

**ROBERSONVILLE HOUSING AUTHORITY  
ROBERSONVILLE, NORTH CAROLINA**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**GREGORY T. REDMAN, CPA  
TARBORO, NORTH CAROLINA**

Financial Statements  
Robersonville Housing Authority  
Robersonville, North Carolina

Board Members

J. T. Fleming, Chairperson  
Willie D. Langley, Vice-Chairperson  
David Jenkins  
Donald Lewis  
Wilbur Staton

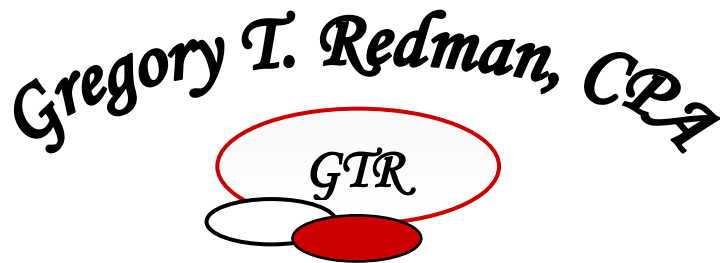
Administrative and Financial Staff

Jason Whitfield, Executive Director

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Table of Contents**  
**September 30, 2023**

	<u>Page</u>
<b>Financial Section</b>	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements:	
Statement of Net Position	12
Statement of Revenues, Expenses and Changes in Net Position	13
Statement of Cash Flows	14
Notes to Financial Statements	15
<b>Required Supplemental Financial Data</b>	
Schedule of the Proportionate Share of the Net Pension Liability – Local Government Employees’ Retirement Systems	34
Schedule of Contributions – Local Government Employees’ Retirement System	35
Schedule of Changes in the Total OPEB Liability and Related Ratios	36
<b>Supplementary Information</b>	
Statement of Revenues and Expenditures -- Budget to Actual (Non-GAAP) - Low Rent Public Housing	37
Statement and Certification of Actual Modernization Costs – Completed	38
Statement of Capital Fund Program Costs - Uncompleted	39
<b>Compliance Section</b>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	42
Independent Auditor’s Report on Applying Agreed-upon Procedures	44
Financial Data Schedule	

## **Financial Section**



Member  
North Carolina Association of  
Certified Public Accountants

Member  
American Institute of  
Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Commissioners  
Robersonville Housing Authority  
Robersonville, North Carolina

### *Opinion*

I have audited the accompanying financial statements of the business-type activities, each major fund and the aggregate remaining fund information of Robersonville Housing Authority as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Robersonville Housing Authority's basic financial statements as listed in the table of contents.

In my opinion, based on my audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of Robersonville Housing Authority as of September 30, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Robersonville Housing Authority and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Robersonville Housing Authority's ability to continue as a going concern for the 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*

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, I:

- Exercised professional judgment and maintained 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 Robersonville 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Robersonville Housing Authority's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

### Required Supplementary Information


Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions, and Schedule of Changes in Total OPEB Liability and Related Ratios be presented to supplement the basic financial statements. Such information is the responsibility of management, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Robersonville Housing Authority's basic financial statements. The financial data schedule, combining and individual fund financial statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying financial data schedule is presented for the purposes of additional analysis as required by *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by me. In my opinion, based on my audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the financial data schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 15, 2024, on my consideration of Robersonville Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Robersonville Housing Authority's 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 Robersonville Housing Authority's internal control over financial reporting and compliance.



Tarboro, North Carolina  
May 15, 2024

## **Management's Discussion and Analysis**



**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

***Management's Discussion & Analysis***

Management of the Robersonville Housing Authority presents the readers of these financial statements with this overview and analysis of its financial activities for the fiscal year ended September 30, 2023, including all combined financial activities of all Funds and Projects of the reporting Entity. Readers are encouraged by Management to read this entire section in conjunction with the information contained in the basic financial statements, and the additional required supplemental information, following this narrative.

***The Reporting Entity***

Robersonville Housing Authority (the PHA) is a Public Housing Authority operating under the rules of the United States Department of Housing and Urban Development (HUD) and applicable North Carolina General Statutes. Members of the PHA's Governing Board are appointed by the Governing Board of the Town of Robersonville, North Carolina (Municipality). The PHA is, however, a stand-alone special-purpose governmental entity and is not a component unit of this Municipality, which neither provides nor receives financial support to or from the PHA, the PHA's assets are not available to this Municipality, nor are the PHA's liabilities payable by this Municipality. Activities and operations are conducted within this Municipality in accordance with the PHA's Cooperation Agreement with this Municipality.

The PHA's primary mission is to provide safe, decent, and affordable housing to low-income persons who qualify as rental tenants under HUD rules, who avail themselves of this service, and in furtherance of this goal the PHA operates several subsidized housing programs. Operating and capital needs are planned to be funded almost entirely (although not assured) through tenant rental and other related revenues plus any subsidies provided by the Federal government, and in a minor way by income from PHA temporary cash investments and other revenues. Tenants pay a portion of their income as rent, which is generally mandated by HUD to be not more than 30% of qualifying tenant income and often is less.

***Overview Of The PHA's Financial Reporting***

The PHA's annual financial reporting model consists of three components; 1) Management's discussion and analysis, 2) the basic financial statements (Fund financial statements and notes to the financial statements), and 3) required supplementary information. As the PHA is a special-purpose governmental entity (engaged in business-type activities only) as defined by paragraph 138 of GASB Statement 34. Fund financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Fund Net Position; and a Statement of Cash Flows.

The Statement Of Fund Net Position includes all assets and liabilities of the PHA and provides information about the amounts and investments in assets and the obligations to creditors, and also provides a basis for assessing the liquidity and financial flexibility of the Fund. This Statement reports all financial and capital resources of the PHA at report date and is presented in a format whereby total assets minus total

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

liabilities equal net position. Assets and liabilities are presented in order of liquidity, and the net position balance is reported as Net Investment In Capital Assets Net Of Related Debt, Restricted Net Position, and Unrestricted Net Position.

The Statement Of Revenues, Expenses, And Changes In Net Position reports the revenues, expenses, and changes in net position of the Fund(s) during the fiscal year and measures the success of its financial operations. This Statement includes the PHA's rental and other revenues from tenants, operating subsidies from HUD, and other income, and administrative, operating, general, and depreciation expenses, and other items of income and expense during the fiscal year. Generally, the net difference between revenues and expenses (and sometimes prior-period adjustments) is the change in net position for the fiscal year.

The Statement Of Cash Flows provides information about the PHA's cash receipts and cash disbursements during the fiscal year, reporting net changes in cash that result from financial operations. This Statement presents net cash provided by or used in operating activities, non-capital financial activities, capital and related financing activities, and other sources and uses of financial resources.

***Fund Financial Statements***

The PHA's financial statements are presented on the fund basis. The Fund financial statements provide a detailed look at the PHA's most significant activities by focusing on the individual activities of its major Funds. A fund is a grouping of related accounts that is used to maintain accounting control over PHA resources that have been established and segregated for specific activities and objectives. Fund accounting is used by the PHA to ensure and reflect compliance with its budgets and finance-related legal requirements, including HUD rules and applicable NC General Statutes. In the Fund financial statements following, the reporting focus is on the activities of the major funds and not on the type of fund. The PHA maintains several different funds based on their activities as required by HUD and for accountability and financial control. All of these Funds are enterprise funds and use the full accrual accounting and financial reporting basis similar to that of private sector for-profit businesses.

The PHA adopts an annual budget as required by NC General Statutes, following budgetary guidelines set forth by HUD. The budget is a legally adopted document that incorporates input from the citizens and the Management of the PHA and the decisions of the Board about which services to provide and how to pay for them. The budgetary statements demonstrate how well the PHA complied with the budget ordinance and whether or not the PHA succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statements use the budgetary basis of accounting and are presented using the same format, language, and classification as the legal budget document. The budgetary statements are presented as supplementary information to demonstrate compliance with applicable state laws. To account for the difference between the budgetary basis of accounting and the full accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

***Notes To The Financial Statements***

The Notes To The Financial Statements provide explanations of some of the data contained in the financial statements. The Notes also provide additional information that is essential to a full understanding of the data presented in the financial statements.

***Required Supplementary Information***

Required Supplementary Information includes budgetary comparison information and selected other data, and the information contained in these supplements is helpful in understanding and evaluating the Fund financial statements and assessing the financial position and financial operations of the PHA. The section also contains additional supplementary information required by HUD.

