 59,004 | $ 37,941 | $ 20,926 |

d. OPEB Expense - For the year ended June 30, 2025, CRHA recognized GLI OPEB expense of $2,108.

e. Deferred Outflows of Resources and Deferred Inflows of Resources - At March 31, 2025, 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 | $ 5,984 | $ 927 |
| Changes of assumptions | 216 | 1,880 |
| Changes in proportionate share | 12,993 | 8,242 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 3,198 |
| **Total** | $ 19,193 | $ 14,247 |

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: | |
|---|---|
| 2026 | $ (176) |
| 2027 | 3,025 |
| 2028 | 392 |
| 2029 | 1,752 |
| 2030 | (47) |
| Thereafter | - |

Detailed information about the Group Life Insurance Program's Fiduciary Net Position is available in the separately issued VRS 2024 Comprehensive Annual Financial Report. A copy of the report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2024-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

## CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

### 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 30, 2025, the date on which the financial statements were available to be issued.

### 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, 2024, is presented on the following page:

## 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 | $ 615,508 | $ 958,705 |
| Capital Assets, Net | 27,697,987 | 18,431,139 |
| Total Assets | $ 28,313,495 | $ 19,389,844 |
| Liabilities | | |
| Current | $ 327,095 | $ 290,033 |
| Long-Term Liabilities | 22,570,025 | 12,705,010 |
| Total Liabilities | $ 22,897,120 | $ 12,995,043 |
| Net Position | | |
| Net Investment in Capital Assets | $ 5,127,962 | $ 5,726,129 |
| Unrestricted | 288,413 | 668,672 |
| Total Net Position | $ 5,416,375 | $ 6,394,801 |
| **Condensed Summary of Revenues, Expenses and Changes in Net Position** | | |
| Operating Revenues | | |
| Tenant Revenue | $ 661,916 | $ 951,056 |
| Other Revenue | 577,434 | 6,258 |
| Total Operating Revenue | $ 1,239,350 | $ 957,314 |
| Operating Expenses | | |
| Administrative | $ 292,923 | $ 233,023 |
| General | 1,270,903 | 478,522 |
| Total Operating Expenses | $ 1,563,826 | $ 711,545 |
| **Operating Income (Loss)** | $ (324,476) | $ 245,769 |
| **Depreciation Expense** | 788,533 | 586,973 |
| **Change in Net Position** | $ (1,113,009) | $ (341,204) |
| **Beginning Net Position** | 159,816 | 293,705 |
| **Prior Period Adjustments, Equity Transfers and Correction of Errors** | 6,369,568 | 6,442,300 |
| **Ending Net Position** | $ 5,416,375 | $ 6,394,801 |

## NOTE 21: PRIOR PERIOD ADJUSTMENT

During the year the Authority discovered an accounting error in reporting capital assets and interfund accounts. As a result, Net Positions for the year ended March 31, 2024, has been restated as follows:

| | |
|---|---|
| Net Position, March 31, 2024 | $ 24,965,236 |
| Adjustment to capital assets and interfunds | 4,675,265 |
| Net Position, March 31, 2024, Restated | $ 29,640,501 |

SUPPLEMENTAL INFORMATION

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025

| FEDERAL GRANTOR/PROGRAM TITLE | Federal ALN # | Expenditures |
|---|---|---|
| U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT: | | |
| Low Rent Public Housing | 14.850 * | $ 2,377,817 |
| Total Low Rent Public Housing | 14.850 | 2,377,817 |
| Jobs-Plus Pilot Initiative | 14.895 | 26,235 |
| Public Housing Capital Fund Program | 14.872 * | 978,853 |
| Public Housing Family Self-Suffiency | 14.877 | 158,381 |
| Resident Opportunity and Supportive Services | 14.870 | 42,000 |
| Housing Voucher Cluster | | |
| Housing Choice Voucher Program | 14.871 | 8,187,354 |
| Emergency Housing Voucher | 14.EHV | 138,402 |
| Total Housing Choice Vouchers | 14.871 | 8,325,756 |
| Mainstream Vouchers | 14.879 | 472,016 |
| Total Housing Voucher Cluster | | 8,797,772 |
| TOTAL FEDERAL FINANCIAL AWARDS | | $ 12,381,058 |

* indicates major program

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025

## 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, 2025. 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 an ALN 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.

**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, 2025. 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, 2025.

### *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.

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

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 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.

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.

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

### Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as findings 2025-001. Our opinion on each major federal program is not modified with respect to these matters.

### Response to Findings

Charlottesville Redevelopment and Housing Authority's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Charlottesville Redevelopment and Housing Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### 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. Given these limitations, during our audit we did not identify deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of Internal control over compliance and the results of 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 30, 2025

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, 2025, and the related notes to the financial statements and have issued our report thereon December 30, 2025.

### 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 disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2025-001.

**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)**

**Response to Findings**

Charlottesville Redevelopment and Housing Authority's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Charlottesville Redevelopment and Housing Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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

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

Richmond, Virginia
December 30, 2025

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MARCH 31, 2025

No prior audit findings.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2025

**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:

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

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

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)

**Section II – Financial Statement Findings**

There were no financial statement findings.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)

## Section III – Federal Awards Findings and Questioned Costs

**Finding Reference:** 2025-001
**Federal Agency:** US. Department of Housing and Urban Development
**Federal Program(s):** Public Housing Capital Fund
**CFDA Number(s):** 14.872
**Category of Finding:** Reporting - Other

### Criteria

Upon expenditures by the PHA of all funds, or termination by HUD of the activities funded in a modernization or development program, a PHA shall submit the closeout forms, including the Actual Modernization Cost Certificate (AMCC), to their local HUD field office for review and approval. PHAs must submit the AMCC within ninety days after the expenditure deadline.

