

ALBANY HOUSING AUTHORITY
Albany, New York

COMPARATIVE FINANCIAL STATEMENTS
For the Years Ended June 30, 2023, and 2022

ALBANY HOUSING AUTHORITY
Albany , New York
FINANCIAL STATEMENTS

TABLE OF CONTENTS

	<u>PAGE</u>
Management's Discussion and Analysis	1-11
Independent Auditor's Report	12-14
<u>FINANCIAL STATEMENTS</u>	
Comparative Statements of Net Position	15-16
Comparative Statements of Revenues, Expenses and Changes in Net Position	17
Comparative Statements of Cash Flows	18-19
Notes to Financial Statements	20-68
<u>SUPPLEMENTAL INFORMATION</u>	
Schedule of Expenditures of Federal Awards	69-70
Schedule of the Authority's Proportionate Share of the Net Pension Liability	71
Schedule of the Authority's Contributions to the Public Employees Retirement System	72
Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios	73
Financial Data Schedule	74-78
Statement and Certification of Completed Capital Fund Program Grants	79
Combining Component Unit Schedules	80-82
<u>OTHER REPORTS AND COMMENTS</u>	
Independent Auditor's Report On Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	83-84
Independent Auditor's Report On Compliance for Each Major Program and Internal Control Over Compliance Required by the Uniform Guidance	85-87
Schedule of Findings and Questioned Costs	88

**ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

As Management of the Albany Housing Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority excluding its component units for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements as presented elsewhere in this Report.

A- Financial Highlights

- 1- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$17,143,686 (net position) as opposed to \$15,631,323 for the prior fiscal year.
- 2 – As of the close of the current fiscal year, the Authority reported ending Unrestricted Net Position of \$(10,486,943), an increase of \$2,109,642 from the prior year primarily due to an decrease in OPEB and Pension deferred inflows.
- 3 – The Authority's cash and cash equivalents balance at June 30, 2023 was \$3,881,632 (excluding restricted cash, tenant security and FSS deposits) representing a decrease of \$399,936 from the prior fiscal year.
- 4 – The Authority had Total Operating Revenues of \$42,065,006 excluding interest; and Total Operating Expenses of \$43,854,170 for the year ended June 30, 2023.
- 5 – The Authority's capital outlays for the fiscal year were \$2,821,117 of which \$1,506,220 was funded by the Capital Fund Program, and the remaining \$1,314,897 was funded through the utilization of operating reserve.
- 6 – The Authority's Expenditures of Federal and State Awards was \$36,608,116 for the fiscal year June 30, 2023, an increase of \$972,969 from the prior year.

B – Using the Annual Report

1 – Management's Discussion and Analysis

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's financial statements. The Authority's Financial Statements and Notes to Financial Statements included in this Report were prepared in accordance with Generally Accepted Accounting Principles (GAAP) applicable to governmental entities in the United States of America for Proprietary Fund types.

2 – Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. They consist of Comparative Statements of Net Position; Comparative Statements of Revenues, Expenses and Changes in Net Position and Comparative Statements of Cash Flows.

ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

The Comparative Statements of Net Position present information on all the Authority's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position can serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Comparative Statements of Revenues, Expenses and Changes in Net Position present information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (i.e., on the accrual basis). Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g.; rents charged to tenants that is not yet collected and earned and unused vacation leave).

The financial statements report on the Authority's activities. The activities are primarily supported by the United States Department of Housing and Urban Development (HUD) subsidies and grants. The Authority's function is to provide decent, safe and sanitary housing to low income and special needs populations. The financial statements can be found on pages 15 through 19.

3 – Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The Notes to Financial Statements can be found in this report after the financial statements.

4 – Supplemental Information

The Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by Title 2 US Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The Schedule of Expenditures of Federal Awards can be found on pages 69-70 of this report.

C – The Authority as a Whole

The Authority's Net Position increased during the fiscal year by \$1,512,363 as detailed below. The Authority's revenues consist primarily of rents, subsidies and grants received from HUD and other government agencies. The Authority receives subsidies each month based on an amount determined by HUD. Grants are drawn down based on need against a pre-authorized funding level. The Authority's 2023 operating revenues exceeded expenses by \$657,552 excluding depreciation and amortization. HAP expenses were funded by the Authority's Housing Assistance Payments (HAP) subsidy and Net Restricted Assets (HAP Reserves). Depreciation is charged to "Invested in Net Capital Assets" which is a component of Net Position and does not impact unrestricted net assets.

D – Budgetary Highlights

For the year ended June 30, 2023, individual project budgets were prepared for all properties owned by the low rent public housing program. Management prepared the budgets and the Board of Commissioners approved them.

**ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

Comparison Budget vs. Actual - Low Income Public Housing Excluding the COCC

	Budget	Actual	<u>Favorable (Unfavorable)</u>	
Tenant Rental Revenue	\$ 3,408,750	\$ 3,558,362	\$ 149,612	
Operating Subsidy	5,413,491	6,259,335	845,844	(1)
Use of Capital Fund Grants for Operatic	-	2,787,335	2,787,335	(2)
Investment Income	24,609	237,300	212,691	(3)
Other Income	453,445	750,826	297,381	(4)
Total Operating Revenue	9,300,295	13,593,158	4,292,863	
Administrative Expenses,				
Including Supplies	1,166,078	1,339,629	173,551	(5)
Management Fee	641,300	1,123,316	482,016	(6)
Bookkeeping Fee	72,400	70,284	(2,116)	
Asset Management Fees	112,600	54,180	(58,420)	(7)
Tenant Services	64,300	55,603	(8,697)	(8)
Utilities	1,057,500	1,355,407	297,907	(9)
Maintenance	3,683,711	4,683,863	1,000,152	(10)
Protective Services	137,500	173,132	35,632	(11)
Insurance Premiums	328,500	467,570	139,070	(12)
General Expenses	232,600	2,478,415	2,245,815	(13)
Interest Expense	-	99,113	99,113	(14)
Non-routine expenditures	-	215,889	215,889	(15)
Bad Debt	55,700	432,433	376,733	(16)
Total Operating Expenses	7,552,189	12,548,834	4,996,645	
Residual Receipts/(Deficit)	<i>1,748,106</i>	<i>1,044,324</i>	<i>(703,782)</i>	(17)
OPEB	-	<i>(111,270)</i>	<i>(111,270)</i>	(17)
Pension Expense - GASB 68	-	<i>(285,023)</i>	<i>(285,023)</i>	(17)
Depreciation Expense	-	<i>(2,076,023)</i>	<i>(2,076,023)</i>	(17)
Capital Fund Capital Grants	-	<i>1,928,195</i>	<i>1,928,195</i>	(17)
Operating transfer from Comp Unit	-	<i>(217,658)</i>	<i>(217,658)</i>	(17)
Gain from Sale of Steamboat Square	-	<i>179,936</i>	<i>179,936</i>	(17)
Residual Receipts/(Deficit) per FDS	\$ 1,748,106	\$ 462,481	\$ (337,250)	

1. 2023 proration was 94.4% while the budget was based on a 90% proration.
2. The Authority did not budget for CFP operating subsidies during the current year.
3. Investment income increased due to rising interest rates during the year.
4. Other income consists of insurance reimbursements and gain on sale of Steamboat Sq.
5. Due to First year of RAD, HAP costs paid from Operations and CFP were charged to other admin expense.
6. Capital Fund Management Fee expense which was not included in the budget.

ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

D – Budgetary Highlights - Continued

7. AMP 3 and 4 had no excess cash, therefore the asset management fee were not allowed.
8. Tenant Services decreased due to contract termination with Senior Services.
9. The Authority experienced significant rate increases during the current year.
10. The budget did not include compensated absences and inflationary changes to costs.
11. Protective services increased due to increased crime rates in the City of Albany.
12. Insurance costs increased due to the inflationary factor present in the current year.
13. General Expenses not budgeted included the transfer of operating subsidy to the ACC units that are part of the Authority's tax credit projects listed as discretely presented component units.
14. Interest Expense related to CFFP Loan on AMP-10.
15. These costs consist of major plumbing repairs due to burst pipes and cost related to shuttering AMP-4
16. Bad Debts continue due to NY State eviction moratoriums enacted under the pandemic.
17. Non budgetary items for regular operating costs.

E – Summary of Significant Changes from Fiscal Year June 30, 2022, to June 30, 2023:

1. Unrestricted cash has decreased during the fiscal year due to acquisitions of fixed assets.
2. Restricted Cash increased due to a decrease in restricted cash in the HCV Program. The HCV Program is funded based on amounts reported in the VMS system.
3. Accounts Receivable Miscellaneous increased significantly during the current fiscal year. This account acts similar to a revolving fund between the Authority and its tax credit entities. The Authority pays most operating expenses and is reimbursed by each tax credit entity.
4. Buildings decreased during the fiscal year due to the sale of Steamboat Square to Steamboat 20, LLC. The property is being redeveloped as a tax credit property.
5. Construction In Progress increased by \$1,488,415. The CIP will increase or decrease each year depending on the availability of CFP funds and contract awards.
6. Accounts Payable HUD increased by \$139,237 and represents amounts due HUD calculated on the year-end settlement for the Mainstream, Shelter Plus Care and Mod Rehab programs. This amount will vary from year to year based on the number of units leased.
7. Changes in Deferred Outflows of Resources, Pension Liability Pension and OPEB expense during the course of the fiscal year are due to a change in assumptions and actual earnings in the state pension plan and the actuarial computations under GASB 75 for the OEPB liability. Additionally, in July of 2021, the Authority was required to adopt GASB-87, Leases. Under GASB-87 the Authority must record the present value of lease receivables with a corresponding entry to deferred inflows. Additional information can be found in Note 17 to these financial statements.
8. Capital Grants increased during the fiscal year due to a decrease in capital activity in the CFP Program. The amount of capital grants will vary from year to year depending on the Authority's capital expenditures.

ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

E – Summary of Significant Changes from Fiscal Year June 30, 2022, to June 30, 2023 - Continued:

9. Gain on the sale of Assets is the result of the sale of Steamboat Square. The Authority received a land lease for \$1,390,064 and a sellers note of \$116,577 which it recorded as a gain on the sale of the depreciated building.
10. HCV grant funds are based on HAP costs reported in the VMS system. HUD uses a look-back period to determine the amount of funding the AHA requires based upon the amount of HAP and administrative expenses reported in the previous three months.
11. The decrease in tenant revenue is attributed to the shuttering of Lincoln (AMP-4) and the sale of Steamboat Square to Steamboat 20 LLC.

F – Capital Assets and Debt Administration

1 – Capital Assets

As of June 30, 2023, the Authority's investment in capital assets for its Proprietary Fund was \$26,616,728 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment and construction in progress.

Major capital assets purchased from grants of \$1,506,220 during the fiscal year pertained to expenditures made in accordance with the Authority's Capital Fund Program. Additional information on the Authority's capital assets can be found in Note 7 to these financial statements.

2 – Long Term Debt

The Authority leveraged its Capital Fund Program to finance the redevelopment of Ezra Prentice Redevelopment, LLC, a tax credit project managed by the Authority. \$8,375,000 was advanced from Fannie Mae Capital and is being repaid with CFP funds. The outstanding balance on the Fannie Mae note was refinanced during the 2023 fiscal year due to the Sale of Steamboat Square. The balance at June 30, 2023 was \$2,984,134.

The Authority has also loaned \$440,000 received as a loan from the Federal Home Loan Bank (FHLB) to Swan Street Lofts, LP. The loan from FHLB was granted under the Affordable Housing Program (AHP) and is deemed satisfied after fifteen years of operating the property in accordance with AHP regulations. The loan receivable matures January 1, 2064. Additional information can be found in Note 17 to the Authority's financial statements.

The Authority has loaned \$300,000 received as a loan from the Federal Home Loan Bank (FHLB) to Southend Associates III, LP for redevelopment and operating costs. The loan from FHLB was granted under the Affordable Housing Program (AHP) and is deemed satisfied after fifteen years of operating the property in accordance with AHP regulations. The loan receivable matures October 2, 2065. Additional information can be found in Note 17 to the Authority's financial statements.

ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

F – Capital Assets and Debt Administration - Continued

The Authority has loaned \$792,990 received as a loan from the Federal Home Loan Bank (FHLB) to Ida Yarbrough Phase I, LLC. The loan from FHLB was granted under the Affordable Housing Program (AHP) and is deemed satisfied after fifteen years of operating the property in accordance with AHP regulations. Additional information can be found in Note 17 to the Authority's financial statements.

The Authority has loaned \$245,000 received as a loan from the Federal Home Loan Bank (FHLB) to Ezra Prentice Redevelopment LLC. The loan from FHLB was granted under the Affordable Housing Program (AHP) and is deemed satisfied after fifteen years of operating the property in accordance with AHP regulations. The loan receivable matures December 30, 2059. Additional information can be found in Note 17 to the Authority's financial statements.

G – Loans Receivable

The Authority has loaned funds received from the City of Albany through a Restore New York Communities Grant to Swan Street Lofts LP in the amount of \$4,499,999. Additional information on the Authority's loans receivable can be found in Note 5 to the financial statements.

The Authority has loaned \$1,154,500 received from NYSERDA and the NY State Environmental Facilities Corp under a Green Innovation Grant Program to Ida Yarbrough Phase I, LLC. Additional information can be found in Note 17 to the Authority's financial statements.

The Authority has loaned \$615,000 received via the City of Albany under a Local Initiatives Support Corporation (LISC) grant to Ida Yarbrough Phase II, LLC. Additional information can be found in Note 17 to the Authority's financial statements.

The Authority also agreed to loan \$1,100,000 to Ida Yarbrough Phase II, LLC for development of an affordable housing project. This loan is funded from Capital Fund Grants, and \$1,100,000 had been advanced at June 30, 2021. See Note 5 to the financial statements.

The Authority has loaned \$1,100,000 received as a grant from the Federal Home Loan Bank (FHLB) to Ida Yarbrough Phase II, LLC. The grant from FHLB was granted under the Affordable Housing Program (AHP) and is deemed satisfied after fifteen years of operating the property in accordance with AHP regulations. The loan receivable matures January 1, 2051.

On December 28, 2022, the Authority entered into a ground lease for 1,570,000 with Steamboat 20, LLC. \$179,936 was paid in cash and the company executed a promissory note in favor of the Albany Housing Authority for \$1,390,064. The note bears interest at a rate of 4.03% compounded annually and matures on December 31, 2052.

On December 28, 2022, the Authority entered into a loan agreement with Steamboat 20, LLC for \$864,578. Simple interest on the unpaid balance accrues at an annual rate of 0%. Principal and interest are due at the end of each year from available cash flow as defined in the Amended and Restated Operating Agreement. The note is secured by a mortgage and is subordinate to all Key Bank loans. At December 31, 2023, \$116,577 has been advanced.

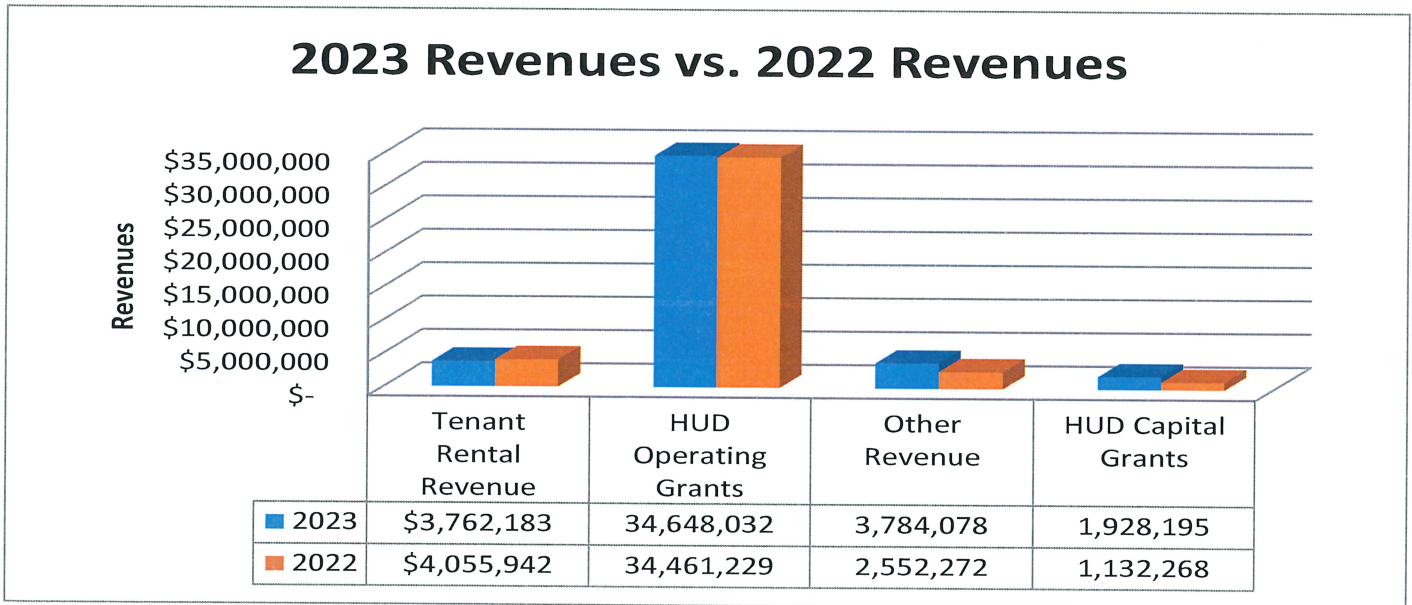
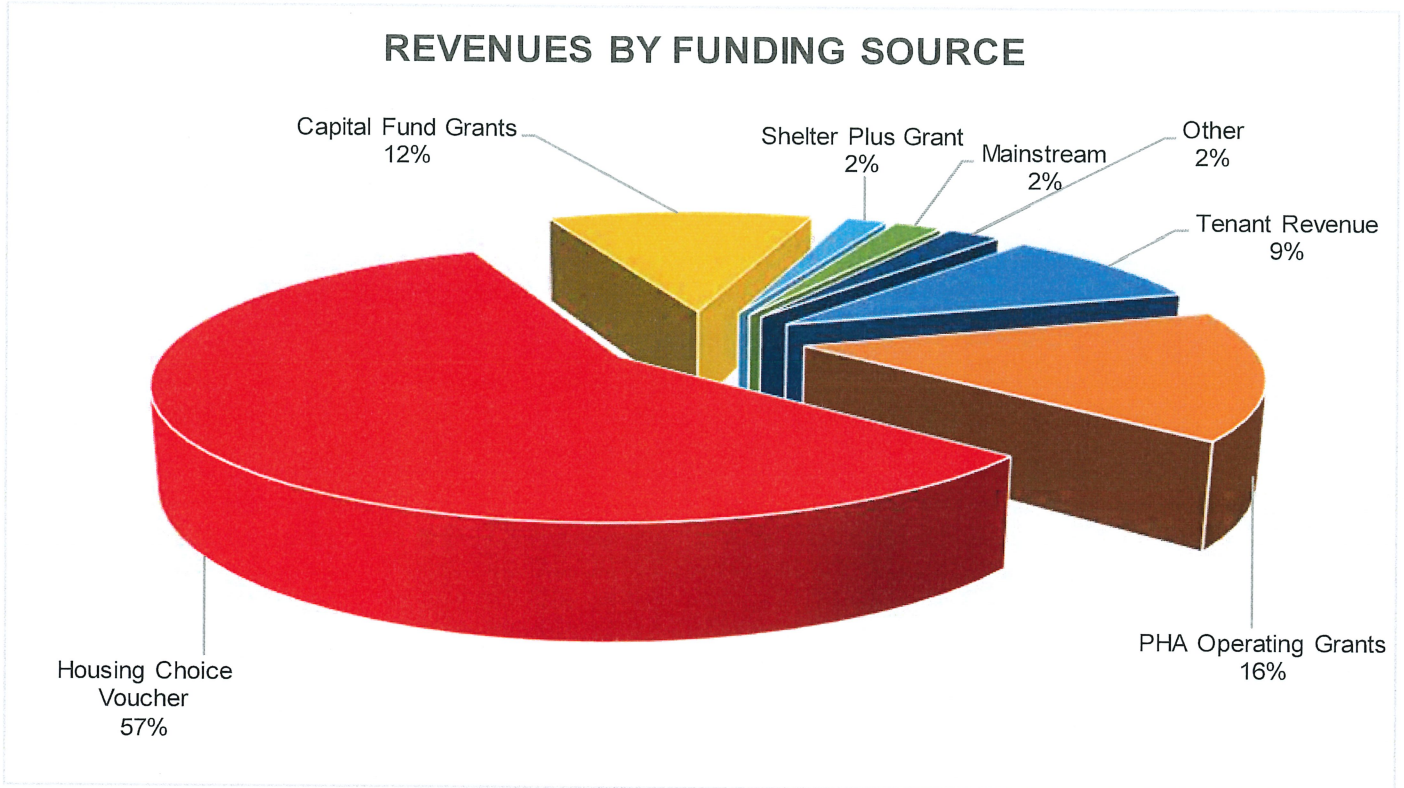
ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