***Financial Highlights, Current Year Compared To Preceding Year***

Unrestricted cash balances increased by some \$92,000 while restricted cash balances increased by some \$3,000 (a net increase of some \$95,000). Total current assets increased by some \$22,000 (2.7%) and total current liabilities decreased by some \$51,000 (40.6%). Net working capital at fiscal year end was about \$755,000 compared to about \$682,000 from the prior year, which is an increase of some \$73,000.

Capital and lease assets net of accumulated depreciation/amortization decreased by about \$111,000 as total capital and lease asset additions were less than depreciation and amortization expense for the fiscal year. The PHA completed about \$106,000 in capital projects during the fiscal year.

At fiscal year end, the PHA's total assets exceeded its total liabilities by about \$2,588,000 (total net position) which is a decrease of about \$47,000 (1.8%) from the prior year end. The PHA's unrestricted net position balance (included in total net position) increased by about \$58,000 (10.7%) from the prior year. Changes in these balances over time may serve as one useful indicator of changes in the PHA's total overall financial strength.

Overall operating subsidies increased by about \$41,000 (9.5%) from the prior fiscal year. Tenant rental revenues increased by some \$10,000 and other tenant revenues increased by some \$3,000 during the current fiscal year, presumably due to a better overall tenant financial condition. Total operating expenses (including depreciation/amortization) for the current fiscal year came in at some \$1,015,000 as compared to the prior fiscal year's amount of some \$966,000 which is an increase of some \$49,000.

The PHA incurred an operating loss of about \$147,000 for the current fiscal year as compared to the prior fiscal year's operating loss of approximately \$152,000 which is a decrease of some \$5,000 (3.2%). Overall PHA change in net position reported a loss of about \$47,000 for the current fiscal year, which is a decrease from the prior fiscal year's net profit of about \$235,000 (a change of some \$281,000).

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

PHA management considers the fiscal year that ended September 30, 2023 to have been a better financial year compared to last year as working capital increased, operating subsidies increased, operating loss decreased, overall net profit decreased, while unrestricted net position increased.

The reader should note that operating profits and/or cash balances on hand in one Fund or Project are generally not available to offset losses or expenditures in another Fund or Project of the PHA except in specific circumstances (to be specifically approved by the regulatory agency); income earned by or belonging to a specific Fund or Project is generally restricted for the benefit of the tenants of that Fund or Project by law or regulation.

**Condensed Financial Position**

At Fiscal Year End September 30	All Funds Combined			
	2023	2022	\$ Change	Change %
<b>Assets</b>				
Current assets	\$ 829,492	\$ 807,303	\$ 22,189	2.7%
Capital & lease assets	1,998,875	2,109,626	(110,751)	-5.2%
<b>Total Assets</b>	<u>2,828,367</u>	<u>2,916,929</u>	<u>(88,562)</u>	<u>-3.0%</u>
 Deferred Outflows	 <u>69,462</u>	 <u>76,908</u>	 <u>(7,446)</u>	 <u>-9.7%</u>
 <b>Liabilities</b>				
Current liabilities	74,356	125,101	(50,745)	-40.6%
Noncurrent liabilities	225,498	230,429	(4,931)	-2.1%
<b>Total Liabilities</b>	<u>299,854</u>	<u>355,530</u>	<u>(55,676)</u>	<u>-15.7%</u>
 Deferred Inflows	 <u>10,035</u>	 <u>3,851</u>	 <u>6,184</u>	 <u>160.6%</u>
 <b>Net Position</b>				
Invested in capital assets	1,982,937	2,087,892	(104,955)	-5.0%
Restricted net position	-	-	-	0.0%
Unrestricted net position	605,003	546,564	58,439	10.7%
<b>Total Net Position</b>	<u>\$ 2,587,940</u>	<u>\$ 2,634,456</u>	<u>\$ (46,516)</u>	<u>-1.8%</u>

The largest portion of the PHAs net position at the current fiscal year end (76.6%) consists of its investment in its capital assets (land, buildings, equipment) net of any related debt still outstanding issued to acquire such assets. Such capital assets are used by the PHA to provide residential, administrative, and maintenance services to its tenants, and by their nature are not available for expenditure appropriation; accordingly, resources to pay for asset maintenance must be provided from PHA revenues net of expenses.

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

**Condensed Financial Operations**

At Fiscal Year End September 30	All Funds Combined			
	2023	2022	\$ Change	Change %
<b>Operating Revenues</b>				
Operating grants	\$ 467,892	\$ 427,175	\$ 40,717	9.5%
Tenant rental revenues	373,989	363,781	10,208	2.8%
Other tenant revenues	25,767	22,811	2,956	13.0%
Total Operating Revenues	<u>867,648</u>	<u>813,767</u>	<u>53,881</u>	<u>6.6%</u>
<b>Operating Expenses</b>				
Administration	267,347	249,547	17,800	7.1%
Tenant services	285	400	(115)	-28.8%
Utilities	195,555	192,279	3,276	1.7%
Ordinary maintenance	260,613	253,900	6,713	2.6%
Protective services	-	-	-	0.0%
Insurance	24,061	24,430	(369)	-1.5%
General	49,771	41,412	8,359	20.2%
Housing assistance payments	-	-	-	0.0%
Depreciation/amortization	217,133	203,777	13,356	6.6%
Total Operating Expenses	<u>1,014,765</u>	<u>965,745</u>	<u>49,020</u>	<u>5.1%</u>
Operating Income (Loss)	<u>(147,117)</u>	<u>(151,978)</u>	<u>4,861</u>	<u>-3.2%</u>
<b>Non-Operating Revenue (Expense)</b>				
Interest expense	(1,527)	(1,889)	362	-19.2%
Investment income unrestricted	1,308	50	1,258	2516.0%
Investment income restricted	-	-	-	0.0%
Gain (loss) on sale of capital assets	-	-	-	0.0%
Other revenue (expense)	111	6,020	(5,909)	-98.2%
Sub-Total	<u>(108)</u>	<u>4,181</u>	<u>(4,289)</u>	<u>-102.6%</u>
Capital contributions	<u>100,709</u>	<u>382,358</u>	<u>(281,649)</u>	<u>-73.7%</u>
Inc (Dec) In Net Position	\$ (46,516)	\$ 234,561	\$ (281,077)	-119.8%
Net position, beginning	2,634,456	2,399,895	234,561	9.8%
Net position, ending	<u>\$2,587,940</u>	<u>\$2,634,456</u>	<u>\$ (46,516)</u>	<u>-1.8%</u>

**Capital Assets**

During the current fiscal year, the PHA added about \$106,000 to its fixed assets in service and recorded about \$58,000 in asset retirements. After recording some \$211,000 in depreciation expense, total fixed assets decreased by some \$105,000. The PHA has an ongoing operation need for capital expenditures, as properties and equipment decline in service value through usage. Reductions in capital assets are generally fully depreciated normal asset retirements.

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

Summary Of Fixed Asset Balances And The Changes Thereto	All Funds Continued			
	Balances At	During The Fiscal Year		Balances At
	10/01/22	Additions	Reductions	09/30/23
Land and improvements	\$ 634,735	\$ -	\$ 15,219	\$ 619,516
Dwelling structures & equipment	4,587,700	100,709	42,845	4,645,564
Nondwelling structures & equipment	473,546	5,673	-	479,219
Motorized vehicles	88,523	-	-	88,523
Capital Assets In Service	5,784,504	106,382	58,064	5,832,822
Less accumulated depreciation	3,696,612	211,337	58,064	3,849,885
Sub-total Fixed Assets	2,087,892	(104,955)	-	1,982,937
Renovation work in progress	-	100,709	100,709	-
Total Net Fixed Assets	<u>\$ 2,087,892</u>	<u>\$ (4,246)</u>	<u>\$ 100,709</u>	<u>\$ 1,982,937</u>

**Lease Assets**

During the current fiscal year, the PHA added about \$0 in new leases in service and recorded about \$0 in lease retirements. After recording some \$6,000 of amortization expense, total right-to-use lease assets decreased by some \$6,000. The PHA has an ongoing operational need for leased equipment, as the lease of this equipment is determined by Management to be preferable to purchase. Additions and reductions of the right-to-use lease assets are generally the rollover of the equipment lease from one lease term agreement to the next.

Summary Of Right-To-Use Assets And The Changes Thereto	All Funds Combined			
	Balances At	During The Fiscal Year		Balances At
	10/01/22	Additions	Reductions	09/30/23
Right-to-use lease assets	\$ 30,428	\$ -	\$ -	\$ 30,428
Less accumulated depreciation	8,694	5,796	-	14,490
Total Right-To-Use Lease Assets	<u>\$ 21,734</u>	<u>\$ (5,796)</u>	<u>\$ -</u>	<u>\$ 15,938</u>

**Long-Term Debt**

The PHA's total long-term debt balances decreased by about \$4,000. After accounting for the current portion of long term debt of some \$13,000, the net long-term debt balance decreased by some \$5,000. Additional information regarding the PHA's long-term debt can be found in the notes to the Financial Statements and the table below.