### Condition/Context

The Authority did not submit AMCCs by the reporting deadline, within ninety days of the final expenditure date, for Capital Fund Program (CFP) grant numbers VA36P016501-20, VA36P016501-21 and VA36P016501-22.

### Cause

The Authority's process for closing CFP grants did not include an effective mechanism to track and monitor AMCC submittal deadlines.

### Effect

The delay in submitting closeout forms to HUD could impair the Authority's ability to properly record CFP activity and participate in future HUD programs, thereby impairing the Authority's ability to fund capital improvements.

### Questioned Costs

There are no questioned costs related to this finding.

### Recommendation

We recommend that the Authority update its checklist for closing CFP grants to include a method of tracking the deadline for AMCC submittal at the beginning of the grant and monitoring that deadline throughout the grant period.

### Management's Response to Finding

See separately prepared Corrective Action.

CHARLOTTESVILLE REDEVELOPMENT
& HOUSING AUTHORITY

P.O. BOX 1405
CHARLOTTESVILLE, VIRGINIA 22902

TELEPHONE: (434) 326-4672
www.cvillerha.com

Residents *FIRST*!

12/30/2025

Dooley & Vicars

RE: Capital Fund Program Financial Reporting Finding Corrective Action Plan

CRHA recognizes it did not submit timely AMCCs by the reporting deadline for CFP grant numbers VA36P016501-20, VA36P016501-21 and VA36P016501-22.

To effectively avoid this for grant fund close outs, we are updating our checklist to ensure current and any future staff submits all reports correctly and within calendar deadlines.

Further, our procedure will dictate that the CRHA accounting staff member(s) authorized and responsible for drawing federal funds in ELOCCS will prepare grant funds closing reports and documents, with subsequent review and submission to the HUD field office by the finance director.

Please advise if any other information is needed for this finding.

Sincerely,

John M. Sales
Executive Director

EQUAL HOUSING OPPORTUNITY

CRHA does not discriminate on the basis of race, color, sex, age, religion, national origin, disability, veteran status, or union affiliations in any of its federally assisted programs and activities.