H- Summary Statements of Net Position Excluding Component Units

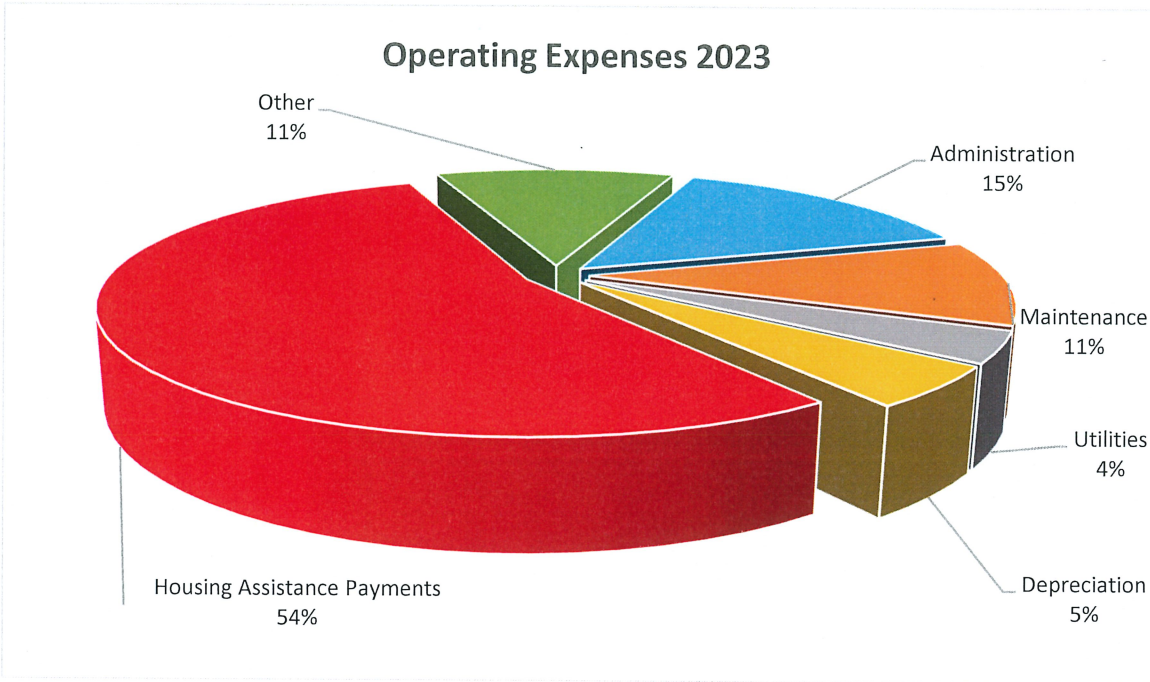
	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>Net Change</u>
Cash & Cash Equivalents	\$ 5,800,786	\$ 6,667,648	\$ (866,862)
Other Current Assets	10,214,276	9,554,567	659,709
Non Current Assets	43,511,314	46,156,137	(2,644,823)
Capital Assets	26,634,059	26,759,757	(125,698)
Total Assets	<u>\$ 86,160,435</u>	<u>\$ 89,138,109</u>	<u>\$ (2,977,674)</u>
Current Liabilities	\$ 2,400,543	\$ 2,598,654	\$ (198,111)
Non Current Liabilities and Deferred Inflows	66,616,206	70,908,132	(4,291,926)
Total Liabilities	<u>69,016,749</u>	<u>73,506,786</u>	<u>(4,490,037)</u>
Net Capital Assets	26,616,728	26,727,011	(110,283)
Restricted Net Position	1,013,901	1,500,897	(486,996)
Unrestricted Net Position	<u>(10,486,943)</u>	<u>(12,596,585)</u>	<u>2,109,642</u>
Total Net Position	<u>17,143,686</u>	<u>15,631,323</u>	<u>1,512,363</u>
Total Liabilities and Net Position	<u>\$ 86,160,435</u>	<u>\$ 89,138,109</u>	<u>\$ (2,977,674)</u>
<u>Statements of Revenues, Expenses and Changes in Net Position</u>			
Tenant Rental Revenue	\$ 3,762,183	\$ 4,055,942	\$ (293,759)
HUD Operating Grants	34,648,032	34,461,229	186,803
Other Revenue	3,784,078	2,552,272	1,231,806
Total Operating Revenue	<u>42,194,293</u>	<u>41,069,443</u>	<u>1,124,850</u>
Operating Expenses:			
Administrative	6,772,723	6,078,172	694,551
Housing Assistance Payments	22,563,157	22,560,308	2,849
Tenant Services	427,646	763,719	(336,073)
Utilities	1,448,993	1,622,894	(173,901)
Maintenance	5,982,671	4,450,434	1,532,237
Protective Services	180,031	230,083	(50,052)
General Expenses	3,545,832	3,266,665	279,167
Tenant Bad Debt	451,167	258,450	192,717
Bad Debt - Other	41,006	17,426	23,580
Depreciation	2,446,716	2,129,466	317,250
Interest Expense	123,515	152,794	(29,279)
Total Operating Expenses	<u>43,983,457</u>	<u>41,530,411</u>	<u>2,453,046</u>
Net Operating Expenses over Revenues	(1,789,164)	(460,968)	(1,328,196)
Interest Income	301,470	275,598	25,872
Transfer Payments to Component Units	(434,018)	(16,147)	(417,871)
Unrealized Loss on Investments	-	(185,891)	185,891
Gain/(Loss) on Sale of Fixed Assets	1,275,624	779,112	496,512
Capital Grants	<u>1,928,195</u>	<u>1,132,268</u>	<u>795,927</u>
Increase/(Decrease) in Net Position	1,282,107	1,523,972	(241,865)
Beginning Net Position	15,631,323	14,077,618	1,553,705
Prior Period Adjustment	230,256	29,733	200,523
Ending Net Position	<u>\$ 17,143,686</u>	<u>\$ 15,631,323</u>	<u>\$ 1,512,363</u>

**ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

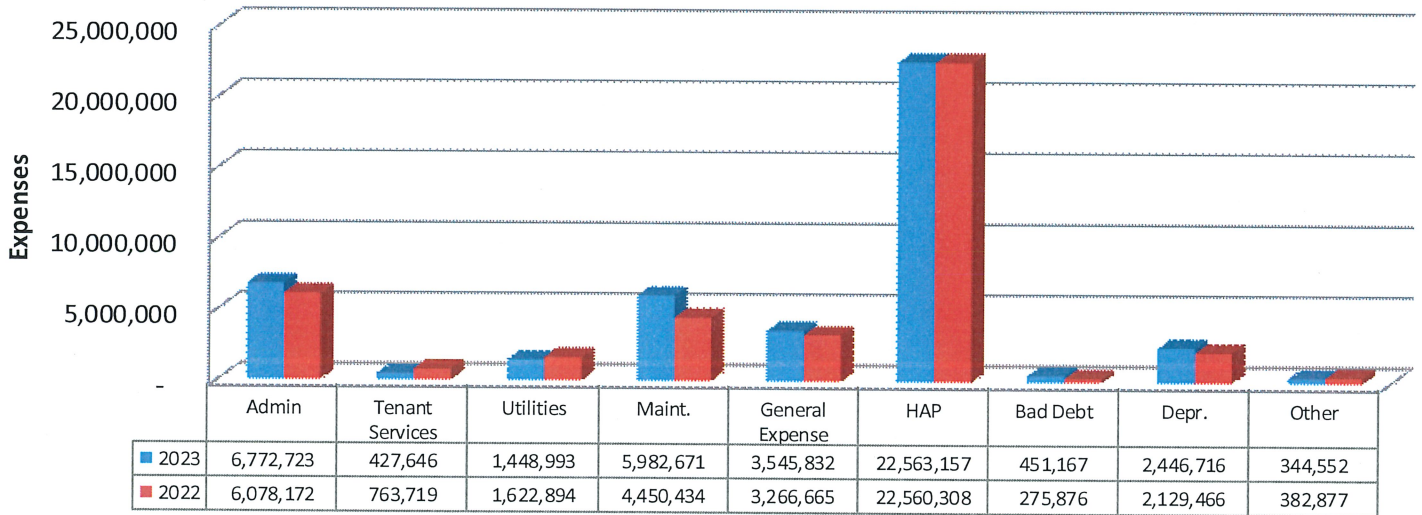
The Following Charts illustrate the Authority's financial activity on the previous page.



**ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**



2023 Expenses Vs. 2022 Expenses



ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

I- Summary of Programs Administered

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Capital Grant Fund Program is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program (HCV) – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own rental property. The Authority subsidizes tenants' rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent plus utilities at no more than 40% of household income.

Other Non-major Programs – In addition to the major programs above, the Authority also maintains the following non-major programs. Non-major programs are defined as programs that have assets, liabilities, revenues, or expenses of less than 5% of the Authority's total assets, liabilities, revenues or expenses:

Summer Food Service Program for Children – Assists States through grants-in-aid and other means, to conduct nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation. The Housing Authority receives this federal assistance as a sub-grantee of the New York State Department of Education.

Shelter Plus Care – Provides rental assistance, in connection with supportive services funded from sources other than this program, to homeless persons with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol, drugs, or both; or have acquired immunodeficiency syndrome and related diseases) and their families. The program provides assistance through four components: (1) Tenant-based Rental Assistance (TRA); (2) Sponsor-based Rental Assistance (SRA); (3) Project-based Rental Assistance (PRA); and (4) Single Room Occupancy for Homeless Individuals (SRO).

Component Units - Blended – Represents non-HUD resources developed from a variety of activities, and includes the operations of Patroon Street Apartments, which were developed under the Neighborhood Stabilization Program (NSP).

Capital South Campus Center – Funded by a \$4.98 million CFCF grant from the U.S. Dept. of Housing and Urban Development, the Campus Center represents Phase 1 of a larger redevelopment plan for Lincoln Square Homes, a 4.5-acre public housing development in the City of Albany's South End. The vision for an educational campus stems from the City of Albany's 2007 *Capital South Plan: SEGway to the Future*, a comprehensive revitalization plan created by a broad cross section of community stakeholders. Additionally, a \$750,000 grant from NYS Homes and Community Renewal was used to construct a parking lot and a community kitchen facility, which houses LifePath's Meals on Wheels program. In May 2019, a two year management agreement was entered into with BOCES, the new Program Delivery Partner, with the goal of setting individuals on a path towards employment and economic self-sufficiency. The activity of the Campus Center is reflected in AMP-4.

ALBANY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

I- Summary of Programs Administered - Continued

Ida Yarbrough Homes Redevelopment - An application for tax exempt bond financing combined with 4% tax credits was submitted to NYS Housing Finance Agency (HFA) for 384 units, which was subsequently funded. These units to be modernized were located at Ida Yarbrough Homes (Public housing units) and Corning Homes (a wholly owned tax credit entity.) The deal closed on December 17, 2020. Construction has been completed. Housing Authority staff and developer partner are currently working on permanent conversion and 8609 package submissions to HFA. It is anticipated for perm conversion to occur May 1, 2024.

Steamboat 20 LLC – formed on November 12, 2020, with a purpose to rehabilitate, acquire, own, operate, maintain, develop and operate in Albany, NY. 51 of the 88-unit apartment complex have been designated as RAD units with project-based vouchers (PBV), 14 units are designated as Empire State Supportive Housing Initiative (ESSHI) and the 23 others as affordable tax credits. The property is rented to low-income housing tax credit tenants. This is a 9% tax credit deal that closed December 28, 2022. As of June 2023, modernization is well underway.

Resident Opportunity & Supportive Services - The Albany Housing Authority administers Resident Opportunity and Self Sufficiency grants including ROSS Service Coordinator and FSS programs for both Public Housing and Housing Choice Vouchers. These grants provide AHA with the ability to deliver supportive services to Public Housing Residents and Housing Choice Voucher holders to increase their economic opportunities. Services provided as a result of this funding stream include employment based technology training, Work Experience Programs, Job Placement and Monitoring and partnering with related providers to multiply the effectiveness of the HUD awards.

Other Supportive Services - The Authority also administers several additional programs similar to the Housing Choice Voucher Program, providing housing assistance to additional homeless, disabled and very low income individuals and families.

J- Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the fiscal year ending June 30, 2024:

1 – The need for Congress to balance the budget and the possible reduction on HUD subsidies and grants due to proposed increases in spending for the Department of Defense and supporting agencies such as the Department of Homeland Security and Department of Veterans Affairs.

2 – The use of the Authority's Unrestricted Net Assets of \$34,211,854, adjusted for unfunded pension and OPEB liabilities of \$34,363,583 to fund any shortfalls arising from a possible economic downturn and reduced subsidies and grants appears sufficient to cover shortfalls.

K – Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Albany Housing Authority, attention Chiquita D'Arbeau, Executive Director at 200 South Pearl Street Albany, New York 12202.



Polcari & Co.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Albany Housing Authority
Albany, New York

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Net Position, Revenue, Expenses, and Changes in Net Position, and Cash Flows of the Albany Housing Authority, as of and for the years ended June 30, 2023, and 2022, and the related notes to the financial statements, which collectively comprise the Albany Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Authority as of June 30, 2023, and 2022, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the discretely presented component units were not audited in accordance with Government Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Responsibilities of Management for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Albany Housing Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Albany Housing Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Proportionate Share of the Net Pension Liability, Schedule of Authority Contributions to the Public Employees Retirement System and Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios presented on pages 1-11 and 71-73 respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITORS' REPORT
(Continued)

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of the Albany Housing Authority. The Financial Data Schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Additionally, the Statement and Certification of completed Capital Fund Program Grants and the Statement of Net Assets – Component Units, the Statement of Revenues, Expenses and Changes in Net Assets – Component Units and the Statement of Cash flows – Component Units, are supplemental information and are presented for the purpose of additional analysis and are not a required part of these financial statements.

The other information referred to in the preceding paragraph is the responsibility of management and was derived from and directly relates to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 on our consideration of the Albany Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.


POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
March 28, 2024

ALBANY HOUSING AUTHORITY
Albany, New York
COMPARATIVE STATEMENTS OF NET POSITION
At June 30, 2023 and 2022

ASSETS

		Discretely Presented Component Units	Albany Housing Authority 2023	Discretely Presented Component Units	Albany Housing Authority 2022	Discretely Presented Component Units - Restated	Combined Total Memorandum Only
CURRENT ASSETS							
Cash and Cash Equivalents - Unrestricted	\$		3,881,632	2,032,220	\$ 4,281,568	\$ 2,828,385	\$ 7,109,953
Cash and Cash Equivalents - Restricted			1,338,336	8,005,531	1,755,522	7,968,133	9,723,655
FSS			331,325	-	348,502	-	348,502
Cash - Tenant Security Deposits			249,493	483,154	282,056	497,671	779,727
Investments			4,463,083	-	5,223,175	-	5,223,175
Accounts Receivable - Tenants (Net of Allowance for Doubtful Accounts of \$444,732 and \$371,832, Respectively)			332,415	1,651,852	426,078	1,194,494	1,620,572
Accounts Receivable - Fraud (Net of Allowance for Doubtful Accounts of \$182,500 and \$47,119, respectively)			69,562	-	203,206	-	203,206
Accounts Receivable - HUD			148,195	-	183,883	-	183,883
Accounts Receivable - Other, Net			4,899,961	76,036	3,275,203	297,638	3,572,841
Interest Receivable			23,427	-	18,325	-	18,325
Inventories, Net			236,020	-	204,833	-	204,833
Prepaid Expenses and Deferred Charges			41,613	467,993	19,864	215,858	235,722
Total Current Assets			<u>16,015,062</u>	<u>12,716,786</u>	<u>16,222,215</u>	<u>13,002,179</u>	<u>29,224,394</u>
FIXED ASSETS							
Land							
Buildings			6,334,607	2,010,289	6,334,607	2,010,289	8,344,896
Furniture, Equipment and Machinery			112,318,184	189,609,470	113,379,504	168,206,152	281,585,656
Construction in Progress			9,697,536	4,244,985	9,796,442	3,948,433	13,744,875
Total Fixed Assets			130,882,792	241,298,862	130,554,603	207,348,521	337,903,124
Less: Accumulated Depreciation			<u>(104,248,733)</u>	<u>(50,979,544)</u>	<u>(103,794,846)</u>	<u>(46,253,945)</u>	<u>(150,048,791)</u>
Net Fixed Assets			26,634,059	190,319,318	26,759,757	161,094,576	187,854,333
OTHER ASSETS							
Investment in Not for Profits			41,000	-	41,000	-	41,000
Forgivable Mortgages Receivable			-	-	-	-	-
Intangible Assets Net			-	4,007,817	-	4,397,498	4,397,498
Pension Asset			-	-	1,940,494	-	1,940,494
Investment in Net Lease (Net of Accumulated Amortization \$65,406 & 0)			-	400,300	-	-	-
Right of Use Leased Asset (Net of Accumulated Amortization of \$108,791 & \$76,738)			383,517	-	415,570	-	415,570
Leases Receivable			3,130,801	-	3,277,294	-	3,277,294
Notes, Mortgages and Interest Receivable- Component Units			81,095,428	-	79,447,438	-	79,447,438
Allowance for Mortgages			<u>(53,353,625)</u>	<u>-</u>	<u>(53,353,625)</u>	<u>-</u>	<u>(53,353,625)</u>
Total Other Assets			<u>31,297,121</u>	<u>4,408,117</u>	<u>31,768,171</u>	<u>4,397,498</u>	<u>36,165,669</u>
Deferred Outflow of Resources			12,214,193	-	14,387,966	-	14,387,966
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES			<u>\$ 86,160,435</u>	<u>\$ 207,444,221</u>	<u>\$ 89,138,109</u>	<u>\$ 178,494,253</u>	<u>\$ 267,632,362</u>

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

ALBANY HOUSING AUTHORITY
Albany, New York
COMPARATIVE STATEMENTS OF NET POSITION
At June 30, 2023 and 2022

LIABILITIES AND NET POSITION

	<u>Discreetly</u>		Albany Housing Authority 2023	Albany Housing Authority 2022	<u>Discreetly</u>		Albany Housing Authority 2022	Discreetly Presented Component Units - Restated	Combined Total Memorandum Only
	Albany Housing Authority 2023	Discreetly Presented Component Units			Combined Total Memorandum Only	Albany Housing Authority 2022			
<u>CURRENT LIABILITIES</u>									
Accounts Payable:									
Vendors and Contractors	\$ 295,803	\$ 8,865,814	\$ 9,161,617	\$ 484,029	\$ 5,355,847	\$ 5,839,876			
Accrued Expenses	412,920	314,197	727,117	403,195	309,135	712,330			
Due to Tenants:									
Security Deposits	249,493	483,154	732,647	282,884	497,671	780,555			
Due to HUD	224,329	-	224,329	85,002	-	85,002			
Accrued Liabilities:									
Compensated Absences - Current Portion	73,793	38,944	112,737	82,670	34,862	117,532			
Accrued Interest	-	1,578,784	1,578,784	-	721,080	721,080			
Due to Other Governments	239,450	68,881	308,331	234,479	46,941	281,420			
Other Current Liabilities	289,050	1,956,784	2,245,834	412,081	754,053	1,166,134			
Unearned Revenues	160,944	154,468	315,412	166,064	181,298	347,362			
Lease Liabilities	28,134	-	28,134	-	-	-			
Current Portion of Long Term Debt	426,627	264,619	691,246	448,250	255,257	703,507			
Total Current Liabilities	<u>2,400,543</u>	<u>13,725,645</u>	<u>16,126,188</u>	<u>2,598,654</u>	<u>8,156,144</u>	<u>10,754,798</u>			
<u>NON - CURRENT LIABILITIES</u>									
Long Term Debt (Net of Current Portion)	4,388,266	135,050,856	139,439,122	4,948,530	106,673,615	111,622,145			
Less Unamortized Debt Issue Costs (Net of Accumulated Amortization \$(396,603 and \$328,764)	-	(1,874,113)	(1,874,113)	-	(1,941,952)	(1,941,952)			
Accrued Compensated Absences - Non-Current	151,549	77,146	228,695	176,899	84,220	261,119			
Accrued Interest - Non-Current	-	13,000,244	13,000,244	-	12,347,905	12,347,905			
Other Long Term Liabilities	-	5,654,491	5,654,491	-	5,199,639	5,199,639			
OPEB and Pension Liability	34,363,582	-	34,363,582	29,105,622	-	29,105,622			
FSS and Home-Ownership Escrow Deposits	331,325	-	331,325	338,798	-	338,798			
Lease Liabilities Net of Current Portion	355,086	-	355,086	429,906	-	429,906			
Total Non-Current Liabilities	<u>39,589,808</u>	<u>151,908,624</u>	<u>191,498,432</u>	<u>34,999,755</u>	<u>122,363,427</u>	<u>157,363,182</u>			
<u>Deferred Inflow of Resources</u>									
Pensions	367,695	-	367,695	6,764,309	-	6,764,309			
Other Post Employment Retirement Benefits (OPEB)	23,846,272	-	23,846,272	26,044,036	-	26,044,036			
Lease Revenues (Net of Accumulated Amortization of \$287,656 and \$321,634)	2,812,431	-	2,812,431	3,100,032	-	3,100,032			
Total Deferred Inflows of Resources	<u>27,026,398</u>	<u>-</u>	<u>27,026,398</u>	<u>35,908,377</u>	<u>-</u>	<u>35,908,377</u>			
TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	<u>69,016,749</u>	<u>165,634,269</u>	<u>234,651,018</u>	<u>73,506,786</u>	<u>130,519,571</u>	<u>204,026,357</u>			
<u>NET POSITION</u>									
Net Investment in Capital Assets	26,616,728	57,377,957	83,994,685	26,727,011	54,714,774	81,441,785			
Restricted	1,013,901	7,971,696	8,985,597	1,500,897	7,945,887	9,446,784			
Unrestricted	(10,486,943)	(23,539,701)	(34,026,644)	(12,596,585)	(14,685,979)	(27,282,564)			
Total Net Position	<u>\$ 17,143,686</u>	<u>\$ 41,809,952</u>	<u>\$ 58,953,638</u>	<u>\$ 15,631,323</u>	<u>\$ 47,974,682</u>	<u>\$ 63,606,005</u>			

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

ALBANY HOUSING AUTHORITY
Albany, New York

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2023 and 2022

	Albany Housing Authority 2023		Discretely Presented Component Units		Combined Total Memorandum Only		Albany Housing Authority 2022		Discretely Presented Component Units - Restated		Combined Total Memorandum Only	
	\$		\$		\$		\$		\$		\$	
<u>OPERATING REVENUES</u>												
Tenant Rental Revenue	3,762,183		10,421,554		14,183,737		4,055,942		10,434,667		14,490,609	
HUD Grants - Operating	34,648,032		-		34,648,032		34,461,229		-		34,461,229	
Other Government Grants	31,889		-		31,889		41,650		-		41,650	
Fraud Recovery	59,502		-		59,502		83,770		-		83,770	
Other Income	3,563,400		2,321,316		5,884,716		2,426,852		2,343,243		4,770,095	
Total Revenues	42,065,006		12,742,870		54,807,876		41,069,443		12,777,910		53,847,353	
<u>OPERATING EXPENSES</u>												
Administration	6,644,288		3,063,611		9,707,899		6,078,172		2,835,371		8,913,543	
Housing Assistance Payments	22,563,157		-		22,563,157		22,560,308		-		22,560,308	
Tenant Services	427,646		7,181		434,827		763,719		40,265		803,984	
Utilities	1,448,993		1,779,416		3,228,409		1,622,894		1,459,666		3,082,560	
Ordinary Maintenance and Operations	5,981,819		5,169,619		11,151,438		4,450,434		3,844,212		8,294,646	
Protective Services	180,031		431,208		611,239		230,083		289,365		519,448	
General Expense	3,545,832		1,018,297		4,564,129		3,266,665		1,058,391		4,325,056	
Bad Debt Tenants	451,167		681,223		1,132,390		258,450		625,813		884,263	
Bad Debt - Other (Including Amortization of Loans)	41,006		9,400		50,406		17,426		-		17,426	
Extraordinary Maintenance and Casualty Loss	-		3,871		3,871		-		23,249		23,249	
Depreciation & Amortization Expense	2,446,716		4,843,795		7,290,511		2,129,466		4,737,561		6,867,027	
Interest Expense	123,515		1,950,004		2,073,519		152,794		1,493,491		1,646,285	
Total Operating Expenses	43,854,170		18,957,625		62,811,795		41,530,411		16,407,384		57,937,795	
EXCESS OF OPERATING EXPENSES OVER REVENUES	(1,789,164)		(6,214,755)		(8,003,919)		(460,968)		(3,629,474)		(4,090,442)	
Non-Operating Revenues/(Expenses)												
Interest Income	301,470		50,025		351,495		275,598		14,009		289,607	
Interest Income - Restricted	-		-		-		-		-		-	
Transfers Payments to Component Units	(217,661)		-		(217,661)		(16,147)		-		(16,147)	
Transfer of Equipment to Component Unit	(216,357)		-		(216,357)		-		-		-	
Unrealized Loss on Investments	-		-		-		(185,891)		-		(185,891)	
Gain on the Sale of Fixed Assets	1,275,624		-		1,275,624		779,112		-		779,112	
Loss Before Contributions and Transfers	(646,088)		(6,164,730)		(6,810,818)		391,704		(3,615,465)		(3,223,761)	
Capital Grants	1,928,195		-		1,928,195		1,132,268		-		1,132,268	
INCREASE (DECREASE) IN NET POSITION	1,282,107		(6,164,730)		(4,882,623)		1,523,972		(3,615,465)		(2,091,493)	
Beginning Net Position Restated (Component Unit Only)	15,631,323		47,974,682		63,606,005		14,077,618		45,408,123		59,485,741	
Prior Period Adjustments, Equity Contributions, Transfers & Special Items	230,256		-		230,256		29,733		6,182,024		6,211,757	
Ending Net Position	\$ 17,143,686		\$ 41,809,952		\$ 58,953,638		\$ 15,631,323		\$ 47,974,682		\$ 63,606,005	

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

ALBANY HOUSING AUTHORITY
Albany, New York
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2023 and 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received:

From Tenants for Rental and Other Income									
From Government Grants									
For Other Operating Revenues									
	\$	3,850,726	10,166,971	\$	14,017,697	\$	3,836,512	\$	14,420,578
		34,787,359	1,953,015		36,740,374		34,333,485		35,863,636
		2,340,756	194,911		2,535,667		2,552,272		2,777,958
		(4,847,884)	(2,084,407)		(6,932,291)		(4,728,313)		(6,773,450)
		-	(887,610)		(887,610)		-		(943,719)
		(13,681,641)	(8,345,698)		(22,027,339)		(13,946,619)		(21,217,151)
		(22,563,157)	-		(22,563,157)		(22,560,308)		(22,560,308)
Net Cash Provided by Operating Activities		(113,841)	997,182		883,341		(512,971)		1,567,544