The PHA allows its full time employees to accumulate earned vacation leave and such leave is vested when earned. The liability for compensated absences and the salary related payments are adjusted as the leave is earned and taken.

In carrying out the day to day operations, the PHA has entered into agreements to lease certain equipment. These agreements are for a period of more than 12 months and have been recorded at their present value of future minimum lease payments as of the date of their inception.

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

The PHA reported their proportionate share of the Local Government Employees' Retirement System's (LGERS) net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. Decisions regarding the allocations are made by the administrators of the LGERS pension plan and not by the PHA's management.

Under the terms of a Board resolution, the PHA administers an Other Post Employment Benefits Plan (OPEB) that provides healthcare benefits to qualifying retirees. The PHA pays a portion of the cost of coverage for these benefits through private insurers. The PHA has chosen to fund these benefits on a pay as you go basis and thus no special funding situation exists.

Summary Of Long-Term Debt Balances And The Changes Thereto	All Funds Continued			
	Balances At 10/01/22	During The Fiscal Year		Balances At 09/30/23
		Additions	Reductions	
Accrued compensated absences	\$ 27,079	\$ 15,873	\$ 12,098	\$ 30,854
Construction mortgages payable	-	-	-	-
Lease liabilities	24,215	-	5,375	18,840
Net pension liability	147,241	-	1,930	145,311
Other post-employment benefits	44,042	-	71	43,971
Total Long-Term Debt Payable	<u>\$ 242,577</u>	<u>\$ 15,873</u>	<u>\$ 19,474</u>	<u>\$ 238,976</u>
Less current portion due	12,148			13,478
Net Long-Term Debt Payable	<u>\$ 230,429</u>			<u>\$ 225,498</u>

***Budget Highlights For The Subsequent Fiscal Year***

Compared to actual amounts for the fiscal year, the PHA's subsequent fiscal year tenant revenues are budgeted to decrease by about \$15,000, operating subsidies are budgeted to decrease by some \$81,000, and overall operating expenses (not including capital and debt service payments) are budgeted to increase by about \$25,000. Overall, the PHA's subsequent fiscal year operating budgets (including capital and debt payments) project about \$39,000 of expenses in excess of budgeted revenues.

***Economic Factors That Might Have A Material Future Financial Effect***

The PHA's revenues from tenants are based on the tenant's ability to pay, at 30% of tenant income subject to reductions for disabilities, handicaps, elderly, minor children, and excessive medical expenses. As such, revenue from tenants may not necessarily be projected to increase per increases in PHA expenses but may decline due to decreases in tenant income.

The HUD Low Rent Public Housing operating subsidy is generally based on a computation that is a fixed expense amount set during the first fiscal year of PHA operation, increased each year by a HUD-set percentage that has not always matched inflation, decreased by tenant rental revenues, and increased by PHA utilities costs and by some other relatively minor factors. HUD subsidies actually available are subject to reductions should Congress appropriate less (which has periodically happened and PHA Management considers to be likely given current economic pressures on Federal funding availability). This Fund's annual subsidy from HUD is provided on a calendar year basis (without regard to and does not necessarily coincide

**Robersonville Housing Authority  
Management's Discussion & Analysis  
For the Year Ended September 30, 2023**

with fiscal year needs). As such HUD subsidy amounts actually available are not predictable at the present time, PHA Management is not able to estimate future revenues from this source for this Fund with substantial accuracy.

At this writing, Management is aware of no other items, facts, decisions, or conditions that might have a material future financial effect on financial position or results of operations of any Fund, Project, or Activity of the PHA.

***Requests For Further Information***

This narrative was developed to provide an overview of the PHA's financial operations for readers with an interest in this area. Questions concerning any of the information contained herein or for any additional information should be addressed to:

Executive Director  
Robersonville Housing Authority  
Post Office Box 637  
Robersonville, NC 27871



## **Basic Financial Statements**

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Net Position - Proprietary Fund**  
**September 30, 2023**

	<b>Major Funds</b>		<b>Total</b>
	<b>Low Rent Public Housing Fund</b>	<b>Public Housing Capital Fund</b>	
<b>Assets</b>			
Current Assets:			
Cash and investments	\$ 792,050	\$ -	\$ 792,050
Restricted cash	21,000	-	21,000
Accounts receivable - HUD	-	-	-
Accounts receivable - other, net	4,704	-	4,704
Prepaid expenses	11,738	-	11,738
Inventories, net	-	-	-
Interprogram	-	-	-
Total Current Assets	<u>\$ 829,492</u>	<u>\$ -</u>	<u>\$ 829,492</u>
Capital Assets:			
Land and non-depreciable	\$ 71,522	\$ -	\$ 71,522
Other capital assets, net	1,911,415	-	1,911,415
Work in progress	-	-	-
Lease assets, net	15,938	-	15,938
Total Capital Assets & Lease Assets	<u>\$ 1,998,875</u>	<u>\$ -</u>	<u>\$ 1,998,875</u>
<b>Deferred Outflows of Resources</b>			
Pension and OPEB deferrals	\$ 69,462	\$ -	\$ 69,462
<b>Total Assets and Deferred Outflows of Resources</b>	<u><u>\$ 2,897,829</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,897,829</u></u>
<b>Liabilities</b>			
Current Liabilities:			
Accounts payable	\$ 39,878	\$ -	\$ 39,878
Security deposits	18,609	-	18,609
Unavailable revenue	2,391	-	2,391
Accrued compensated absences, current	7,714	-	7,714
Long-term debt, current portion	5,764	-	5,764
Total Current Liabilities	<u>\$ 74,356</u>	<u>\$ -</u>	<u>\$ 74,356</u>
Non-Current Liabilities:			
Accrued compensated absences	\$ 23,140	\$ -	\$ 23,140
Net pension and OPEB liability	189,282	-	189,282
Long-term debt	13,076	-	13,076
Total Non-current Liabilities	<u>\$ 225,498</u>	<u>\$ -</u>	<u>\$ 225,498</u>
<b>Total Liabilities</b>	<u>\$ 299,854</u>	<u>\$ -</u>	<u>\$ 299,854</u>
<b>Deferred Inflows of Resources</b>			
Pension and OPEB deferrals	\$ 10,035	\$ -	\$ 10,035
<b>Net Position</b>			
Net investment in capital assets	\$ 1,982,937	\$ -	\$ 1,982,937
Restricted net position	-	-	-
Unrestricted net position	605,003	-	605,003
Total Net Position	<u>\$ 2,587,940</u>	<u>\$ -</u>	<u>\$ 2,587,940</u>
<b>Total Liabilities, Deferred Outflows of Resources and Net Position</b>	<u><u>\$ 2,897,829</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,897,829</u></u>

The notes to the financial statements are an integral part of this statement.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund**  
**For the Year Ended September 30, 2023**

	<b>Major Funds</b>		<b>Total</b>
	<b>Low Rent Public Housing Fund</b>	<b>Public Housing Capital Fund</b>	
<b>Operating Revenues:</b>			
Operating grants	\$ 387,997	\$ 79,895	\$ 467,892
Dwelling rentals	373,989	-	373,989
Other revenue	25,767	-	25,767
Total Operating Revenues	<u>\$ 787,753</u>	<u>\$ 79,895</u>	<u>\$ 867,648</u>
<b>Operating Expenses:</b>			
Administration	\$ 267,347	\$ -	\$ 267,347
Tenant services	285	-	285
Utilities	195,555	-	195,555
Ordinary maintenance	260,613	-	260,613
Protective services	-	-	-
Insurance	24,061	-	24,061
General expense	49,771	-	49,771
Housing assistance payments	-	-	-
Depreciation & amortization	217,133	-	217,133
Total Operating Expenses	<u>\$ 1,014,765</u>	<u>\$ -</u>	<u>\$ 1,014,765</u>
<b>Operating Income (Loss)</b>	<u>\$ (227,012)</u>	<u>\$ 79,895</u>	<u>\$ (147,117)</u>
<b>Non-operating Revenues (Expenses):</b>			
Interest expense	\$ (1,527)	\$ -	\$ (1,527)
Investment income-unrestricted	1,308	-	1,308
Investment income-restricted	-	-	-
Gain (loss) on sale of capital assets	-	-	-
Other revenue (expense)	111	-	111
Total Non-operating Revenues (Expenses)	<u>\$ (108)</u>	<u>\$ -</u>	<u>\$ (108)</u>
<b>Income (Loss) before transfers and contributions</b>	<u>\$ (227,120)</u>	<u>\$ 79,895</u>	<u>\$ (147,225)</u>
Operating transfers	79,895	(79,895)	-
Capital contributions	-	100,709	100,709
<b>Change in Net Position</b>	<u>\$ (147,225)</u>	<u>\$ 100,709</u>	<u>\$ (46,516)</u>
Net Position - beginning of year	\$ 2,634,456	\$ -	\$ 2,634,456
Equity transfer	100,709	(100,709)	-
Prior period adjustments	-	-	-
Net Position - end of year	<u>\$ 2,587,940</u>	<u>\$ -</u>	<u>\$ 2,587,940</u>