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

Submission Type: Audited/Single Audit  Fiscal Year End: 03/31/2025

| | Project Total | 14.895 Jobs-Plus Pilot Initiative | 6.2 Component Unit - Blended | 1 Business Activities | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.EHV Emergency Housing Voucher | 14.870 Resident Opportunity and Supportive Services | 14.877 Public Housing Family Self-Sufficiency under ROSS | COCC | Subtotal | ELIM | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 111 Cash - Unrestricted | $1,232,265 | | $1,002,127 | $59,345 | $124,349 | | $5,592 | | | | | $2,423,678 | | $2,423,678 |
| 112 Cash - Restricted - Modernization and Development | | | $5,426 | | | | | | | | | $5,426 | | $5,426 |
| 113 Cash - Other Restricted | | | | $27,161 | | $166,361 | $7,291 | $107,513 | | | | $308,326 | | $308,326 |
| 114 Cash - Tenant Security Deposits | $90,578 | | $18,567 | | | | | | | | | $109,145 | | $109,145 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | | | | | | | | | | |
| 100 Total Cash | $1,322,843 | $0 | $1,026,120 | $86,506 | $124,349 | $166,361 | $12,883 | $107,513 | $0 | $0 | $0 | $2,846,575 | $0 | $2,846,575 |
| | | | | | | | | | | | | | | |
| 121 Accounts Receivable - PHA Projects | | | $35,387 | $28,590 | | | | | | | | $63,977 | | $63,977 |
| 122 Accounts Receivable - HUD Other Projects | | | | | | | $240,439 | | $5,969 | | | $246,408 | | $246,408 |
| 124 Accounts Receivable - Other Government | | | | $121,011 | | | | | | | $172,095 | $293,106 | | $293,106 |
| 125 Accounts Receivable - Miscellaneous | $217 | $2,239 | | $342,409 | $83,320 | | $230,822 | | | | $1,386 | $660,393 | | $660,393 |
| 126 Accounts Receivable - Tenants | $77,945 | | $124,150 | $76,992 | | | $81,490 | | | | | $340,577 | | $340,577 |
| 126.1 Allowance for Doubtful Accounts -Tenants | -$43,619 | | -$23,241 | $0 | | | -$15,398 | | | | | -$82,258 | | -$82,258 |
| 126.2 Allowance for Doubtful Accounts - Other | -$4,061 | $0 | $0 | $0 | $0 | | $0 | | $0 | | $0 | -$4,061 | | -$4,061 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | $6,795,250 | | | | | | | | $6,795,250 | -$6,738,750 | $56,500 |
| 128 Fraud Recovery | | | | | | | | | | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | | | | | | | | | | |
| 129 Accrued Interest Receivable | | | | | | | | | | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | $30,482 | $2,239 | $136,296 | $7,364,252 | $83,320 | $0 | $517,353 | $0 | $5,969 | $0 | $173,481 | $8,313,392 | -$6,738,750 | $1,574,642 |
| | | | | | | | | | | | | | | |
| 131 Investments - Unrestricted | | | | | | | | | | | | | | |
| 132 Investments - Restricted | | | | | | | | | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | | | | | | | | | |
| 142 Prepaid Expenses and Other Assets | | | $102,331 | | | | | | | | | $102,331 | | $102,331 |
| 143 Inventories | | | | | | | | | | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | | | | | | | | | | |
| 144 Inter Program Due From | $0 | | $488,854 | | | | | | | | $1,061,214 | $1,550,068 | -$1,550,068 | $0 |
| 145 Assets Held for Sale | | | | | | | | | | | | | | |
| 150 Total Current Assets | $1,353,325 | $2,239 | $1,753,601 | $7,450,758 | $207,669 | $166,361 | $530,236 | $107,513 | $5,969 | $0 | $1,234,695 | $12,812,368 | -$8,288,818 | $4,523,548 |
| | | | | | | | | | | | | | | |
| 161 Land | $891,811 | | $4,536,329 | $1,960,504 | | | | | | | | $7,388,644 | | $7,388,644 |
| 162 Buildings | $24,899,243 | | $43,079,822 | $15,036,522 | $274,034 | | $65,778 | | | | | $83,355,399 | | $83,355,399 |
| 163 Furniture, Equipment & Machinery - Dwellings | $901,666 | | $592,613 | $37,583 | | | | | | | $18,037 | $1,549,899 | | $1,549,899 |
| 164 Furniture, Equipment & Machinery - Administration | $781,145 | | | $315,026 | $217,799 | | $48,516 | | | | $25,096 | $1,387,584 | | $1,387,584 |
| 165 Leasehold Improvements | $281,010 | | | $650,512 | | | | | | | | $931,522 | | $931,522 |
| 166 Accumulated Depreciation | -$23,293,686 | | -$2,079,637 | -$1,217,128 | -$472,654 | | -$96,781 | | | | -$41,798 | -$27,201,684 | | -$27,201,684 |
| 167 Construction in Progress | | | | | | | | | | | | | | |
| 168 Infrastructure | | | | | | | | | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | $4,461,189 | $0 | $46,129,127 | $16,783,019 | $19,179 | $0 | $17,515 | $0 | $0 | $0 | $1,335 | $67,411,364 | $0 | $67,411,364 |
| | | | | | | | | | | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | | | | | | | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | | | | | | | | | | |
| 173 Grants Receivable - Non Current | | | | | | | | | | | | | | |