Cash Paid:

To Employees for Operations									
For Management Fees									
To Suppliers for Operations									
For Housing Assistance Payments									
Net Cash Provided by Operating Activities									
		108,283	21,434		129,717		74,924		88,150
		(257,990)	-		(257,990)		-		-
		193,186	-		193,186		200,674		200,674
		-	(73,165)		(73,165)		-		-
		36,609	5,217		5,217		-		(185,179)
		(2,821,117)	(30,078,838)		(32,899,955)		(1,200,288)		(23,120,889)
		760,092	-		760,092		(117,045)		(117,045)
Net Cash Used in Investing Activities		(1,980,937)	(30,125,352)		(32,106,289)		(263,072)		(22,355,626)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments									
Loans Advanced to Component Units									
Interest on Leases									
Cash Transferred to Related Parties									
Cash (Paid)/Withdrawn to/from Reserve Accounts									
Proceeds from Sale of Assets/Insurance Proceeds									
Purchases of Property and Equipment - Net									
Sale of Investments - Net									
Net Cash Used in Investing Activities									
		1,928,195	-		1,928,195		1,132,268		1,132,268
		(581,887)	(260,449)		(842,336)		(437,757)		(685,110)
		-	28,691,349		28,691,349		22,605		21,435,367
		(217,661)	-		(217,661)		-		-
		140,133	-		140,133		-		-
		-	-		-		(16,147)		(18,966)
		-	-		-		-		1,502,109
		(7,473)	(50,000)		(50,000)		-		(1,104,509)
		(33,391)	(36,379)		(7,473)		(68,291)		(71,817)
		1,227,916	28,344,521		(69,770)		(19,384)		(19,384)
Net Cash Provided by Capital and Related Financing Activities		(866,862)	(783,649)		(1,650,511)		613,294		22,153,811
Increase/(Decrease) in Cash and Cash Equivalents							(162,749)		1,365,729
Cash and Cash Equivalents - Beginning of Year		6,667,648	9,927,956		16,595,604		6,830,397		15,229,875
Cash and Cash Equivalents - End of Year		\$	\$		\$		\$		\$
		5,800,786	9,144,307		14,945,093		6,667,648		16,595,604

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

HUD Capital Grants Received									
Cash Paid for the Retirement of Debt									
Cash Received from Borrowings									
Cash Transferred to Related Parties (Coming subsidy)									
Net Cash Received for Sale of Steamboat									
Cash Paid to Component Units for the Transfer of Reserves									
Cash Contributed/Transferred to Component Units									
Payments of Developers Fee, Development Costs and Closing Costs									
FSS Escrow & Security Deposits/(Payments)									
Tenant Security Deposits									
Net Cash Provided by Capital and Related Financing Activities									
Increase/(Decrease) in Cash and Cash Equivalents									
		1,928,195	(260,449)		1,928,195		1,132,268		1,132,268
		(581,887)	(260,449)		(842,336)		(437,757)		(685,110)
		-	28,691,349		28,691,349		22,605		21,435,367
		(217,661)	-		(217,661)		-		-
		140,133	-		140,133		-		-
		-	-		-		(16,147)		(18,966)
		-	(50,000)		(50,000)		-		1,502,109
		(7,473)	(36,379)		(7,473)		(68,291)		(1,104,509)
		(33,391)	(36,379)		(69,770)		(19,384)		(71,817)
Net Cash Provided by Capital and Related Financing Activities		1,227,916	28,344,521		29,572,437		613,294		22,153,811
Increase/(Decrease) in Cash and Cash Equivalents		(866,862)	(783,649)		(1,650,511)		(162,749)		1,365,729
Cash and Cash Equivalents - Beginning of Year		6,667,648	9,927,956		16,595,604		6,830,397		15,229,875
Cash and Cash Equivalents - End of Year		\$	\$		\$		\$		\$
		5,800,786	9,144,307		14,945,093		6,667,648		16,595,604

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

ALBANY HOUSING AUTHORITY
Albany, New York
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2023 and 2022

	Albany Housing Authority 2023	Discretely Presented Component Units	Combined Total Memorandum Only	Albany Housing Authority 2022	Discretely Presented Component Units - Restated	Combined Total Memorandum Only
<u>RECONCILIATION OF OPERATING (LOSS) TO NET CASH USED BY OPERATIONS</u>						
Operating Income	\$ (1,789,164)	\$ (6,214,755)	\$ (8,003,919)	\$ (460,968)	\$ (3,629,474)	\$ (4,090,442)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:						
Depreciation	2,362,603	4,798,052	7,160,655	2,052,728	4,707,002	6,759,730
Amortization	76,738	111,809	188,547	77,230	98,398	175,628
Prior Year Capitalized Costs Expensed in the Current year	-	-	-	19,200	-	19,200
Loss on Disposal of Fixed Assets	-	-	-	9,383	-	9,383
Net Changes in Deferred Outflows and Inflows	(6,708,206)	-	(6,708,206)	28,914,535	-	28,914,535
Decrease / (Increase) in Assets						
Accounts Receivable - Tenants	93,663	(457,358)	(363,695)	(54,787)	(576,516)	(631,303)
Other Accounts Receivable	(1,460,528)	187,464	(1,273,064)	(1,535,211)	(178,698)	(1,713,909)
Right of Use Asset	32,053	-	32,053	(492,308)	-	(492,308)
Leases Receivable	146,493	-	146,493	(3,277,294)	-	(3,277,294)
Prepaid Expenses and Deferred Charges	(21,749)	(129,896)	(151,645)	23,029	60,205	83,234
Inventories	(31,187)	-	(31,187)	7,876	-	7,876
Increase/(Decrease) in Liabilities						
Accounts Payable	(188,226)	1,037,300	849,074	(79,289)	520,516	441,227
Accrued Interest	9,725	1,527,396	1,527,396	-	974,685	974,685
Accrued Expenses	-	-	9,725	13,765	-	13,765
Compensated Absences	(34,227)	1,098	(33,129)	(10,217)	(11,001)	(21,218)
Unearned Revenue	(5,120)	(26,830)	(31,950)	(164,643)	79,940	(84,703)
Due to HUD	139,327	-	139,327	(127,744)	-	(127,744)
Other Current Liabilities	(123,031)	1,975	(121,056)	26,620	79,536	106,156
Other Non-Current Liabilities	7,428,710	167,582	7,596,292	(25,408,751)	(31,437)	(25,440,188)
Leases Payable	(46,686)	-	(46,686)	-	-	-
Due to Other Governments	4,971	(6,655)	(1,684)	(46,125)	(12,641)	(58,766)
Net Cash Provided by Operating Activities	\$ (113,841)	\$ 997,182	\$ 883,341	\$ (512,971)	\$ 2,080,515	\$ 1,567,544

Cash Paid for Interest for 2023 and 2022 was \$123,515 and \$124,942 Respectively.

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

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 1 – Summary of Organization, Activities and Significant Accounting Policies:

1. Organization – The Albany Housing Authority (AHA or the Authority) is a governmental, public corporation created under federal and state housing laws. The Authority is governed by a board of seven members, two of whom are residents. The non-resident members serve five-year terms and the resident members serve two year terms. The governing board is essentially autonomous but is responsible to the U.S. Department of Housing and Urban Development. An Executive Director is appointed by the Authority's Board to manage the day-to-day operations of the Authority. The Authority is responsible for the development, maintenance and management of public housing for low- and moderate-income families residing in Albany. Operating and modernization subsidies are provided to the Authority by the federal government.

Reporting Entity

The Authority has concluded that it is excluded from the City's reporting entity since the City does not designate management, does not influence operations, does not have responsibility for fiscal matters and does not have a funding relationship with the Authority.

The accompanying financial statements present the Authority and its sixteen discretely presented component units and one blended component unit, for which the Authority is considered to be financially accountable. The sixteen discretely presented component units are reported in a separate column in the Authority's financial statements to emphasize that they are legally separate from the Authority and that they do not meet the criteria of blended units as described in GASB 61. Please refer to Note 20 for additional information on the Authority's component units.

The Blended component unit, known as Patroon Apartments, consists of 23 units with assets of \$3,149,505 and total revenues of \$233,016. Patroon Apartments is wholly owned by the Authority.

The combined financial statements include all accounts of the Authority. The Authority is the lowest level of government over which the Authority's Board of Commissioners and Executive Director exercise oversight responsibility.

2. Significant Accounting Policies

Basis of Accounting – The financial statements of the Authority are prepared using the accrual basis of accounting to recognize the flow of economic resources. Under the accrual basis of accounting, transactions are recognized when they occur, regardless of when cash is received or disbursed. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses recognized in the period incurred, if measurable. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions or ancillary activities. All assets, liabilities, net position, revenue and expenses are accounted for using a single enterprise fund for the primary government.

Revenue – The major sources of revenue are various subsidies and grants received from the United States Department of Housing and Urban Development, charges to tenants and other miscellaneous revenues discussed below.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 1 – Summary of Organization, Activities and Significant Accounting Policies
(Continued)

2. Significant Accounting Policies (Continued)

Federal Grant Revenue – Operating subsidies, Housing Choice Voucher housing assistance grants and Capital Fund Program revenue received from HUD are recorded under the accrual method of accounting and are recognized in the period earned in accordance with applicable HUD guidelines. The Authority is generally entitled to receive funds from HUD under an established payment schedule, or, under the Capital Fund Program, as funds are expended funds are received.

HUD subsidizes the Authority's Housing Choice Voucher Program based on expenditures from prior periods' Voucher Management Submissions (VMS) Reports. Authorities exceeding obligated funding levels must use reserves to fund the shortage. When available funding, that is, funding obligated by HUD, exceeds utilization, HUD now retains the excess amounts. In the past, these overfunded amounts were retained by housing authorities and had to be segregated between Housing Assistance Payments (HAP) as restricted funds, and administrative payments, as unrestricted funds. These changes in HUD's financial policies are a result of Congress requiring HUD to become more restrictive in allowing excess funds to remain in the hands of public housing authorities. For the Albany Housing Authority, HUD began recapturing authority-held reserves in July 2014 by underfunding AHA's monthly HAP expenditures. These recaptured reserves, as well as amounts obligated by HUD but not yet needed (i.e., not spent on HAP) remain available to AHA to fund increased leasing on an as needed basis. At June 30, 2023 and 2022, HUD held reserves amounted to \$6,328,202 and \$10,243,833 respectively.

Tenant Charges – Rental charges to tenants are determined and billed monthly and are recognized as revenue when billed since they are measurable and collectible within the current period. Amounts not collected at year-end are included in the balance sheet as accounts receivable, and amounts paid by tenants for the subsequent fiscal year are recorded as deferred revenue.

Miscellaneous Income – Miscellaneous revenue consists primarily of miscellaneous service fees. The revenue is recorded as earned since it is measurable and available.

Report Presentation – The financial statements included in this Report were prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America applicable to governmental entities for Proprietary Fund Types. The Authority implemented the provisions of Governmental Accounting Standards Board Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" (Statement No. 34). The Authority also adopted the provisions of Statement No. 37 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" and Statement No. 38 "Certain Financial Statement Note Disclosures", which supplements Statement No. 34. Statement No. 34 established standards for all state and local governmental entities that include a statement of net assets, a statement of activities and a statement of cash flows.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 1 – Summary of Organization, Activities and Significant Accounting Policies
(Continued)

2. Significant Accounting Policies (Continued)

Statement 34 requires the classification of net assets into three components – Invested in Capital Assets, Net of Related Debt; Restricted Net Assets and Unrestricted Net Assets. Statement No. 63 “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position” requires the re-naming of the Statement of Net Assets to the Statement of Net Position. The Statement of Net Position reports all assets, deferred outflows of resources, liabilities and deferred inflows of resources and net position. These classifications are defined as follows:

Net Investment in Capital Assets – This component consists of land, construction in progress and depreciable assets, net of accumulated depreciation and net of the related debt outstanding. If there are significant unspent related debt proceeds as of year-end, the portion of the debt related to the unspent proceeds is not included in the calculation of Net Investment in Capital Assets rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted Net Position – This component includes net position subject to restrictions placed on net asset use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by the law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component consists of net position that does not meet the definition of Restricted Net Position or Net Investment in Capital Assets.