The notes to the financial statements are an integral part of this statement.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Cash Flows**  
**For the Year Ended September 30, 2023**

	<b>Major Funds</b>		<b>Total</b>
	<b>Low Rent Public Housing Fund</b>	<b>Public Housing Capital Fund</b>	
<b>Cash Flows From Operating Activities:</b>			
Cash received from tenants	\$ 376,981	\$ -	\$ 376,981
Other revenue	25,767	-	25,767
Operating grants	450,259	79,895	530,154
Cash paid for goods and services	(482,558)	-	(482,558)
Cash paid to employees	(344,855)	-	(344,855)
Net Cash Provided (Used) by Operating Activities	<u>\$ 25,594</u>	<u>\$ 79,895</u>	<u>\$ 105,489</u>
<b>Cash Flows From Non-capital Financing Activities:</b>			
Transfers between funds	\$ 180,604	\$ (180,604)	\$ -
Other revenue	111	-	111
Changes in interprogram	-	-	-
Net Cash Provided (Used) by Non-capital Financing Activities	<u>\$ 180,715</u>	<u>\$ (180,604)</u>	<u>\$ 111</u>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Payments on long-term debt	\$ (5,375)	\$ -	\$ (5,375)
Proceeds from capital grants	-	100,709	100,709
Purchase of capital assets	(106,382)	-	(106,382)
Current year change of intangible right-to-use assets	-	-	-
Interest expense	(1,527)	-	(1,527)
Net Cash Flow Provided (Used) by Capital and Related Financing Activities	<u>\$ (113,284)</u>	<u>\$ 100,709</u>	<u>\$ (12,575)</u>
<b>Cash Flows From Investing Activities:</b>			
Investment income	<u>\$ 1,308</u>	<u>\$ -</u>	<u>\$ 1,308</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>\$ 94,333</u>	<u>\$ -</u>	<u>\$ 94,333</u>
Cash and Cash Equivalents - beginning of year	718,717	-	718,717
Cash and Cash Equivalents - end of year	<u>\$ 813,050</u>	<u>\$ -</u>	<u>\$ 813,050</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	<u>\$ (227,012)</u>	<u>\$ 79,895</u>	<u>\$ (147,117)</u>
Adjustments to Reconcile:			
Depreciation	\$ 217,133	\$ -	\$ 217,133
Changes in Assets and Liabilities:			
(Increase) Decrease in accounts receivable	65,254	-	65,254
(Increase) Decrease in prepaid expenses	6,890	-	6,890
(Increase) Decrease in inventories	-	-	-
(Increase) Decrease in deferred outflows	7,446	-	7,446
Increase (Decrease) in accounts payable	(54,662)	-	(54,662)
Increase (Decrease) in unavailable revenue	2,171	-	2,171
Increase (Decrease) in security deposits	416	-	416
Increase (Decrease) in compensated absences payable	3,775	-	3,775
Increase (Decrease) in pension and OPEB liability	(2,001)	-	(2,001)
Increase (Decrease) in deferred inflows	6,184	-	6,184
Total Adjustments	<u>\$ 252,606</u>	<u>\$ -</u>	<u>\$ 252,606</u>
Net Cash Provided by Operating Activities	<u>\$ 25,594</u>	<u>\$ 79,895</u>	<u>\$ 105,489</u>

The notes to the financial statements are an integral part of this statement.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

**I. Summary of Significant Accounting Policies:**

A. Reporting Entity

The Robersonville Housing Authority (the Authority) is a public corporate body created under the authority of Chapter 157 of the General Statutes of North Carolina. The Authority was created for the purpose of providing safe and sanitary housing for the low-income citizens of the City of Robersonville (the Municipality).

To accomplish this purpose, the Municipality appoints a Governing Board of Commissioners with decision-making authority to designate its own chairperson and management. The Board members do not serve at the discretion of the Municipality and can only be removed for cause. Additionally, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development (HUD) to be the administrator of the housing and the housing related programs described herein. The authority is not subject to federal or state income taxes and is not required to file federal or state income tax returns.

In determining how to define the reporting entity, management has considered all potential component units by applying the criteria set forth in Section 2100 and 2600 of the Codification of Government Accounting Standards Board.

The Authority is not a component unit of the financial reporting entity of the Municipality since it designates its own management, approves its own budget, and maintains its own accounting system. In addition, the Municipality provides no financial support to the Authority and is not obligated for the Authority's debts or entitled to any surpluses of the Authority. The Municipality is not financially accountable for the Authority since it cannot impose its will on the authority and there is no potential for the Authority to provide financial benefit to, or impose financial burdens on, the Municipality.

All the operations of the Authority are included in these financial statements and there are no operations or component units which have been excluded in this report. The reporting entity is composed of the organizations and activities described in the following sections.

B. Description of a Public Housing Authority

Funding for public housing authorities is received in the form of rental income from the participants in the public housing program and in the form of subsidies from the department(s) of the United States Federal Government based on the type of program(s) operated by the public housing authority as identified in the following section.

The Authority has the following units under their management.

<u>Management</u>	<u>Units</u>
Low Rent	100

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

C. Basis of Presentation – Fund Accounting

The accounts of the Authority are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses.

The Authority accounts for its operations as enterprise funds. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation and amortization) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Authority reports the following Major Funds:

*The Low Rent Public Housing Fund (CFDA # 14.850)* - allows low-income tenants to pay monthly rents, which are determined by their need for assistance. HUD pays operating subsidies to the Authority to enable the Authority to maintain the character of the neighborhood while providing adequate services and maintaining adequate reserves.

*The Public Housing Capital Fund (CFDA # 14.872)* – accounts for the modernization and improvement of existing housing units owned by the Authority and to improve the management of the program. HUD makes grants available to the Authority based on a physical needs assessment, management’s capabilities, and the need for other services and equipment that would enable more efficient and effective use of available funds by management.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, and all liabilities associated with the operation of this fund are included on the statement of net position. Net position is the result of deducting all the liabilities and deferred inflows of resources from all the assets and deferred outflows of resources. Total net position is segregated into three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

All funds of the Authority are maintained on the modified accrual basis during the year; however, the financial statements for the Authority have been reported on the accrual basis. Under this basis, revenues are recorded when earned and expenses are recorded when incurred. In converting from the modified accrual basis to the full accrual basis, the changes required may include adjustments for unpaid interest, depreciation, prepaid tenant rents, prepayments of principal on outstanding debt, and capital outlay.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

E. Budgetary Data

The Authority maintains budgetary controls over all funds, in accordance with North Carolina General Statute 159-42(c-d) and the terms of the Authority’s annual contributions contract with HUD. An annual budget is adopted for all enterprise funds, except for the Capital Fund which is a capital project fund. A multi-year budget is adopted for that fund. Expenditures may not legally exceed appropriations at the departmental level for the enterprise funds or at the object level for the capital project fund. The budget was prepared on the modified accrual basis of accounting. The budget presented in these statements is the budget ordinance as amended through the fiscal year end stated herein.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

1. Deposits and Investments

All deposits of the Authority are made into board-designated official depositories and are secured as required by State Law [G.S. 159-31] and HUD regulations. The Authority may designate as an official depository, or any bank or savings and loan association whose principal office is located in North Carolina. Also, the Authority may establish time deposit accounts such as NOW, Super NOW, money market, and certificates of deposit.

State Law [G.S. 159-30(c )] and Section 401(e) of the annual contribution contract authorize the Authority to invest excess funds in instruments issued by or guaranteed by the Federal Government; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority. The Authority practices this policy for all invested funds, regardless of source. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. Money market investments that have a maturity at the time of purchase of one year or less are carried at amortized cost.

As required by the annual contributions contract, the Authority prepares cash forecasts for each program to determine the amount of funds available for investment and to maximize investment earnings. The deposits and certificates of deposit with an original maturity of three months or less are considered cash and cash equivalents for the Statement of Cash Flows.

2. Restricted Assets

Tenant security deposits and rental payments made by tenants in advance of their due date are restricted because their use is restricted for the purpose for which the funds were collected.