| 174 Other Assets | $869,528 | | $67,082 | $416,780 | $33,841 | $0 | $200,179 | | | | $491,694 | $2,079,104 | | $2,079,104 |
| 176 Investments in Joint Ventures | | | | | | | | | | | | | | |
| 180 Total Non-Current Assets | $5,330,717 | $0 | $46,196,209 | $17,199,799 | $53,020 | $0 | $217,694 | $0 | $0 | $0 | $493,029 | $69,490,468 | $0 | $69,490,468 |
| | | | | | | | | | | | | | | |
| 200 Deferred Outflow of Resources | $4,640 | | $601 | $5,694 | $858 | | $3,936 | | | | | $15,729 | | $15,729 |
| | | | | | | | | | | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | $6,688,682 | $2,239 | $47,950,411 | $24,656,251 | $261,547 | $166,361 | $751,866 | $107,513 | $5,969 | $0 | $1,727,724 | $82,316,563 | -$8,288,818 | $74,029,745 |
| | | | | | | | | | | | | | | |
| 311 Bank Overdraft | $22,049 | | | | | $5,592 | $423,125 | | | | $30,021 | $480,787 | | $480,787 |
| 312 Accounts Payable <= 90 Days | $31,720 | | $20,707 | $10,199 | $8,834 | | $10,278 | | | | $319 | $82,057 | | $82,057 |
| 313 Accounts Payable >90 Days Past Due | | | | | | | | | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | $1,965 | | | | | | | | | $185,318 | $187,283 | | $187,283 |
| 322 Accrued Compensated Absences - Current Portion | | | | | | | | | | | | | | |
| 324 Accrued Contingency Liability | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 325 Accrued Interest Payable | | | $4,524 | $37,924 | | | | | | | | $42,448 | | $42,448 |
| 331 Accounts Payable - HUD PHA Programs | | | | | | | | | | | | | | |
| 332 Account Payable - PHA Projects | | | | | | | | | | | | | | |
| 333 Accounts Payable - Other Government | | | | $219,390 | | | | | | | | $219,390 | | $219,390 |
| 341 Tenant Security Deposits | $77,286 | | $50,628 | $75,197 | | | | | | | | $203,111 | | $203,111 |
| 342 Unearned Revenue | | | | | | | | | | | | | | |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | | | | | | | | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | $201,351 | $95,262 | | | | | | | | $296,613 | | $296,613 |
| 345 Other Current Liabilities | $110,748 | | $1,588,634 | $37,542 | | | | | | | $25,103 | $1,762,027 | | $1,762,027 |
| 346 Accrued Liabilities - Other | $4,502 | $274 | $2,774 | $2,734 | $274 | | $2,057 | | | | $54,566 | $67,181 | | $67,181 |
| 347 Inter Program - Due To | | | | $1,544,099 | | | | | $5,969 | | | $1,550,068 | -$1,550,068 | $0 |
| 348 Loan Liability - Current | | | | | | | | | | | | | | |
| 310 Total Current Liabilities | $246,305 | $2,239 | $1,868,618 | $2,022,347 | $9,108 | $5,592 | $435,460 | $0 | $5,969 | $0 | $295,327 | $4,890,965 | -$1,550,068 | $3,340,897 |
| | | | | | | | | | | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | $32,958,435 | $7,392,051 | | | | | | | | $40,350,486 | -$5,638,750 | $34,711,736 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | | | | | | | | | | |
| 353 Non-current Liabilities - Other | | | $1,100,000 | | | | $40,036 | | | | | $1,140,036 | -$1,100,000 | $40,036 |
| 354 Accrued Compensated Absences - Non Current | | | | | | | | | | | | | | |
| 355 Loan Liability - Non Current | | | | | | | | | | | | | | |
| 356 FASB 5 Liabilities | | | | | | | | | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | $74,283 | | $67,833 | $25,521 | $2,876 | $0 | $15,035 | | | | $33,591 | $219,139 | | $219,139 |
| 350 Total Non-Current Liabilities | $74,283 | $0 | $34,126,268 | $7,417,572 | $2,876 | $0 | $55,071 | $0 | $0 | $0 | $33,591 | $41,709,661 | -$6,738,750 | $34,970,911 |
| | | | | | | | | | | | | | | |
| 300 Total Liabilities | $320,588 | $2,239 | $35,994,886 | $9,439,919 | $11,984 | $5,592 | $490,531 | $0 | $5,969 | $0 | $328,918 | $46,600,626 | -$8,288,818 | $38,311,808 |
| | | | | | | | | | | | | | | |
| 400 Deferred Inflow of Resources | $49,965 | | $26,621 | | | $0 | $12,133 | | | | $21,305 | $110,024 | | $110,024 |
| | | | | | | | | | | | | | | |
| 508.4 Net Investment in Capital Assets | $4,461,190 | | $11,869,448 | $9,595,705 | $19,179 | | $17,515 | $0 | | | $1,335 | $25,964,372 | | $25,964,372 |
| 511.4 Restricted Net Position | | | | | | $47,967 | $77,986 | | | | | $125,953 | | $125,953 |
| 512.4 Unrestricted Net Position | $1,856,939 | $0 | $59,456 | $5,620,627 | $230,384 | $112,802 | $153,701 | $107,513 | $0 | $0 | $1,376,166 | $9,517,588 | | $9,517,588 |
| 513 Total Equity - Net Assets / Position | $6,318,129 | $0 | $11,928,904 | $15,216,332 | $249,563 | $160,769 | $249,202 | $107,513 | $0 | $0 | $1,377,501 | $35,607,913 | $0 | $35,607,913 |
| | | | | | | | | | | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | $6,888,682 | $2,239 | $47,950,411 | $24,656,251 | $261,547 | $166,361 | $751,866 | $107,513 | $5,969 | $0 | $1,727,724 | $82,318,563 | -$8,288,818 | $74,029,745 |