The adoption of Governmental Accounting Standards Board Statements 34, 37 and 38 have no significant effect on the basic financial statements, except for the classification of net assets in accordance with Statement No. 34.

Significant accounting policies are as follows:

1 – Cash and cash equivalents are stated at cost, which approximates market. Cash and cash equivalents include cash in banks, petty cash, certificates of deposit, and other investments with original maturities of less than three months from the date of purchase. Investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2 – Collection losses on accounts receivable are charged against an allowance for doubtful accounts.

3 – Fixed assets are recorded at cost for all programs and depreciation is computed on the straight-line basis. Donated property is recorded at fair market value on the date of donation.

4 – Repairs funded out of operations, such as painting, roofing, and plumbing, are charged against income for all programs.

5 – The Authority is subsidized by the Federal Government. The Authority is not subject to Federal or State income taxes, nor is it required to file Federal and State income tax returns.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

**Note 1 –Summary of Organization, Activities and Significant Accounting Policies
(Continued)**

Significant Accounting Policies (Continued)

- 6 – Operating subsidies received from HUD are recorded as income when earned.
- 7 – The cost of accumulated unpaid compensated absences, including fringe benefits, is reported in the period earned rather than in the period paid.
- 8 – Prepaid expenses represent payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.
- 9 – Inventories in the Proprietary Fund consist of supplies and are recorded at the weighted average cost.
- 10 - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.
- 11 - The Authority has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989, to its proprietary activities.
- 12 – The Authority does not have any infrastructure assets for its Proprietary Fund.
- 13 – Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which the transactions are executed.

Budgetary Policy Control

The Authority submits its annual operating and capital budgets in accordance with HUD requirements. However, HUD only approves the operating subsidy. The budget is formally adopted by resolution of the Authority's Board of Commissioners. Once adopted, the Board of Commissioners may amend the adopted budget when unexpected modifications are required in estimated revenues and expenses. Each fund's budget is prepared on a detailed line-item basis. Revenues are budgeted by source and expenditures are budgeted by expense classification within each revenue source.

Accounting for Impairment or Disposal of Long-Lived Assets

The Authority has given consideration regarding the Impairment or Disposal of Long-Lived Assets in its preparation of these financial statements. In December 2022, the Authority, as part of its redevelopment plan, disposed of Steamboat Square. That property was sold to Steamboat 20, LLC. As of June 30, 2023, the Authority has recognized a net \$1,382,592 reduction in the carrying value of its fixed assets due to the sale to Steamboat Square.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 1 – Summary of Organization, Activities and Significant Accounting Policies (Continued)

New Accounting Pronouncement

On July 1, 2021, the Authority was required to adopt Governmental Accounting Standards Board No. 87, Leases. GASB 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB 87, the lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. Additional information regarding the Authority’s lease receivables and lease liabilities can be found in Note to these financial statements.

Note 2 – Cash and Cash Equivalents

Housing Authority

The Authority maintains cash, cash equivalents and investments in local banks.

Cash and Cash Equivalents of \$5,800,786 and \$6,667,797 at June 30, 2023 and 2022 consisted of the following:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Checking/Money Market	\$ 3,881,482	\$ 4,630,069
Restricted Cash	1,338,336	1,407,020
FSS Escrow - Restricted	331,325	348,502
Security Deposits	249,493	282,056
Petty Cash	150	150
	<u>\$ 5,800,786</u>	<u>\$ 6,667,797</u>

The carrying amount of the Authority’s cash and cash equivalents on deposit as of June 30, 2023, was \$5,800,786 and the bank balances were \$5,804,805. Of the bank balances, \$563,893 was covered by FDIC insurance and \$5,240,912 was covered by a depository collateral agreement.

Restricted Cash for the Low Rent Public Housing Program at June 30, 2023 and 2022 pertains to funds related to FSS Escrows, operating reserves and Ezra (AMP-10) debt service accounts. The funds restricted in the HCV Programs are restricted as described in Note 16.

The Authority’s cash and cash equivalents are categorized as prescribed in GASB 40 to give an indication of the level of risk assumed by the Authority. As described above, \$6,674,969 of the Authority’s deposits exceeded FDIC insurance (\$250,000 per bank) and were collateralized with securities held by the pledging financial institution’s trust department or agent but not in the Authority’s name.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 2 – Cash and Cash Equivalents (Continued)

Component Units

The Component Units had the following cash and cash equivalents:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Checking	\$ 2,032,220	\$ 2,828,385
Tenants Security Deposits	483,154	497,671
Replacement & Debt Service Reserves	<u>8,005,531</u>	<u>7,968,133</u>
	<u>\$ 10,520,905</u>	<u>\$ 11,294,189</u>

The Component Units maintain cash and cash equivalents in bank accounts which at times may exceed federally insured limits. The component units have not experienced any losses in such accounts and the Authority believes that they are not exposed to any significant credit risk on cash and cash equivalents.

Note 3 – Investments

At June 30, 2023 and 2022, the Authority held the following investments:

2023

Investment Type	Market Value	Investment Maturities in Years		
		Less than 1	1-5	6-10
Investment in Not for Profits	\$ 41,000	-	-	-
US Treasuries	<u>4,463,083</u>	-	<u>4,463,083</u>	-
	<u>\$ 4,463,083</u>	<u>\$ -</u>	<u>\$ 4,463,083</u>	<u>-</u>

2022

Investment Type	Market Value	Investment Maturities in Years		
		Less than 1	1-5	6-10
Investment in Not for Profits	\$ 41,000			\$ -
US Treasuries	<u>5,223,175</u>	-	<u>5,223,175</u>	-
	<u>\$ 5,264,175</u>	<u>\$ -</u>	<u>\$ 5,264,175</u>	<u>\$ -</u>

The fixed income holdings have varying maturity dates greater than three months from the date of purchase and are stated at fair value in the Statement of Net Position, with all gains and losses included in the Statement of Activities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Interest income is recorded on the accrual basis.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 3 – Investments - Continued

Interest rates on the fixed income holdings ranged between 1.58% and 2.85% during the current fiscal year.

Investments in Not for profits are stated as net book value.

Investments are measured at fair value. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are adjusted quoted market prices in active markets for identical assets or liabilities that the Authority has the ability to access at the measurement date. Level 1 inputs provide the most realizable measure of fair value as of the measurement date.

Level 2 inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 inputs are significant unobservable inputs for the asset or liability.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Authority's investments in US Treasuries at June 30, 2023 and 2022 are included in Level 2 of the hierarchy. The investments in not for profits for June 30, 2023, and 2022 are included in Level 3 of the hierarchy.

Note 4 - Accounts Receivable Other

Accounts Receivable Other-Net consisted of the following at June 30, 2023 and 2022:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Due From Corning Homes Associates, LP	\$ (123,465)	\$ 2,621
Due From Lark Drive Associates, LP	713,529	505,461
Due From McCarty Housing Development Fund Company, Inc.	86,777	52,822
Due From Creighton Storey Homes, LP	526,492	97,682
Due From Southend Associates, LP	652,463	499,811
Due From Swan Street Homes, LLC	657,366	492,336
Due From Swan Mixed Use, LLC	202,302	187,980
Due From Ezra Prentice Homes Redevelopment, LLC	1,180,975	800,095
Due From Southend Associates II, LLC	251,881	144,167
Due (To)/From Southend Associates III, LP	19,035	49,366
Due (To)/From Ida Yarbrough Phase 1, LLC.	37,675	(44,692)
Due From Ida Yarbrough Phase II, LLC	37,624	46,288
Due (To)/From Ida Yarbrough Phase IV, LLC	336,008	108,990
Steamboat Development Costs	82,719	266,019
Miscellaneous Receivables	156,616	57,474
	<u>\$ 4,817,997</u>	<u>\$ 3,266,420</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 5 – Loans Receivable

Notes Receivable – Non - Current - Component Units

At June 30, 2023, the Authority has outstanding \$38,256,390 in notes receivable from seven of its component units of which \$27,943,664 are HOPE VI loans. These loans bear interest at various rates, and monthly payments are due from available cash flow. All unpaid accrued interest and principal is due in thirty to forty years. The Authority has determined that collection of these loans is doubtful and accordingly has reserved an allowance for the entire amount of the loans. Accrued interest on the loans for June 30, 2023, and 2022 amounted to \$12,817,235 and the Authority has reserved the entire amount.

Ezra Prentice – Mortgage

The Authority received permission to “de-federalize” one of its projects commonly known as Ezra Prentice and convey such property to Ezra Prentice Homes Redevelopment, LLC for a money purchase mortgage in the amount of \$2,280,000 which began on December 30, 2009. All principal and interest are due and payable on December 30, 2059. Interest accrues at a rate of 3% per annum.

The Authority leveraged its Capital Funds in order to provide an \$8,375,000 loan which began on December 30, 2009, to Ezra Prentice Homes Redevelopment, LLC to finance the construction and rehabilitation of the Project. Principal and interest payments are due only from the available cash flow of the project. The loan matures on December 30, 2059.

Academy Lofts

The Authority also loaned funds received from the City of Albany funded through a “Restore New York Communities” grant to Swan Street Lofts, LP in the amount of \$3,317,692, which originated on December 20, 2011. The loan bears interest at 0% and is due in 50 years. During the fiscal year 2015, the Authority received an additional \$1,182,307 from the City which it loaned to the Project bringing the total loan amount to \$4,499,999.

The Authority also loaned Swan Street Lofts, LP \$440,000 which originated on February 3, 2014, as required matching funds for the Restore New York Communities grant. The loan bears interest at 0% and is due in 50 years.

Southend Associates III

During 2015 the Albany Housing Authority received a grant from the Affordable Housing Program (AHP), which it lent to Southend Associates III, LP on September 8, 2015. The loan was for \$300,000 for redevelopment and operating costs and is subject to AHP regulations. Contemporaneously, the Albany Housing Authority assigned the mortgage to M&T Bank. The mortgage is subordinate to Southend Associates III, LP’s HTFC loan and contains a recapture agreement (the Agreement) with the Federal Home Loan Bank if certain conditions related to compliance are not maintained. Those conditions are more fully described in the Agreement. The maturity date is the fiftieth annual anniversary of the conversion date of October 1, 2015 (October 1, 2065). This note bears interest at 6% and is secured by a mortgage on the property.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 5 –Loans Receivable (Continued)

Ida Yarbrough Phase I

During July of 2016, the Albany Housing Authority received funding through the Affordable Housing Program (AHP) through the Federal Home Loan Bank and M&T Bank. The loan was for \$792,990 and was used for the renovation of the Ida Yarbrough Phase I Project. The note bears no interest and is due in July of 2046.

During July of 2016, the Albany Housing Authority received both a Green Grant and a NYSERDA Grant totaling \$1,154,500. The Authority agreed to and executed a loan agreement with Ida Yarbrough Phase I, LLC for a 0% loan for thirty years. At June 30, 2021 \$1,154,500 had been advanced to the project.

Ida Yarbrough Phase II

During the 2018 fiscal year, the Authority received a Local Initiatives Support Corporation (LISC) grant for \$615,000 which it loaned to Ida Yarbrough Phase II, LLC, a related tax credit entity which is in the development phase.

During 2019, the Authority agreed to lend \$1,100,000 to Ida Yarbrough Phase II for the development of an affordable housing project. The loan does not bear interest and is due 30 years immediately following the final closing. At June 30, 2021, the amount advanced to the project was \$1,100,000. The source of this funding is the Capital Fund Program.

During August of 2019 the Albany Housing Authority received a grant through the Affordable Housing Program (AHP) through the Federal Home Loan Bank and M&T Bank. The loan was for \$1,100,000 and was used for the renovation of the Ida Yarbrough Phase II Project. The note bears interest of 1% per annum and is due on January 1, 2051.