Low Rent Public Housing - tenant security deposits	\$ 18,609
Low Rent Public Housing - unavailable revenue	2,391
	\$ 21,000

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

3. Inter-Program Receivables and Payables

Inter-program receivables/payables are all classified as either current assets or current liabilities. They are the result of the Authority being used as a common paymaster for shared costs of the Authority. Generally, cash settlements are made monthly, and all inter-program balances are reconciled. Any amounts for these inter-program receivables are payables are only shown in the “Interprogram” row on the Statement of Net Position in each fund column. These amounts offset each other and do not appear in the total column for the Authority.

4. Due from the United States Department of Housing and Urban Development

Amounts due from HUD consist of subsidy payments earned as of the fiscal year but not received as of that date.

5. Allowance for Doubtful Accounts

All receivable that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventories

Inventories are recorded at cost; cost being determined on the first-in first-out basis. The consumption method is used to account for inventories. Under the consumption method, inventories are recorded as expenditures when purchased and inventory on hand at year-end is recorded as an asset.

7. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid.

8. Capital Assets

Donated capital assets received prior to FYE 2016, are stated at their estimated fair value on the date donated. This included site acquisition and improvements, structures, and equipment. Donated capital assets received after FYE 2016 are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Other capital assets are recorded at historical costs at the date of acquisition.

Expenditures for any major renewal or betterment that extends the useful life of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses as incurred. The Authority capitalization policy is to expense small purchases of \$5,000 and the anticipated useful life is less than 1 year. Assets are depreciated on a straight-line basis over the following years:



**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

Dwelling structures	40 years
Non-dwelling structures	40 years
Community space	40 years
Site improvements	15 years
Dwelling equipment	7 years
Office furniture and equipment	7 years
Maintenance equipment	7 years
Automobiles and vehicles	3 - 5 years

9. Right-To-Use Lease Assets

The Authority has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight line basis of the life of the related lease.

10. Deferred Outflows/Inflows of Resources

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 expense or expenditure until then.

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 revenue until then.

Amounts reported on these lines will normally represent the Authority's participation in a pension plan and/or an OPEB plan for their retirees; and both deferred outflows and inflows of resources resulting from changes in unamortized components will be reflected in the financial statements.

11. Unavailable Revenue

Unavailable revenue consists of rental payments made by tenants in advance of their due date.

12. Compensated Absences

The Authority allows its full-time employees to accumulate earned vacation leave, and such leave is vested when earned. An expense and liability for compensated absences and the salary-related payments are recorded as the leave is earned.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

Employees can also accumulate sick leave. Sick leave does not vest but unused sick leave accumulated at the time of retirement may be used in determining the length of service for retirement benefits purposes. Since the Authority has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

13. Operating Subsidies

Disbursements received from the Department of HUD or other grantor agencies for operating purposes are recorded as operating revenues. Disbursements that are received for capital purposes are recorded as capital contributions.

14. Income Taxes

As a political subdivision of the State of North Carolina, the Authority is exempt from Federal and State income taxes.

15. Net Position

Net position is classified into three parts: net investment in capital assets, restricted and unrestricted. The net investment in capital assets represents the capital assets purchased through operations and grant programs less any debt related to the purchase or construction of those capital assets. Restricted net position represents constraints on resources that are either externally imposed (as by creditors, grantors, contributions, or laws and regulations of other governments) or imposed by the law.

16. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Local Government Employees' Retirement System (LGERS) and additions to/deductions from LGERS Fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized when due. The Authority's employer contributions are recognized when due and the Authority has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

**II. Stewardship, Compliance and Accountability**

A. Material Violations of Finance-Related Legal and Contractual Provisions

There were no known material violations during the year.

B. Deficit Net Position of Individual Funds

There were no deficits in net position of individual funds.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

C. Excess of Expenditures over Budget

There were no material violations of expenditures in excess of budgeted amounts during the year.

**III. Detailed Notes on All Funds**

A. Assets

1. Deposits

The Authority's deposits are either insured or are collateralized using the dedicated method. Under the Dedicated method of collateralization, all deposits over the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name.

The Authority's deposits include deposits with financial institutions. The carrying amount of the Authority's deposits for cash and investments along with the bank balances are outlined below. Of the bank balance, all of it was covered by either federal depository insurance or additional collateral under the dedicated method.

Deposits carrying amount	\$ 813,050
Deposits bank balance	\$ 816,534

Interest rate risk – As a means of limiting its exposure to fair value losses arising from interest rates, the Authority typically limits its investment portfolio to maturities of 12 months or less.

Credit risk – The Authority has no policy regarding credit risk.

Custodial credit risk – For an investment, the custodial credit risk is the risk that in the event of the failure of the counter party, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. All cash balances are fully collateralized at 100% and pledged securities are in the custody of another banking party. The Authority has no policy on custodial credit risk.

2. Investments

At the end of the fiscal year, the Authority did not have any investments. The Authority has no policy regarding credit risk.

3. Tenant Rents Receivable – Allowance for Doubtful Accounts

The amounts presented in the Statement of Net Position are net of the following allowances for doubtful accounts:

Low Rent Public Housing Fund	<u><u>\$ 1,500</u></u>
------------------------------	------------------------

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

4. Capital Assets

The capital assets of Authority at fiscal yearend consisted of the following:

Summary Of Capital Asset Balances And The Changes Thereto	All Funds Continued			Balances At 09/30/23
	Balances At 10/01/22	During The Fiscal Year		
		Additions	Reductions	
Land and improvements	\$ 634,735	\$ -	\$ 15,219	\$ 793,188
Dwelling structures & equipment	4,587,700	100,709	42,845	4,645,564
Nondwelling structures & equipment	473,546	5,673	-	479,219
Motorized vehicles	88,523	-	-	88,523
Capital Assets In Service	5,784,504	106,382	58,064	5,832,822
Less accumulated depreciation	3,696,612	211,337	58,064	3,849,885
Sub-Total Fixed Assets	2,087,892	(104,955)	-	1,982,937
Renovation work in progress	-	100,709	100,709	-
Total Net Fixed Assets	<u>\$ 2,087,892</u>	<u>\$ (4,246)</u>	<u>\$ 100,709</u>	<u>\$ 1,982,937</u>

5. Right to Use Lease Assets

The Authority has leased equipment giving rise to a right to use lease assets. The related leases are discussed in the Leases subsection of the Liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use lease asset activity for the Authority for the current fiscal year was as follows:

Summary Of Right-To-Use Lease Assets And The Changes Thereto	All Funds Combined			Balances at 09/30/23
	Balances at 10/01/22	During The Fiscal Year		
		Additions	Reductions	
Right-to-use lease assets	\$ 30,428	\$ -	\$ -	\$ 30,428
Less accumulated depreciation	8,694	5,796	-	14,490
Total Right-To-Use Lease Assets	<u>\$ 21,734</u>	<u>\$ (5,796)</u>	<u>\$ -</u>	<u>\$ 15,938</u>

B. Liabilities

1. Unavailable Revenue

Unavailable revenue at fiscal year end consisted of the following prepaid rent amounts:

Low Rent Public Housing	<u>\$ 2,391</u>
-------------------------	-----------------

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

2. Lease Obligations

The Authority entered into agreement(s) to lease certain equipment. The lease agreement(s) qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The first agreement was executed on 06/21/2021, to lease equipment and requires 63 monthly payments of \$575. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 7%, which is the estimated borrowing rate of the Authority as no discount rate was explicitly stated in the lease agreement. As a result of the lease, the Authority has recorded a right to use assets with a net book value of \$30,428 at the beginning of the lease term. The future minimum lease obligation and the net present value of the minimum lease payment as of fiscal year end is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 5,764	\$ 1,136	\$ 6,900
2025	6,181	719	6,900
2026	6,628	272	6,900
2027	267	2	269
2028	-	-	-
2029-2033	-	-	-
	<u>\$ 18,840</u>	<u>\$ 2,129</u>	<u>\$ 20,969</u>

3. Retirement – Defined Benefit Pension

Local Governmental Employees’ Retirement System

*Plan Description.* The Authority is a participating employer in the statewide Local Governmental Employees’ Retirement System (LGERS), a cost sharing multiple-employer defined benefit pension plan administered by the state of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Benefit provisions are established by North Carolina General Statute 128-27 and may be amended only by the North Carolina General Assembly.

Management of the plan is vested in the LGERS Board of Trustees, which consist of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees’ Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State’s Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling 919-981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member’s average final compensation times the member’s years of creditable service. A member’s average final compensation is calculated as the average of a member’s four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with 5 years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with 5 years of creditable service. Disabled members may qualify for disability benefits at earlier ages. Survivor benefits are available to eligible beneficiaries of general employee plan members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed 5 years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor’s Alternate Benefit for life or a return of the member’s contributions. The plan does not provide for automatic post-retirement benefit increases. Cost of living benefit increases are contingent upon investment gains of the plan at the discretion of the LGERS Board of Trustees, except as authorized by the North Carolina General Assembly.