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

Submission Type: Audited/Single Audit  Fiscal Year End: 03/31/2025

| | Project Total | 14.895 Jobs-Plus Pilot Initiative | 6.2 Component Unit - Blended | 1 Business Activities | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.EHV Emergency Housing Voucher | 14.870 Resident Opportunity and Supportive Services | 14.877 Public Housing Family Self-Sufficiency under ROSS | COCC | Subtotal | ELIM | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 70300 Net Tenant Rental Revenue | $943,445 | | $1,779,313 | $1,117,203 | | | | | | | $33,900 | $3,873,861 | | $3,873,861 |
| 70400 Tenant Revenue - Other | $9,383 | | $5,351 | $35,536 | | | | | | | | $50,270 | | $50,270 |
| 70500 Total Tenant Revenue | $952,828 | $0 | $1,784,664 | $1,152,739 | $0 | $0 | $0 | $0 | $0 | $0 | $33,900 | $3,924,131 | $0 | $3,924,131 |
| | | | | | | | | | | | | | | |
| 70600 HUD PHA Operating Grants | $2,377,817 | $26,235 | | | | $472,016 | $8,167,354 | $138,402 | $42,000 | $158,381 | | $11,402,205 | | $11,402,205 |
| 70610 Capital Grants | $978,853 | | | | | | | | | | | $978,853 | | $978,853 |
| 70710 Management Fee | | | | | | | | | | | $796,910 | $796,910 | -$796,910 | $0 |
| 70720 Asset Management Fee | | | | | | | | | | | $35,630 | $35,630 | -$35,630 | $0 |
| 70730 Book Keeping Fee | | | | | | | | | | | $86,793 | $86,793 | -$86,793 | $0 |
| 70740 Front Line Service Fee | | | | | | | | | | | | | | |
| 70750 Other Fees | | | | | | | | | | | | | | |
| 70700 Total Fee Revenue | | | | | | | | | | | $919,333 | $919,333 | -$919,333 | $0 |
| | | | | | | | | | | | | | | |
| 70800 Other Government Grants | $6,662 | | $1,617 | $501,986 | $794,341 | | $2,818 | | | | $26,412 | $1,333,836 | | $1,333,836 |
| 71100 Investment Income - Unrestricted | $134 | | $3,454 | $28,950 | | | | | | | | $32,538 | | $32,538 |
| 71200 Mortgage Interest Income | $0 | | | | | | | | | | | $0 | | $0 |
| 71300 Proceeds from Disposition of Assets Held for Sale | $0 | | | | | | | | | | | $0 | | $0 |
| 71310 Cost of Sale of Assets | $0 | | | | | | | | | | | $0 | | $0 |
| 71400 Fraud Recovery | $0 | | | | | | | | | | | $0 | | $0 |
| 71500 Other Revenue | $0 | | $7,900,138 | $17,207 | $37,660 | | | | | | $535,110 | $8,490,115 | | $8,490,115 |
| 71600 Gain or Loss on Sale of Capital Assets | $0 | | | | | | | | | | | $0 | | $0 |
| 72000 Investment Income - Restricted | $0 | | | | | | | | | | | $0 | | $0 |
| 70000 Total Revenue | $4,316,294 | $26,235 | $9,689,873 | $1,700,882 | $832,001 | $472,016 | $8,190,172 | $138,402 | $42,000 | $158,381 | $1,514,755 | $27,081,011 | -$919,333 | $26,161,678 |
| | | | | | | | | | | | | | | |
| 91100 Administrative Salaries | $443,981 | $22,109 | $248,074 | $621,082 | $70,676 | | $322,371 | | $42,000 | $148,760 | $713,750 | $2,632,803 | | $2,632,803 |
| 91200 Auditing Fees | $14,429 | | $19,618 | $2,925 | | | $4,500 | | | | $466 | $41,938 | | $41,938 |
| 91300 Management Fee | $409,087 | | $127,516 | $84,414 | $53,739 | $8,297 | $111,027 | $2,830 | | | | $796,910 | -$796,910 | $0 |
| 91310 Book-keeping Fee | $28,276 | | | | | $3,111 | $54,345 | $1,061 | | | | $86,793 | -$86,793 | $0 |
| 91400 Advertising and Marketing | $4,560 | | $2,837 | $8,857 | $2,138 | | $2,516 | | | | $8,533 | $27,441 | | $27,441 |
| 91500 Employee Benefit contributions - Administrative | $17,671 | | $4,875 | $46,966 | $4,823 | | $22,473 | | | $3,199 | $48,629 | $148,636 | | $148,636 |
| 91600 Office Expenses | $19,222 | $297 | $9,899 | $12,441 | $1,629 | | $2,706 | | | $24 | $22,800 | $69,018 | | $69,018 |
| 91700 Legal Expense | $27,004 | | $7,001 | $47,704 | | | $711 | | | | $17,104 | $99,524 | | $99,524 |
| 91800 Travel | $5,971 | $2,380 | $807 | $12,568 | | | $1,447 | | | $487 | $20,281 | $43,941 | | $43,941 |
| 91810 Allocated Overhead | $0 | | | | | | | | | | | $0 | | $0 |
| 91900 Other | $121,710 | $1,266 | $107,448 | $131,785 | $6,489 | | $45,237 | | | $4,400 | $58,743 | $477,078 | | $477,078 |
| 91000 Total Operating - Administrative | $1,091,911 | $26,052 | $528,075 | $966,742 | $139,494 | $11,408 | $567,333 | $3,891 | $42,000 | $156,870 | $890,306 | $4,424,082 | -$883,703 | $3,540,379 |
| | | | | | | | | | | | | | | |
| 92000 Asset Management Fee | $35,630 | | | | | | | | | | | $35,630 | -$35,630 | $0 |
| 92100 Tenant Services - Salaries | $3,018 | | $4,147 | $31,442 | | | | | | | $1,700 | $40,307 | | $40,307 |
| 92200 Relocation Costs | $0 | | | | | | | | | | | $0 | | $0 |
| 92300 Employee Benefit Contributions - Tenant Services | $0 | | | | | | | | | | | $0 | | $0 |
| 92400 Tenant Services - Other | $0 | | | | | | | | | | | $0 | | $0 |
| 92500 Total Tenant Services | $3,018 | $0 | $4,147 | $31,442 | $0 | $0 | $0 | $0 | $0 | $0 | $1,700 | $40,307 | $0 | $40,307 |
| | | | | | | | | | | | | | | |
| 93100 Water | $121,469 | | $41,836 | $32,837 | | | | | | | $125 | $196,267 | | $196,267 |
| 93200 Electricity | $215,602 | | $139,290 | $22,104 | | | | | | | $20,124 | $397,120 | | $397,120 |
| 93300 Gas | $101,988 | | $26,449 | $9,285 | | | | | | | $663 | $138,385 | | $138,385 |
| 93400 Fuel | $0 | | | | | | | | | | | $0 | | $0 |
| 93500 Labor | | | | | | | | | | | | | | |
| 93600 Sewer | $160,957 | | $53,294 | $39,701 | | | | | | | $139 | $254,091 | | $254,091 |
| 93700 Employee Benefit Contributions - Utilities | $0 | | | | | | | | | | | $0 | | $0 |
| 93800 Other Utilities Expense | $92,802 | | $22,839 | $22,646 | | | | | | | | $138,287 | | $138,287 |
| 93000 Total Utilities | $692,818 | $0 | $283,708 | $126,573 | $0 | $0 | $0 | $0 | $0 | $0 | $21,051 | $1,124,150 | $0 | $1,124,150 |
| | | | | | | | | | | | | | | |
| 94100 Ordinary Maintenance and Operations - Labor | $623,295 | | $353,701 | $153,496 | $3,254 | | | | | | $95,746 | $1,229,492 | | $1,229,492 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | $344,337 | | $132,405 | $98,258 | $2,661 | | | | | | $6,129 | $583,790 | | $583,790 |
| 94300 Ordinary Maintenance and Operations Contracts | $137,141 | | $155,670 | $207,070 | $1,720 | | | | | | $16,091 | $517,692 | | $517,692 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 94500 Employee Benefit Contributions - Ordinary Maintenance | $60,780 | | $50,296 | $15,975 | $20 | | | | | | $14,273 | $141,344 | | $141,344 |
| 94000 Total Maintenance | $1,165,553 | $0 | $692,072 | $474,799 | $7,655 | $0 | $0 | $0 | $0 | $0 | $132,239 | $2,472,318 | $0 | $2,472,318 |
| | | | | | | | | | | | | | | |
| 95100 Protective Services - Labor | $0 | | | | | | | | | | | $0 | | $0 |
| 95200 Protective Services - Other Contract Costs | $1,432 | | $70,564 | $521 | $85 | | | | | | $110 | $72,712 | | $72,712 |
| 95300 Protective Services - Other | $0 | | | | | | | | | | | $0 | | $0 |