Ida Yarbrough Phase IV

On December 17, 2020, AHA entered into a ground lease agreement with Ida Yarbrough Phase IV, LLC for two parcels of land known as North Albany and the Ida IV parcel for 7,716,324. The term of the lease is 40 years and the interest rate is the long term AFR annual rate currently at 1.90% compounded annually.

Ida Yarbrough Phase IV

Weatherization grant 141,348

Steamboat 20, LLC

On December 28, 2022, AHA entered into a ground lease not with Steamboat 20, LLC for \$1,390,064. The note bears interest at a rate of 4.03% compounded annually and matures on December 31, 2052. Principal and interest are due 90 after the Company's year end only from available cash flow.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 5 –Loans Receivable (Continued)

Steamboat 20, LLC

On December 28, 2022, AHA entered into a loan agreement with the Company for 864,578. Simple interest on the unpaid balance accrues at an annual rate of 0%. Principal and interest are only due from available cash flow. At June 30, 2023, AHA has advanced \$116,577.

Total Mortgages and Notes

Total mortgages, notes and HOPE VI receivables, including accrued interest, due the Authority, from all its component units at June 30, 2023 and 2022 were \$79,447,438 and \$79,447,438, respectively. Beginning July 1, 2012, management determined the interest was uncollectible and ceased accruing interest on the mortgages.

The table below summarizes the mortgages and notes receivable from the Authority's discreetly presented component units.

<u>Description</u>	<u>2023</u>	<u>2022</u>
Hope VI Loans	\$ 27,943,664	\$ 27,943,664
Accrued interest	12,817,234	12,817,234
Notes and Loans-Other	10,312,726	10,312,726
Mortgages:		
Ezra Prentice Homes Redevelopment, LLC	2,280,000	2,280,000
Ezra Prentice Homes Redevelopment, LLC	8,375,000	8,375,000
Swan Street Lofts, LP	4,499,999	4,499,999
Swan Street Lofts, LP	440,000	440,000
Southend Associates III, LP	300,000	300,000
Ida Yarbrough, Phase I, LLC	792,990	792,990
Ida Yarbrough, Phase I, LLC	1,154,500	1,154,500
Ida Yarbrough, Phase II, LLC	615,000	615,000
Ida Yarbrough, Phase II, LLC	1,100,000	1,100,000
Ida Yarbrough, Phase II, LLC	1,100,000	1,100,000
Ida Yarbrough Phase IV, LLC Ground Lease Note	7,716,325	7,716,325
Ida Yarbrough Phae IV, LLC NYSERDA Loan	141,348	-
Steamboat 20, LLC Ground Lease Note	1,390,064	-
Steamboat 20, LLC Sellers Note	116,578	-
	<u>\$ 81,095,428</u>	<u>\$ 79,447,438</u>

Notes and Loans - Other consists of \$10,312,726 of various loans passed through the AHA from the NY State Housing Trust Fund Corporation, NYSERDA, and the Federal Home Loan Bank. There were no required interest and principal payments during the current fiscal year.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 5 –Loans Receivable (Continued)

As of June 30, 2023, and 2022, the Authority has set up an allowance for the following:

HOPE VI Loans	\$ 27,943,664
Notes, Loans and Mortgages	10,312,726
Money Purchase Mortgage	
Ezra Prentice	2,280,000
Interest on related Loans and Mortgages	12,817,235
	<u>\$ 53,353,625</u>

Note 6 - Intangible Assets

Component Units

Net Intangible assets at December 31, 2022 and 2021 were \$2,270,716. These amounts include long term mortgage issuance costs that are amortized over the life of the mortgages. At December 31, 2022 and 2021, the accumulated amortization amounted to \$396,603 and \$328,764 leaving a remaining unamortized amount of \$1,874,113 and \$1,941,952 respectively

Note 7 – Fixed Assets

Fixed Assets consist primarily of expenditures to acquire, construct, place in operation and improve the facilities of the Authority and are stated at cost, less accumulated depreciation. The following is a summary of the changes in general fixed assets for the fiscal years ended June 30, 2023, and 2022:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>June 30, 2023</u>
Land	\$ 6,334,607	\$ -	\$ -	\$ -	\$ 6,334,607
Buildings	113,379,504	321,272	(1,382,592)	-	112,318,184
Furn., Equip & Mach.	9,796,442	732,024	(857,099)	26,169	9,697,536
Construction in Progress	<u>1,044,050</u>	<u>1,767,825</u>	<u>-</u>	<u>(279,410)</u>	<u>2,532,465</u>
Total Fixed Assets	130,554,603	2,821,121	(2,239,691)	(253,241)	130,882,792
Accumulated Depreciation	<u>(103,794,846)</u>	<u>(2,369,978)</u>	<u>1,916,091</u>	<u>-</u>	<u>(104,248,733)</u>
Net Fixed Assets	<u>\$ 26,759,757</u>	<u>\$ 451,143</u>	<u>\$ (323,600)</u>	<u>\$ (253,241)</u>	<u>\$ 26,634,059</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 7 – Fixed Assets - Continued

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>June 30, 2022</u>
Land	\$ 6,331,307	\$ 3,300	\$ -	\$ -	\$ 6,334,607
Buildings	111,699,994	67,226	(24,511)	1,636,795	113,379,504
Furn., Equip & Mach.	9,965,224	361,623	(730,252)	199,847	9,796,442
Construction in Progress	<u>2,131,744</u>	<u>768,139</u>	<u>(19,191)</u>	<u>(1,836,642)</u>	<u>1,044,050</u>
Total Fixed Assets	130,128,269	1,200,288	(773,954)	-	130,554,603
Accumulated Depreciation	<u>(102,487,488)</u>	<u>(2,052,728)</u>	<u>745,370</u>	<u>-</u>	<u>(103,794,846)</u>
Net Fixed Assets	<u>\$ 27,640,781</u>	<u>\$ (852,440)</u>	<u>\$ (28,584)</u>	<u>\$ -</u>	<u>\$ 26,759,757</u>

Depreciation expense for the years ended June 30, 2023, and 2022 was \$2,369,978 and \$2,052,728 respectively. Expenditures are capitalized when they meet the Authority's Capitalization Policy requirements. Depreciation of Capital Assets is provided using the straight-line method for reporting purposes at rates based upon the following estimated useful lives:

	<u>Years</u>
Buildings	27
Building Improvements	10-15
Office Furniture	5-10
Equipment	5
Vehicles	5
Computers	3

Note 8 – Inventory

Inventory is recorded at weighted average cost. At June 30, 2023 and 2022 the Authority maintained inventory with a value totaling \$236,020 and \$204,833, respectively. The Authority has written down its inventory and therefore, has not recorded an allowance for obsolete inventory for June 30, 2023, and 2022.

ALBANY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2023

Note 7 - Fixed Assets - Continued

	Dec. 31 2022	June 30, 2023	Dec. 31 2022	June 30, 2023	Dec. 31 2022	Dec. 31 2022	Dec. 31 2022	Dec. 31 2022	Dec. 31 2022	Dec. 31 2022	Oct. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	June 30, 2023
McCarthy Housing Nutgrove	\$ 1,003,000	\$ 1,003,000	\$ 105,317	\$ 105,317	\$ 76,055	\$ 151,062	\$ 105,707	\$ 139,162	\$ 139,162	\$ 54,256	\$ 63,659	\$ 25,320,909	\$ 41,687	\$ 2,010,289
Buildings & Site Improvements	4,672,748	12,572,488	14,817,077	12,572,488	5,855,912	12,651,991	9,579,891	12,621,333	9,172,032	18,293,121	18,293,121	25,320,909	30,438,368	189,609,470
Furniture, Equipment, & Machinery	207,411	852,600	543,252	852,600	81,800	60,727	148,206	410,699	887,450	154,955	154,955	410,563	27,781	4,244,985
Construction in Progress	27,425	26,500	47,814	26,500	-	-	-	-	-	-	-	-	45,332,380	45,434,119
Total Fixed Assets	5,910,584	13,556,329	15,617,593	13,556,329	6,013,767	12,863,780	24,123,797	13,171,194	10,113,738	18,521,735	18,521,735	25,731,472	75,798,529	241,298,863
Accumulated Depreciation	(3,303,003)	(4,134,054)	(5,485,374)	(4,134,054)	(2,263,020)	(4,469,529)	(7,470,080)	(3,189,529)	(3,026,023)	(2,627,520)	(2,627,520)	(2,491,059)	(452,595)	(50,979,544)
Net Fixed Assets	\$ 2,607,581	\$ 5,922,275	\$ 9,131,219	\$ 5,360,725	\$ 3,750,747	\$ 8,394,251	\$ 16,653,717	\$ 9,981,665	\$ 7,087,715	\$ 15,894,215	\$ 15,894,215	\$ 23,240,413	\$ 75,345,934	\$ 190,319,319
McCarthy Housing Nutgrove	\$ 1,003,000	\$ 1,003,000	\$ 60,934	\$ 60,934	\$ 76,055	\$ 151,062	\$ 105,707	\$ 139,162	\$ 54,256	\$ 63,659	\$ 25,320,909	\$ 41,687	\$ 2,010,289	
Buildings & Site Improvements	4,672,748	12,572,488	14,817,077	12,572,488	5,810,377	12,651,991	23,965,903	12,622,337	9,322,090	18,293,121	18,293,121	25,320,909	30,438,368	189,609,470
Furniture, Equipment, & Machinery	147,943	837,543	520,931	837,543	75,840	60,727	75,978	365,483	887,450	158,515	158,515	368,617	14,602	3,948,433
Construction in Progress	27,425	26,500	47,814	26,500	-	-	-	-	-	-	-	-	33,129,723	33,183,648
Total Fixed Assets	5,851,116	13,541,848	15,547,458	13,541,848	5,962,272	12,863,780	24,041,881	13,126,982	10,263,796	18,515,295	18,515,295	25,689,526	42,083,536	207,348,522
Accumulated Depreciation	(3,088,329)	(7,849,464)	(9,085,368)	(7,849,464)	(2,096,905)	(4,152,756)	(6,841,968)	(2,620,317)	(2,791,738)	(2,090,955)	(2,090,955)	(1,697,996)	(224,983)	(46,253,945)
Net Fixed Assets	\$ 2,762,787	\$ 5,692,384	\$ 6,462,090	\$ 5,692,384	\$ 3,865,367	\$ 8,711,024	\$ 17,199,913	\$ 10,306,665	\$ 7,472,058	\$ 16,424,340	\$ 16,424,340	\$ 23,991,930	\$ 41,858,553	\$ 161,094,577

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 9 – Payment in Lieu of Taxes (PILOT)

Under Federal, State and local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make a payment in lieu of taxes (PILOT) for the PHA Owned Program in accordance with the provisions of its Cooperation Agreements with the City. Under the Cooperation Agreements, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. Accrued PILOT during the fiscal years ended June 30, 2023, and 2022 amounted to \$239,450 and \$234,479 respectively.

Note 10 – Accrued Compensated Absences

Unused sick leave may be carried to future periods and used in the event of extended illness. Upon normal retirement, employees are not entitled to compensation for unused sick days. Generally, employees may be compensated for unused vacation in the event of retirement or termination of service. The amount of vacation which may be carried over from one year to another is subject to certain limitations. The Authority has determined that the potential liability for accumulated vacation at June 30, 2023 and 2022 amounted to \$225,342 and \$259,569 respectively.

Note 11- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Plan Description

The Albany Housing Authority contributes to the New York State Employees Retirement System (ERS), a cost-sharing multiple-employer defined benefit pension plan. The Comptroller of the State of New York serves as sole trustee of the Common Retirement Fund (Fund) and administrative head of the New York State and Local Police and Fire Retirement System (PFRS), and the Public Employees' Group Life Insurance. These entities are collectively referred to as the New York State Local Employees' Retirement System or the "System". All net assets of the System are held in the Common Retirement Fund which was established to hold all net assets and changes in net plan assets allocated to the System.

Membership Tiers - Pension legislation enacted in 1973, 1976, 1983, 2009 and 2012 established distinct classes of membership. For convenience, the System uses a tier concept to distinguish these groups, generally:

Tier 1 – Those persons who last became members of the ERS before July 1, 1973.