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Authority employees are required to contribute a portion of their annual pay (see table below). The required contribution rates for employers are set periodically and affirmed annually by the LGERS Board of Trustees. The LGERS Board establishes a funding policy from which the accrued liability rates and the normal contribution rates are developed by the consulting actuary for member employees. The sum of those two rates developed under the funding policy and the past service liability contribution rates, if applicable, is the actuarially determined contribution rate. Further, the required employer contribution rates set by the LGERS Board may not be less than the normal contribution rates developed under the established funding policy. These amounts, combined with member contributions and investment income, fund the benefits earned by plan members during the year, a payment to reduce the net pension liability, a payment for past service liability, if applicable, and administrative expenses. In addition, employers with an unfunded liability, established when the employer initially enters the system, must make additional contributions towards that liability. The State’s responsibility is administrative only. Contributions to the pension plan from the Authority are detailed in the table below. Contributions to the pension plan from the Authority are detailed in the table below:

Employee Contribution Rate	6.00%
Authority Contribution Rate	12.29%
Authority Contribution \$ for Fiscal Year	\$ 27,019

*Refunds of Contributions.* Authority employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members include interest (currently 4% per year) regardless of the number of years of retirement service credit or of the reason for separation from service. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual’s right to retirement or survivor benefit provided by LGERS.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At fiscal year end, the Authority reported a liability for its proportionate share of the net pension liability (see below table). The net pension liability was measured as of the date indicated in the table below. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date indicated in the table below. The total pension liability was then rolled forward to the measurement date (indicated in the table below) utilizing update procedures incorporating the actuarial assumptions. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At the measurement date the Authority's proportion of the total liability and its recognized pension expense is stated in the table below.

Authority's Pension Liability	\$ 145,311
Authority's Pension Expense	38,019
Measurement Date	06/30/2023
Valuation Date	12/31/2022
Proportion Percentable at Current FYE	0.00219%
Proportion Percentable at Prior FYE	0.00261%
Proportion Change	-0.00042%

At fiscal year end, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 16,192	\$ 349
Net difference between projected and actual earnings on pension plan investments	38,891	-
Changes of assumptions	6,175	-
Changes in proportion and differences between contributions	1,006	9,686
Authority contributions subsequent to the measurement date	7,198	-
Total	<u>\$ 69,462</u>	<u>\$ 10,035</u>

The amount reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as an increase of the net pension liability during the current fiscal year. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

Year ended June 30		
2024	\$	18,651
2025		8,237
2026		23,698
2027		1,645
2028		-
Thereafter		-
	\$	52,231

*Actuarial Assumptions.* The total pension liability used in the actuarial valuation (at valuation date in stated in table above) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases Range	3.25% to 8.25%
Inflation and Productivity Factor	3.25%
Investment Rate of Return (net*)	6.50%

*\*(net of pension plan investment expense, including inflation )*

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The plan currently uses mortality tables that vary by age, gender, employee group (i.e., general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the actuarial valuation were based on the results of an actuarial experience study that started on January 1, 2015 and ended on December 31, 2019.

*Asset data.* LGERS assets are held in trust and are invested for the exclusive benefit of plan members. Currently, incoming contributions cover more than 80% of the outgoing benefit payments and administrative expenses. Over the long term, benefit payments and administrative expenses not paid for by contributions are expected to be covered with investment income, illustrating the benefits of following actuarial prefunding since inception.

The investment return for the market value of assets was -10.35% (a negative return, which was well below the expected return of 6.5%. The return on the actuarial value of assets, which is used to determine the contribution rates, was also below the 6.5% expected return at 4.53%. This resulted in an increase in the Unfunded Actuarial Accrued Liability (UAAL) of \$621 million. Market value returns have exceeded expectations three times in the last 5 years. The annual rates of return on the actuarial value of assets have varied between 4.53% and 9.14% for the past 5 years.



**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

Based on historical market returns, the current asset allocation, the current investment policy, and the expectation of future asset returns, as reviewed in the recent experience study, the 6.5% discount rate used in this valuation is reasonable and appropriate. The table below provides the breakdown of the market value of assets at the valuation date.

Asset Class	Allocation
Public Equity	33.3%
Fixed Income (LTIF)	23.1%
Cash and Receivables	16.0%
Other*	27.6%
Total	100%

\* Real Estate, Alternatives, Inflation and Credit

*Discount rate.* The discount rate used to measure the total pension liability is displayed in the sensitivity table below. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

*Sensitivity of the Authority’s proportionate share of the net pension liability to changes in the discount rate.* The following presents the Authority’s proportionate share of the net pension liability (asset) calculated using the discount rate stated above, as well as what the Authority’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Authority's proportionate share of the net pension liability (asset)	\$ 251,745	\$ 145,311	\$ 57,684

**4. Other Post-Employment Benefits**

*Plan Description.* Effective for the year ended September 30, 2017, the Authority’s Board changed the Healthcare Benefits Plan for retirees. In lieu of paying the retiree health insurance, all retirees will receive a monthly stipend which will be taxable to the recipient to assist with health insurance costs.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

*Funding Policy.* The Authority pays the full cost of coverage for the healthcare benefits paid to qualified retirees under an Authority resolution that can be amended by the Board. The Authority has chosen to fund the healthcare benefits on a pay as you go basis; thus no special funding situation exists.

*Total OPEB Liability.* The Authority’s Total OPEB Liability (TOL) amount is based upon an actuarial valuation identified below. An expected TOL is determined as of the measurement date identified below using standard roll-forward techniques.

Total OPEB Liability (TOL)	\$ 43,971
Measurement Date	06/30/2023
Valuation Date	06/30/2021

*Actuarial Assumptions and Other Inputs.* The total OPEB liability reported at the valuation date indicated above was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary Increases, including wage inflation:	
General employees	3.25% - 8.41%
Municipal Bond Index Rate:	
Prior measurement date	3.54%
Measurement date	3.65%
Health Care Cost Trends:	
Pre-Medicare	5.125% for 2021 decreasing to an ultimate rate of 4.50% by 2024

The Authority selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index Published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the Measurement Date as the discount rate used to measure the TOL.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the valuation (indicated above) were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

The remaining actuarial assumptions (e.g., health care cost trends, rate of plan participation, rates of plan election, etc.) used in the valuation (indicated above) were based on a review of recent plan experience performed concurrently with the valuation stated herein.

*Sensitivity of the Total OPEB Liability to Health Care Cost Trend Rates.* The following table presents the TOL of the Plan, determined using current health care cost trend rates, as well as what the Plan's TOL would be if it were determined using health care cost trend rates that are 1% lower or 1% higher than current rates.

**Health Care Cost Trend Rate Sensitivity**

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$ 38,835	\$ 43,971	\$ 50,016

*Sensitivity of the Total OPEB Liability to Discount Rates.* The following table presents the TOL of the Plan, determined using the discount rate stated therein as well as what the Plan's TOL would be if it were determined using a discount rate that is 1% lower or 1% higher than the current rate.

**Discount Rate Sensitivity**

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 49,418	\$ 43,971	\$ 39,402

*Change in Total OPEB Liability.* The table below is the roll-forward of the TOL from its prior valuation to its current measurement. There are no changes in benefit terms since the prior measurement date.

**Changes in the Total OPEB Liability**

Total OPEB Liability as of 6/30/2022	\$ 44,042
Changes for the year:	
Service Cost at the end of the year*	-
Interest on TOL, service cost, and cash flows	1,545
Change in benefit terms	-
Difference between expected and actual experience	(243)
Changes of assumptions or other inputs	(553)
Net benefit payments	(820)
Other	-
Net Changes	(71)
Total OPEB Liability as of 6/30/2023	\$ 43,971

\* The service cost includes interest for the year.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

*Deferred Inflows of Resources & Deferred Outflows of Resources.* The following table provides a summary of the deferred outflows and deferred inflows of resources at the measurement date:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Total	\$ -	\$ -

*Schedule of the recognition of Deferred Outflows/(Inflows) of Resources in OPEB Expense.* Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits will be recognized in OPEB Expense as follows:

Measurement Period Ended June 30:		
2023	\$	-
2024		-
2025		-
2026		-
2027		-
2028		-
Thereafter		-

*OPEB Expense.* The calculation of the OPEB expense for the fiscal year is shown in the following table:

**OPEB Expense for the Fiscal Year End**

Service Cost at the end of the year	\$ -
Interest on TOL, service cost, and cash flows	1,545
Current period benefit changes	-
Expensed portion of current period difference between expected and actual experience in the TOL	(243)
Expensed portion of current period changes of assumptions or other inputs	(553)
Administrative costs	-
Recognition of beginning deferred outflows as OPEB	-
Recognition of beginning deferred inflows as OPEB	-
Other	-
OPEB Expense	\$ 749

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

*Significant Changes Since the Last Valuation.* The Actuary has assumed no significant changes, other than the change in the Municipal Bond Index Rate, have occurred between the Valuation Date and the Measurement Date.