| 95500 Employee Benefit Contributions - Protective Services | $0 | | | | | | | | | | | $0 | | $0 |
| 95000 Total Protective Services | $1,432 | $0 | $70,564 | $521 | $85 | $0 | $0 | $0 | $0 | $0 | $110 | $72,712 | $0 | $72,712 |
| | | | | | | | | | | | | | | |
| 96110 Property Insurance | $102,925 | | $114,009 | $20,651 | | | | | | | $60 | $237,645 | | $237,645 |
| 96120 Liability Insurance | $28,894 | | | $12,215 | | | | | | | $7,016 | $48,125 | | $48,125 |
| 96130 Workmen's Compensation | $25,414 | $183 | $2,058 | $14,769 | $3,110 | | $6,192 | | | $1,511 | $19,012 | $72,249 | | $72,249 |
| 96140 All Other Insurance | $24,821 | | | $5,841 | $208 | | $904 | | | | $1,547 | $33,321 | | $33,321 |
| 96100 Total Insurance Premiums | $182,054 | $183 | $116,067 | $53,476 | $3,318 | $0 | $7,096 | $0 | $0 | $1,511 | $27,635 | $391,340 | $0 | $391,340 |
| | | | | | | | | | | | | | | |
| 96200 Other General Expenses | -$13,993 | | -$9,885 | $5,146 | $174 | | -$3,179 | | | | $9,113 | -$12,624 | | -$12,624 |
| 96210 Compensated Absences | $0 | | | | | | | | | | | $0 | | $0 |
| 96300 Payments in Lieu of Taxes | $27,116 | | | | | | | | | | | $27,116 | | $27,116 |
| 96400 Bad debt - Tenant Rents | $94,419 | | $0 | | | | | | | | | $94,419 | | $94,419 |
| 96500 Bad debt - Mortgages | $0 | | | | | | | | | | | $0 | | $0 |
| 96600 Bad debt - Other | $0 | | | | | | | | | | | $0 | | $0 |
| 96800 Severance Expense | $0 | | | | | | | | | | | $0 | | $0 |
| 96000 Total Other General Expenses | $107,542 | $0 | -$9,885 | $5,146 | $174 | $0 | -$3,179 | $0 | $0 | $0 | $9,113 | $108,911 | $0 | $108,911 |
| | | | | | | | | | | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | $0 | | $621,341 | $428,197 | | | | | | | | $1,049,538 | | $1,049,538 |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | | | | | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | | | | | | | | | | |
| 96700 Total Interest Expense and Amortization Cost | $0 | $0 | $621,341 | $428,197 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,049,538 | $0 | $1,049,538 |
| | | | | | | | | | | | | | | |
| 96900 Total Operating Expenses | $3,279,958 | $26,235 | $2,306,089 | $2,086,896 | $150,726 | $11,406 | $571,250 | $3,891 | $42,000 | $158,381 | $1,082,154 | $9,718,988 | -$919,333 | $8,799,655 |
| | | | | | | | | | | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | $1,036,396 | $0 | $7,363,784 | -$386,014 | $681,275 | $480,608 | $7,618,922 | $134,511 | $0 | $0 | $432,601 | $17,362,023 | $0 | $17,362,023 |
| | | | | | | | | | | | | | | |
| 97100 Extraordinary Maintenance | $0 | | | | | | | | | | | $0 | | $0 |
| 97200 Casualty Losses - Non-capitalized | $0 | | | | | | | | | | | $0 | | $0 |
| 97300 Housing Assistance Payments | $1,003 | | | | $644,918 | $392,134 | $7,368,450 | $132,345 | | | | $8,558,850 | | $8,558,850 |
| 97350 HAP Portability-In | $0 | | | | | | $344,742 | | | | | $344,742 | | $344,742 |
| 97400 Depreciation Expense | $585,202 | | $1,368,774 | $524,942 | $2,510 | | $6,752 | | | | $4,839 | $2,491,019 | | $2,491,019 |
| 97500 Fraud Losses | $0 | | | | | | | | | | | $0 | | $0 |
| 97600 Capital Outlays - Governmental Funds | | | | | | | | | | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | | | | | | | | | | |
| 97800 Dwelling Units Rent Expense | $0 | | | | | | | | | | | $0 | | $0 |
| 90000 Total Expenses | $3,866,163 | $26,235 | $3,672,863 | $2,611,838 | $798,154 | $403,542 | $8,311,194 | $136,236 | $42,000 | $158,381 | $1,086,993 | $21,113,599 | -$919,333 | $20,194,266 |
| | | | | | | | | | | | | | | |
| 10010 Operating Transfer In | $240,154 | | | | | | | | | | $1,060,839 | $1,300,993 | -$130,093 | $1,170,900 |
| 10020 Operating transfer Out | -$240,154 | | | -$1,060,840 | | | | | | | | -$1,300,994 | $1,300,994 | $0 |
| 10030 Operating Transfers from/to Primary Government | | | | | | | | | | | | | | |
| 10040 Operating Transfers from/to Component Unit | $0 | | | | | | | | | | | $0 | | $0 |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | | | | | | | | | | |
| 10060 Proceeds from Property Sales | | | | | | | | | | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | | | | | | | | | | |
| 10080 Special Items (Net Gain/Loss) | $0 | | | | | | | | | | | $0 | | $0 |
| 10091 Inter Project Excess Cash Transfer In | $0 | | | | | | | | | | | $0 | | $0 |
| 10092 Inter Project Excess Cash Transfer Out | $0 | | | | | | | | | | | $0 | | $0 |
| 10093 Transfers between Program and Project - In | $2,145 | | $342,957 | | | | | | | | $166,224 | $511,326 | -$511,326 | $0 |
| 10094 Transfers between Project and Program - Out | -$509,180 | | -$2,145 | | | | | | | | | -$511,325 | $511,325 | $0 |
| 10100 Total Other financing Sources (Uses) | -$507,035 | $0 | $340,812 | -$1,060,840 | $0 | $0 | $0 | $0 | $0 | $0 | $1,227,063 | $0 | $1,170,900 | $1,170,900 |
| | | | | | | | | | | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | -$56,904 | $0 | $6,357,822 | -$1,971,796 | $33,847 | $68,474 | -$121,022 | $2,166 | $0 | $0 | $1,654,825 | $5,967,412 | $1,170,900 | $7,138,312 |
| | | | | | | | | | | | | | | |
| 11020 Required Annual Debt Principal Payments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | | $0 |
| 11030 Beginning Equity | $6,630,372 | $0 | $1,240,871 | $5,150,823 | $10,635,786 | $92,295 | $370,224 | $105,347 | $0 | $0 | $739,516 | $24,965,236 | | $24,965,236 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | -$255,339 | | $4,330,211 | $12,037,305 | -$10,420,070 | | $0 | | | | -$1,016,842 | $4,675,265 | | $4,675,265 |
| 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 | | | | | | | $171,216 | | | | | $171,216 | | $171,216 |
| | | | | | | | | | | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | | | $77,986 | | | | | $77,986 | | $77,986 |
| 11190 Unit Months Available | 3240 | | 1092 | 993 | 780 | 480 | 7644 | 144 | | | | 14373 | | 14373 |
| 11210 Number of Unit Months Leased | 2963 | | 974 | 875 | 770 | 435 | 7246 | 131 | | | | 13394 | | 13394 |
| 11270 Excess Cash | $848,264 | | | | | | | | | | | $848,264 | | $848,264 |
| 11610 Land Purchases | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 11620 Building Purchases | $978,853 | | | | | | | | | | $0 | $978,853 | | $978,853 |
| 11630 Furniture & Equipment - Dwelling Purchases | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 11640 Furniture & Equipment - Administrative Purchases | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 11650 Leasehold Improvements Purchases | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 11660 Infrastructure Purchases | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 13510 CFFP Debt Service Payments | $0 | | | | | | | | | | $0 | $0 | | $0 |
| 13901 Replacement Housing Factor Funds | $0 | | | | | | | | | | $0 | $0 | | $0 |

# REQUIRED SUPPLEMENTAL INFORMATION

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2025

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

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total pension liability** | | | | | | | | | | |
| Service cost | $ 64,455 | $ 60,816 | $ 49,820 | $ 41,454 | $ 41,454 | $ 32,609 | $ 38,766 | $ 33,692 | $ 51,105 | $ 63,052 |
| Interest | 174,476 | 178,266 | 179,239 | 151,676 | 151,676 | 162,212 | 159,703 | 163,675 | 167,467 | 166,372 |
| Change of assumptions | - | - | - | 107,856 | 107,856 | - | 53,376 | - | 24,274 | - |
| Difference between expected and actual experience | 82,773 | (86,653) | (57,507) | 238,968 | 238,968 | (185,377) | 37,585 | (86,707) | (120,034) | (29,795) |
| Benefit payments, including refunds of employee contributions | (227,473) | (196,962) | (196,966) | (165,895) | (165,895) | (165,186) | (170,311) | (164,511) | (189,449) | (154,392) |
| Other | - | - | - | - | - | - | - | - | - | (24,127) |
| **Net change in total pension liability** | 94,231 | (44,533) | (25,414) | 374,059 | 374,059 | (155,742) | 119,119 | (53,851) | (66,637) | 21,110 |
| **Total pension liability - beginning** | 2,634,109 | 2,678,642 | 2,704,056 | 2,704,056 | 2,329,997 | 2,485,739 | 2,366,620 | 2,420,471 | 2,487,108 | 2,465,998 |
| **Total pension liability - ending (a)** | $ 2,728,340 | $ 2,634,109 | $ 2,678,642 | $ 3,078,115 | $ 2,704,056 | $ 2,329,997 | $ 2,485,739 | $ 2,366,620 | $ 2,420,471 | $ 2,487,108 |
| Contributions - employer | $ - | $ - | $ - | $ (1,367) | $ (1,367) | $ 1,580 | $ (2,270) | $ 490 | $ 457 | $ 12,453 |
| Contributions - employee | 36,011 | 36,783 | 25,763 | 29,177 | 29,177 | 21,608 | 21,645 | 26,349 | 21,489 | 25,141 |
| Net investment income | 427,221 | 276,793 | (1,729) | 995,013 | 995,013 | 71,176 | 239,494 | 259,896 | 395,686 | 56,219 |
| Benefit payments, including refunds of employee contributions | (227,473) | (196,962) | (196,966) | (165,895) | (165,895) | (165,186) | (170,311) | (164,511) | (189,449) | (178,519) |
| Administrative expense | (2,976) | (2,836) | (2,863) | (2,544) | (2,544) | (2,504) | (2,478) | (2,315) | (2,403) | (2,172) |
| Other | 84 | 105 | 102 | 93 | 93 | (83) | (150) | (228) | (347) | (24) |
| **Net change in plan fiduciary net position** | 232,867 | 113,883 | (175,693) | 854,477 | 854,477 | (73,409) | 85,930 | 119,681 | 225,433 | (86,902) |
| **Plan fiduciary net position - beginning** | 4,474,985 | 4,361,102 | 4,536,795 | 4,536,795 | 3,682,318 | 3,755,727 | 3,669,797 | 3,550,116 | 3,324,683 | 3,411,585 |
| **Plan fiduciary net position - ending (b)** | $ 4,707,852 | $ 4,474,985 | $ 4,361,102 | $ 5,391,272 | $ 4,536,795 | $ 3,682,318 | $ 3,755,727 | $ 3,669,797 | $ 3,550,116 | $ 3,324,683 |
| **CRHA's net pension liability (asset) - ending (a)-(b)** | $ (1,979,512) | $ (1,840,876) | $ (1,682,460) | $(2,313,157) | $(1,832,739) | $(1,352,321) | $(1,269,988) | $(1,303,177) | $(1,129,645) | $ (837,575) |
| **Plan fiduciary net position as a percentage of the total Pension liability** | 173% | 170% | 163% | 175% | 168% | 158% | 151% | 155% | 147% | 134% |
| **Covered employee payroll** | $ 1,627,192 | $ 882,220 | $ 599,540 | $ 599,540 | $ 599,540 | $ 672,982 | $ 504,459 | $ 512,367 | $ 772,373 | $ 792,958 |
| **CRHA's net pension liability as a percentage of covered-employee payroll** | -122% | -209% | -281% | -386% | -306% | -201% | -252% | -254% | -146% | -106% |