Membership of the HCB Plan consisted of the following at fiscal year end:

<u>Membership Group</u>	<u>Number</u>
Inactive members receiving benefits	2
Inactive members not receiving benefits	0
Active members	<u>0</u>
Total	<u><u>2</u></u>

*Other Required Disclosure Items.* No benefit payments are attributable to the purchase of allocated insurance contracts.

5. Changes in Long-Term Liabilities

Summary Of	<u>All Funds Combined</u>			
Long-Term Debt Balances	<u>Balances at</u>	<u>During the Fiscal Year</u>		<u>Balances at</u>
<u>And Changes Thereto</u>	<u>10/1/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>9/30/2023</u>
Accrued compensated absences	\$ 27,079	\$ 15,873	\$ 12,098	\$ 30,854
Lease liabilities	24,215	-	5,375	18,840
Net pension liability	147,241	-	1,930	145,311
Other post-employment benefits	44,042	-	71	43,971
Total Long-term Debt Payable	<u>\$ 242,577</u>	<u>\$ 15,873</u>	<u>\$ 19,474</u>	<u>\$ 238,976</u>
Less current portion due	12,148			13,478
Net Long-term Debt Payable	<u><u>\$ 230,429</u></u>			<u><u>\$ 225,498</u></u>

6. Deferred Outflows and Inflows of Resources

The Authority's deferred outflows of resources is comprised of the following:

Pension deferrals	\$ 69,462
OPEB deferrals	-
Total	<u><u>\$ 69,462</u></u>

Deferred inflows of resources at year-end are comprised of the following elements:

Pension deferrals	\$ 10,035
OPEB deferrals	-
Total	<u><u>\$ 10,035</u></u>

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

**IV. Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in the North Carolina Housing Authorities Risk Retention Pool (NCHARRP). Through these pools, the Authority has worker's compensation coverage up to statutory limits.

The Authority carries commercial insurance against all other risks of loss, including property and general liability insurance. There have been no significant reductions in insurance coverage in the prior year and settled claims from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

In accordance with G.S. 159-28, the Authority's employees that have access to \$100 or more at any given time of the Authority's funds are performance bonded. The finance officer is individually bonded for the minimum requirement of \$50,000.

**V. Use of Estimates**

The preparation of the financial statements in conformity with Generally Accepted Account Principles (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.

**VI. Related Party Transactions**

Related party transactions include transactions between (1) a parent company and its subsidiaries; (2) subsidiaries of a common parent; (3) an enterprise and trusts for the benefit of employees (such as pensions and profit-sharing trusts); (4) an enterprise and its principal owners, management or members of their immediate families; and (5) affiliates.

The Authority had no related parties at fiscal year-end.

**VII. Claims and Judgments**

At fiscal year end, the Authority was not a defendant to any lawsuit. No provision was made in the financial statements for any contingent liabilities. In the opinion of management and the Authority's attorney, there is no legal matter that will have a materially adverse effect on the Authority's financial position.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2023**

**VIII. Implementation of Specific Governmental Accounting Standards Board Statements**

A. Impairment of Capital Assets

In accordance with financial reporting standards issue by the Governmental Accounting Standards Board's (GASB) Statement Number 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* requires certain not disclosures. During the fiscal year the Authority experienced no impairments.

**IX. Interfund Balance and Activity**

A. Operating & Equity Transfers

Transfer from Capital Fund to Low Rent Public Housing:

2022 Capital Funding Operating Grant	\$ 79,895
2022 Capital Funding Equity Transfer of Fixed Assets	<u>100,709</u>
	<u><u>\$ 180,604</u></u>

**X. Net Investment in Capital Assets**

Capital assets	\$ 1,982,937
Less: long-term debt (current)	-
Less: long-term debt	-
Net Investment in Capital Assets	<u><u>\$ 1,982,937</u></u>

**XI. Subsequent Events**

As of the date of the completion of the financial statements, there were no material subsequent events that were required to be reported.

## **Required Supplementary Financial Data**

---

This section contains additional information required by generally accepted accounting principles.

---

- Schedule of Proportionate Share of Net Pension Liability for Local Government Employees' Retirement System
- Schedule of Contribution to Local Government Employees' Retirement System
- Schedule of Changes in Total OPEB Liability



**Robersonville Housing Authority, North Carolina**  
**Robersonville Housing Authority's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Ten Fiscal Years**

**Local Government Employees' Retirement System**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Robersonville Housing Authority's proportion of the net pension liability (asset) (%)	0.00219%	0.00261%	0.00280%	0.00297%	0.00303%	0.00313%	0.00269%	0.00240%	0.00244%	0.00260%
Robersonville Housing Authority's proportion of the net pension liability (asset) (\$)	\$ 145,311	\$ 147,241	\$ 42,941	\$ 106,131	\$ 82,747	\$ 74,254	\$ 41,096	\$ 50,936	\$ 10,951	\$ (15,097)
Robersonville Housing Authority's covered-employee payroll	\$ 229,989	\$ 217,975	\$ 223,934	\$ 207,541	\$ 215,790	\$ 196,120	\$ 222,074	\$ 202,738	\$ 205,543	\$ 182,498
Robersonville Housing Authority's proportionate share of the net pension liability (asset) as a percentatge of its covered-employee payroll	63.18%	67.55%	19.18%	51.14%	38.35%	37.86%	18.51%	25.12%	5.33%	-8.27%
Plan fiduciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%	94.35%

**Robersonville Housing Authority, North Carolina**  
**Robersonville Housing Authority's Contributions**  
**Required Supplementary Information**  
**Last Ten Fiscal Years**

**Local Government Employees' Retirement System**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 27,019	\$ 26,549	\$ 22,788	\$ 20,707	\$ 16,675	\$ 16,316	\$ 14,344	\$ 15,128	\$ 14,688	\$ 14,532
Contributions in relation to the contractually required contributions	27,019	26,549	22,788	20,707	16,675	16,316	14,344	15,128	14,688	14,532
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Robersonville Housing Authority's covered-employee payroll	\$ 219,824	\$ 229,989	\$ 217,975	\$ 223,934	\$ 207,541	\$ 215,790	\$ 196,120	\$ 222,074	\$ 202,738	\$ 205,543
Contributions as a percentage of covered-employee payroll	12.29%	11.54%	10.45%	9.25%	8.03%	7.56%	7.31%	6.80%	7.25%	7.07%

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**For the Year Ended September 30, 2023**

<b>Total OPEB Liability</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1,545	1,228	1,239	1,627	1,683	1,572
Change in benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(243)	(5,929)	-	2,788	(76)	1,219
Changes of assumptions and other inputs	(553)	(7,582)	615	6,158	2,543	(2,204)
Benefit payments and implicit subsidy credit	(820)	(1,068)	(1,035)	(974)	(873)	(2,103)
<b>Net Change in Total OPEB Liability</b>	<b>(71)</b>	<b>(13,351)</b>	<b>819</b>	<b>9,599</b>	<b>3,277</b>	<b>(1,516)</b>
Total OPEB Liability - Beginning	44,042	57,393	56,574	46,975	43,698	45,214
Total OPEB Liability - Ending	<u>\$ 43,971</u>	<u>\$ 44,042</u>	<u>\$ 57,393</u>	<u>\$ 56,574</u>	<u>\$ 46,975</u>	<u>\$ 43,698</u>
Covered Employee Payroll	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Total OPEB Liability as Percentage of Covered Payroll	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Discount Rates Used	3.65%	3.54%	2.16%	2.21%	3.89%	3.50%

**Notes to Schedule:**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.

\*Covered employee payroll is not provided since there are fewer than 10 participants in the Plan.

## Supplementary Financial Data

---

This section contains additional information required by generally accepted accounting principles.