Totals, with the exception of the covered payroll, are from Schedule E - Total Pension Liability and Fiduciary Net Position on pages 114-131 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, 2025
(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 |
|---|---|---|---|---|---|
| 2025 | $ - | $ - | $ - | $ 874,017 | 0.00% |
| 2024 | $ - | $ - | $ - | $ 882,220 | 0.00% |
| 2023 | $ - | $ - | $ - | $ 599,540 | 0.00% |
| 2022 | $ - | $ - | $ - | $ 882,220 | 0.00% |
| 2021 | $ - | $ - | $ - | $ 599,540 | 0.00% |
| 2020 | $ - | $ - | $ - | $ 599,540 | 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% |

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO PENSIONS
FOR THE YEAR ENDED MARCH 31, 2025

**Note 1: Changes of Benefit Terms**

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

**Note 2: Changes of Assumptions**

The actuarial assumptions used in the June 30, 2023, 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 and VRS Board action are as follows:

Largest 10 Locality Employers – General Employees

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

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

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

Non - Largest 10 Locality Employers – General Employees

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

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

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

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB HEALTH INSURANCE
FOR THE YEAR ENDED MARCH 31, 2025

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 | 2023 | 2024 | 2025* |
|---|---|---|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | | | | |
| Service cost | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Interest | 9,221 | 8,886 | 7,516 | 6,550 | 6,279 | 3,670 | 3,494 | 3,902 |
| Changes of benefit terms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Differences between expected and actual experience | 0 | 0 | (25,955) | 0 | (96,618) | 0 | (2,578) | 0 |
| Changes of assumptions | 0 | 0 | 0 | 0 | (13,938) | 0 | (277) | 0 |
| Benefit Payments / Refunds | (18,146) | (19,598) | (21,166) | (15,369) | (16,007) | (9,195) | (8,762) | (9,375) |
| **Net Change in Total OPEB Liability** | (8,925) | (10,712) | (39,605) | (8,819) | (120,284) | (5,525) | (8,123) | (5,473) |
| **Total OPEB Liability - beginning** | 303,617 | 294,692 | 283,980 | 244,375 | 235,556 | 115,272 | 109,747 | 101,624 |
| **Total OPEB Liability - ending (a)** | $294,692 | $283,980 | $244,375 | $235,556 | $115,272 | $109,747 | $101,624 | $96,151 |
| **Plan Fiduciary Net Position** | | | | | | | | |
| Contributions - employer | $18,146 | $19,598 | $21,166 | $15,369 | $16,007 | $9,195 | $8,762 | $9,375 |
| Contributions - employee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net investment income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Benefit Payments / Refunds | (18,146) | (19,598) | (21,166) | (15,369) | (16,007) | (9,195) | (8,762) | (9,375) |
| Administrative expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net Change in Plan Fiduciary Net Position** | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Plan Fiduciary Net Position - beginning** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Plan Fiduciary Net Position - ending (b)** | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Net OPEB Liability - ending (a) - (b)** | $294,692 | $283,980 | $244,375 | $235,556 | $115,272 | $109,747 | $101,624 | $96,151 |
| **Plan Fiduciary Net Position as a % of the Total OPEB Liability** | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Covered-employee payroll** | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| **Net OPEB Liability as a % of covered-employee payroll** | n/a | n/a | n/a | 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, 2025
(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 |
|---|---|---|---|---|---|
| 2025* | $ 9,098 | $ 9,375 | $ (277) | n/a | n/a |
| 2024 | $ 9,342 | $ 8,762 | $ 580 | n/a | n/a |
| 2023* | $ 9,811 | $ 9,195 | $ 616 | n/a | n/a |
| 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, 2025

**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, 2024:

1. The discount rate is 4.23% based on the S&P Municipal Bond Index as of March 31, 2024, compared to the prior rate of 3.46%
2. The mortality table was updated to PubG-2010 headcount weighted with the MP-2021 mortality improvement scale.
3. The health care cost trend rates assumption is updated to 7.00% in 2024 grading to 5.6% over 3 years and following the 2024 Getzen model thereafter to an ultimate rate of 4.04% in the year 2075.

Summaries of the plan provisions, actuarial assumptions and methods can be found in the basis for valuation section of this report.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB GROUP LIFE INSURANCE
FOR THE YEAR ENDED MARCH 31, 2025

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

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|
| Employer's Proportion of the Net GLI OPEB Liability (Asset) | 0.00340% | 0.00326% | 0.00326% | 0.27600% | 0.00236% | 0.00261% | 0.00309% | 0.00260% |
| Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) | $37,941 | $44,974 | $33,233 | $21,018 | $39,385 | $42,471 | $47,000 | $40,000 |
| Employer's Covered Payroll | $1,627,192 | $581,330 | $599,540 | $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 | 2.33% | 7.74% | 5.54% | 3.12% | 8.11% | 7.69% | 8.00% | 8.33% |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | 73.41% | 69.30% | 67.45% | 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, 2025

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 |
|---|---|---|---|---|---|
| 2024 | $ 7,648 | $ 7,648 | $ - | $ 1,627,192 | 0.47% |
| 2023 | $ 4,764 | $ 4,764 | $ - | $ 581,330 | 0.82% |
| 2022 | $ 3,238 | $ 3,238 | $ - | $ 599,540 | 0.54% |
| 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% |

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION RELATED TO OPEB GROUP LIFE INURANCE
FOR THE YEAR ENDED MARCH 31, 2025

**Note 1: Changes of Benefit Terms**

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

**Note 2: Changes of Assumptions**

The actuarial assumptions used in the June 30, 2023, 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 and VRS Board action are as follows:

Largest 10 Locality Employers – General Employees

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

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

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

Non - Largest 10 Locality Employers – General Employees

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

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

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