---

- Statement of Revenues and Expenditures – Budget to Actual (Non-GAAP)
  - Low Rent Public Housing Fund
- Statement of Capital Fund Program Costs - Uncompleted

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Revenues and Expenditures - Budget to Actual (Non-GAAP)**  
**Low Rent Public Housing**  
**For The Year Ended September 30, 2023**

	<u>Actual Current Fiscal Year</u>	<u>Budget Current Fiscal Year</u>	<u>Comparison is Favorable (Unfavorable)</u>
<b>Revenues Recorded:</b>			
Tenant Revenues	\$ 399,755	\$ 384,500	\$ 15,255
Miscellaneous Revenue	1,419	100	1,319
Interproject Revenues and Transfers	-	-	-
Interfund Revenues and Transfers	75,000	75,000	-
Associated Entity Revenue	-	-	-
Subsidy Revenues	387,997	387,000	997
Total Fund Revenues Recorded	<u>\$ 864,171</u>	<u>\$ 846,600</u>	<u>\$ 17,571</u>
<b>Expenditures Paid</b>			
Administrative Expense	\$ 212,261	\$ 227,400	\$ 15,139
Resident Services Expense	285	500	215
Utilities Expense	195,555	210,700	15,145
Maintenance Expense	201,821	233,500	31,679
Protective Services Expense	-	-	-
General Expense	154,782	155,500	718
Housing Assistance Payments	-	-	-
FSS and Home Ownership	-	-	-
Debt Service Payments	-	-	-
Capital Expenditures and Other	9,971	10,700	729
Total Fund Expenditures Paid	<u>\$ 774,675</u>	<u>\$ 838,300</u>	<u>\$ 63,625</u>
<b>Net Revenues (Net Expenditures)</b>	<b>\$ 89,496</b>	<b>\$ 8,300</b>	<b>\$ 81,196</b>
Reconciliation of modified accrual net change in net position to full accrual:			
Net Revenues (Net Expenditures) per above		\$ 89,496	
Interproject/interfund revenues reclassified to expenses		-	
Salaries and benefits adjustments		11,243	
Uncollectible accounts allowance change		(14,677)	
Prepaid insurance, expenses, materials inventory change		(555)	
Accrued compensated absences, OPEB Liability, and pension liability changes		(26,647)	
Long-term debt and accrued interest changes		5,375	
Capital expenditures reclassified to fixed assets/repairs		5,673	
Depreciation & amortization expense		(217,133)	
Miscellaneous items		-	
Other items and rounding		-	
Change is Net Position - Full Accrual		<u>\$ (147,225)</u>	

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement and Certification of Actual Modernization Costs – Completed**  
**For the Year Ended September 30, 2023**

**Project NC 19P076501-20**

1. The modernization costs of Capital Fund Program are as follows:

	NC 19P076501-20
Funds approved	\$ 264,595
Funds expended	264,595
Excess (deficiency) of funds approved	\$ -
Funds advanced	\$ 264,595
Funds expended	264,595
Excess (Deficiency) of funds advanced	\$ -

2. Costs incurred during the current audit period totaled \$0.
3. All costs have been paid and all related liabilities have been discharged through payment.
4. The Actual Modernization Cost Certificate, filed with HUD, is in agreement with the Authority's records.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Capital Fund Program Costs - Uncompleted**  
**For the Year Ended September 30, 2023**

**Project NC 19P076501-21**

1. The modernization costs of Capital Fund Program are as follows:

	NC 19P076501-21
Funds approved	\$ 278,172
Funds expended	276,914
Excess (deficiency) of funds approved	\$ 1,258
Funds advanced	\$ 276,914
Funds expended	276,914
Excess (Deficiency) of funds advanced	\$ -

2. Costs incurred during the current audit period totaled \$0.

**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Capital Fund Program Costs - Uncompleted**  
**For the Year Ended September 30, 2023**

**Project NC 19P076501-22**

1. The modernization costs of Capital Fund Program are as follows:

	NC 19P076501-22
Funds approved	\$ 346,172
Funds expended	214,188
Excess (deficiency) of funds approved	\$ 131,984
Funds advanced	\$ 214,188
Funds expended	214,188
Excess (Deficiency) of funds advanced	\$ -

2. Costs incurred during the current audit period totaled \$180,604.



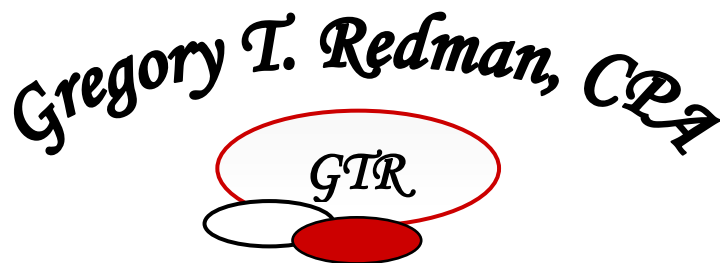
**Robersonville Housing Authority**  
**Robersonville, North Carolina**  
**Statement of Capital Fund Program Costs - Uncompleted**  
**For the Year Ended September 30, 2023**

**Project NC 19P076501-22**

1. The modernization costs of Capital Fund Program are as follows:

	NC 19P076501-23
Funds approved	\$ 350,866
Funds expended	-
Excess (deficiency) of funds approved	\$ 350,866
Funds advanced	\$ -
Funds expended	-
Excess (Deficiency) of funds advanced	\$ -

2. Costs incurred during the current audit period totaled \$0.



Member  
North Carolina Association of  
Certified Public Accountants

Member  
American Institute of  
Certified Public Accountants

Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit  
of Financial Statements Performed in Accordance with  
*Government Auditing Standards*

Independent Auditor's Report

To the Members of the Board of Commissioners  
Robersonville Housing Authority  
Robersonville, North Carolina

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of the Robersonville Housing Authority as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Robersonville Housing Authority's basic financial statements, and have issued my report thereon dated May 15, 2024.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Robersonville Housing Authority's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

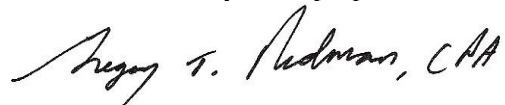
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

## Report on Compliance and Other Matters

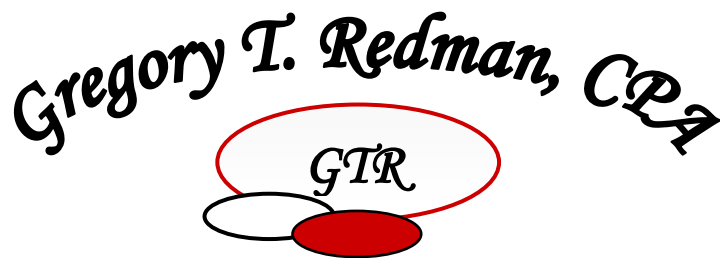
As part of obtaining reasonable assurance about whether the Robersonville Housing Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tarboro, North Carolina  
May 15, 2024



Member  
North Carolina Association of  
Certified Public Accountants

Member  
American Institute of  
Certified Public Accountants

Independent Auditor's Report on Applying  
Agreed-upon Procedures

To the Members of the Board of Commissioners  
Robersonville Housing Authority  
Robersonville, North Carolina

I have performed the procedure described in the third paragraph of this report, which was agreed to by Robersonville Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents within the reporting package. Robersonville Housing Authority is responsible for accuracy and completeness of the electronic submission. Robersonville Housing Authority and the U.S. Department of Housing and Urban Development (HUD), Real Estate Assessment Center (REAC) have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the electronically submitted information agrees with the related hard copy documents within the reporting package. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

I compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of performance of my agreed-upon procedure indicate agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

I was engaged by Robersonville Housing Authority to perform this agreed-upon procedures engagement and conducted my engagement in accordance with the attestation standards established by the AICPA and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronically submitted information identified in the "UFRS Rule information" column of the chart/matrix agrees with the related hard copy documents within the reporting package. Accordingly, I do not express such an opinion or what conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Robersonville Housing Authority and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement. I was engaged to perform an audit of Robersonville Housing Authority as of and for the period ending September 30, 2023, and have issued my reports thereon dated May 15, 2024. The information in the “Hard Copy Documents” column was included within the scope or was a by-product of that audit. Further, my opinion on the fair presentation of the supplementary information dated May 15, 2024, was expressed in relation to the basic financial statements of Robersonville Housing Authority taken as a whole.

A copy of the reporting package, which includes the auditor’s reports, is available in its entirety from Robersonville Housing Authority. I have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, I take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of Robersonville Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Gregory T. Audman, CPA". The signature is written in a cursive style.

Tarboro, North Carolina  
May 15, 2024

**Attachment to Independent Auditor's Report  
on Applying Agreed-upon Procedures**

<b>Procedure</b>	<b>UFRS Rule Information</b>	<b>Hard Copy Document(s)</b>	<b>Findings</b>
1	Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDA's, if applicable	Agrees
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
3	Type of Opinion of FDS (data element G3100-040)	Auditor's Supplemental report on FDS	Agrees
4	Basic Financial Statements and auditor reports required to be submitted electronically	Basic Financial Statements (inclusive of auditor reports)	Agrees