Tier 2 – Those persons who last became members on or after July 1, 1973, but before July 27, 1976.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 11- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Tier 3 – Generally those persons who are State correction officers who last became members on or after July 27, 1976, and all others who last became members on or after July 27, 1976, but before September 1, 1983.

Tier 4 – Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.

Tier 5 – Those persons who last became members on or after January 1, 2010, but before April 1, 2012.

Tier 6 – Those persons who last become members on or after April 1, 2012.

Benefits-

(1) Tier 1 and Tier 2

Most Tier 1 and Tier 2 members are on a plan with minimum retirement age of 55 which provides for 1.67% of final average salary (defined as wages earned during any 36 months of services when earnings were highest) for each year of service less than 20 years. Generally, the benefit with more than 20 years of service is 2% of final average salary for each year of service. Tier 2 members retiring between age 55 and 62 with less than 30 years of service receive reduced benefits. As a result of Article 19 of the Retirement and Social Security Law, eligible Tier 1 and Tier 2 members, whose date of membership is prior to July 27, 1976, will receive an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 months. Tier 1 and 2 members do not contribute toward their pension benefits.

(2) Tier 3, Tier 4 and Tier 5

Except for Tier 3 correction officers, generally the benefit is 1.67% of final average salary for each year of service if the service is less than 20 years. For 20 to 30 years of service, the benefit is 2% of the final average salary. An additional benefit of 1.5% of final average salary is applied for each year of service in excess of 30 years. A member must be age 62 with 5 years of service or at least age 55 with 30 years service to retire with full benefits. Reduced retirement benefits are available if retirement occurs between the ages of 55 to 62. Tier 3, 4 and 5 members are eligible to retire starting at age 55. Retiring between the ages of 55 to 62 will lead to permanently reduced benefits between 38.33% and 6.67 % depending on the age at retirement. The benefit will be based on the member's final average salary (defined the same as for Tiers 1 and 2) for each year of service. For Tier 5, overtime wages are subject to a cap; wages above the cap are not included in final average salary. Tier 3 and 4 members must contribute 3% of wages for ten years of service. Tier 5 members must contribute 3% of wages towards their pension benefits for all years of service.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 11- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

(3) Tier 6

Contributions: Members must contribute toward their pension benefits with some exceptions. Also, PFRS members covered by a collective bargaining agreement in effect on January 9, 2010 that requires the employer to offer a special 20- or 25-year plan may not contribute. Beginning 4/1/2013, the percentage is based on the member's wages.

Wages	Contribution Rate
\$45,000 or less	3%
\$45,000.01 to \$55,000	3.5%
\$55,000.01 to \$75,000	4.5%
\$75,000.01 to \$100,000	5.75%
More than \$100,000	6%

Reportable Salary Limit: Reportable salary may not exceed the salary of the Governor of the State of New York, which is set by law and is currently \$225,000. If the Governor's salary changes, the reportable salary limit would change accordingly. If a member reaches the reportable salary limit, contributions are not deducted from any salary paid in excess of the limit. All salary paid, days worked and any loan and/or arrears payments are still reported in the system.

Overtime Limit: Overtime pay in excess of 15 percent of a member's regular annual wages cannot be used in the calculation of a member's final average salary.

Other Earnings Limitations: Earnings from more than two separate employers in any one year will be excluded from the definition of wages for Retirement System purposes.

Final Average Salary (FAS): FAS is the average of the highest five consecutive years of reportable salary subject to limits. Any year of salary used in the FAS calculation cannot exceed the average of the previous four years by more than 10 percent. Lump sum payments at retirement for accumulated vacation will not be included in an FAS calculation.

Service Retirement Eligibility: Members must have 10 years of service credit to be vested and eligible for a service retirement benefit. Members in regular plans can still retire at age 62 with an unreduced service retirement benefit or between ages 55 and 62 with a reduced benefit. Regular plans are those that permit retirement after the member has attained a certain age and earned a certain amount of service credit. Members in special plans can retire after completing their plan's minimum service requirement regardless of age. Vested members no longer on the payroll of a participating employer cannot retire until age 63.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 11- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Service Retirement Benefit: Service retirement benefits have not changed from previous Tiers.

Members can borrow against their contributions once they meet eligibility requirements.

(3) Ordinary Disability Benefits

Generally, ordinary disability benefits, usually 1/3 of salary, are provided after 10 years of service; in some cases, after 5 years of service.

(4) Accidental Disability Benefits

For all eligible Tier 1 members and Tier 2 ERS members, the benefit is a pension of 75% of final average salary with offset for any worker's compensation benefits received. The Tier 3 and Tier 4 benefit is the ordinary benefit with the years of service eligibility requirement dropped. For Tier 5, the benefit is one half (50%) of the employee's wages during the last year of active service.

(5) Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the salary. For most members there is also a reduced post-retirement death benefit.

Death benefits for Tier 5 employees are equal to the member's salary multiplied by the years of service, not to exceed three years.

(6) Post-retirement Benefit Increases

An annual cost of living adjustment is provided to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners regardless of age who have been retired for five years; and (iv) ERS recipients of an Accidental Death Benefit regardless of age who have been receiving such benefit for five years. This cost-of-living adjustment is calculated on the first \$18,000 of a pensioner's single life allowance benefit or the actual benefit amount, if less. The cost-of-living percentage shall be 50% of the annual Consumer Price Index as published by the U.S. Bureau of Labor, up to 3%, but not less than 1%.

Funding Policy: Participating employers are required under the New York State Retirement and Social Security Law to contribute annually to the System.

The funding of the System is accomplished through member and employer contributions and the investment earnings on these contributions, according to the New York State Retirement and Social Security Law. The Aggregate Actuarial funding method is used by the System.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 11- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Generally, participating employers that have adopted the same benefit plan contribute at the same rate of payroll. The total employer contribution rate as a percentage of salary includes rates for administrative expenses, Group Life Insurance ("GLIP"), and supplemental benefits. GLIP is a one-year term insurance plan. Consequently, the GLIP rates are determined so as to pay for the current year's GLIP costs. Similarly, the administrative rates are determined so as to pay the current year's administrative expenses. Employers may make other contributions due to legislation, such as retirement incentives, the 17-year amortization and deficiency payments (which an employer may incur when joining the System and are payable for up to 25 years.) The average employer contribution rates below exclude certain contributions such as the 17-year amortization. The average contribution rate for ERS for fiscal year ended June 30, 2023, and 2020, including incentive contributions, was approximately 27% of covered payroll and 9.6% to 19.7% respectively, of payroll depending on the tier.

The Albany Housing Authority's contribution to the Fund for the years ending June 30, 2023, and 2022 was \$715,368 and \$940,347 respectively. At June 30, 2023, and 2022, there were 112 and 106 plan members, respectively. The New York State retirement plan's fiscal year is April 1 to March 31. The New York State Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the New York State Local Retirement System, 110 State Street, Albany, New York 12244-0001, or by calling 1-518-474-7736.

At June 30, 2023 the Authority reported a pension liability of \$5,131,643 and on June 30, 2022, the Authority reported a pension asset of \$1,940,492 for its proportionate share of the net pension asset and liability. At June 30, 2023 and 2022 the Authority reported a pension expense of \$1,752,343 and \$35,431 respectively. At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

	June 30, 2023	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	a \$ 546,560	\$ 144,116
Changes of assumptions	b 2,492,257	27,544
Net Difference between projected and actual earnings on pension plan investments	c -	30,148
Changes in proportion and differences between Authority contributions and proportionate share of contributions	d 70,692	165,885
Authority contributions subsequent to the measurement date	e -	-
Total	\$ 3,109,509	\$ 367,693

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 12- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

		June 30, 2022	
		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	a	\$ 146,956	\$ 190,611
Changes of assumptions	b	3,238,464	54,646
Net Difference between projected and actual earnings on pension plan investments	c	-	6,354,299
Changes in proportion and differences between Authority contributions and proportionate share of contributions	d	85,543	164,753
Authority contributions subsequent to the measurement date	e	-	-
Total		<u>\$ 3,470,963</u>	<u>\$ 6,764,309</u>

(a) Difference in Expected and Actual Experience

The difference between expected and actual experience with regard to economic and demographic factors is amortized over a five-year closed period reflecting the average remaining service life of the plan members (active and inactive), respectively. The first year of amortization is recognized as pension expense with the remaining years shown as either deferred outflow of resources or a deferred inflow of resources. The collective amount of the difference between expected and actual experience for the fiscal years 2023 and 2022 was \$546,560 and \$146,956 respectively.

(b) Changes in Assumptions

The change in assumptions about future economic or demographic factors or other inputs is amortized over a five-year closed period, reflecting the average remaining service life of the plan members (active and inactive members), respectively. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or a deferred inflow of resources. The collective amount of the difference between expected and actual experience for the fiscal years 2023 and 2022 was \$2,492,257 and \$3,238,464 respectively.

(c) Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments

The difference between the System's expected rate of return of 5.9% and the actual investment earnings on pension plan investments is amortized over a five-year closed period in accordance with GASB 68. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or a deferred inflow of resources. The collective amount of the difference between expected and actual experience for the fiscal years ended 2023 and 2022 was \$0 and \$0 respectively.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 12- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

(d) Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions

The change in employer proportionate share is the amount of difference between the employer proportionate share of net pension liability in the prior year compared to the current year. The difference between employer contributions and proportionate share of contributions is the difference between the total amount of employer contributions and the amount of the proportionate share of employer contributions. The change in proportionate share and the difference between employer contributions and proportionate share of contributions is amortized over a five-year closed period, reflecting the average remaining service life of the plan members (active and inactive members), respectively. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or a deferred inflow or resources.

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

Year Ended March 31:

2024	\$ 630,449
2025	(299,984)
2026	1,027,915
2027	1,383,434
2028	-
Thereafter	<u>-</u>

The components of the current-year pension liability of the Authority as of March 31, 2023, and 2022 were as follows:

March 31, : 2023	Employees Retirement System	Authority's Percentage	Authority's Share
Authority's total pension liability	\$ 232,627,259,000	0.0239304%	\$ 55,668,633
Plan net position	<u>(211,183,223,000)</u>	0.0239304%	<u>(50,536,991)</u>
Net pension liability	<u>\$ 21,444,036,000</u>		<u>\$ 5,131,642</u>
Net position as a percentage of total pension liability			90.78%

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 12- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

March 31, 2022	Employees Retirement System	Authority's Percentage	Authority's Share
Authority's total pension liability	\$ 223,874,888,000	0.0237381%	\$ 53,143,645
Plan net position	<u>(232,049,473,000)</u>	0.0237381%	<u>(55,084,136)</u>
Net pension liability	<u>\$ (8,174,585,000)</u>		<u>\$ (1,940,491)</u>
Net position as a percentage of total pension liability			96.48%

Actuarial Assumptions

The total pension liability for the March 31, 2023, measurement date was determined by using an actuarial valuation as of April 1, 2022, with updated procedures used to roll forward the total pension liability to March 31, 2023.

Actuarial Cost Method	Entry Age Normal
Inflation	2.9 percent
Salary Scale	4.4 percent
Investment Rate of Return	5.9 percent compounded annually.
Cost of Living Adjustments	1.5 percent annually
Mortality Improvement	Society of Actuaries Scale MP-2021

The long term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The previous actuarial valuation as of April 1, 2020, used a long term expected rate of 5.9%.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2023, are summarized below:

ALBANY HOUSING AUTHORITY
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 12- Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32%	4.30%
International Equity	15%	6.85%
Private Equity	10%	7.50%
Real Estate	9%	4.60%
Opportunistic Portfolio	3%	5.80%
Credit	4%	5.43%
Real Assets	3%	5.84%
Fixed Income	23%	1.50%
Cash	1%	0.00%
	100%	

The discount rate used to calculate the total pension liability was 5.9 percent. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System'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 the total liability.

Sensitivity of the Net Pension Liability to the Discount Rate

The following presents the current period pension liability of the Authority, calculated using the current period discount rate assumption of 5.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.9 percent) or one percentage point higher (6.9 percent) than the current assumption:

	Decrease (4.9%)	Assumption (5.9%)	Increase (6.9%)
Net Pension Liability	<u>\$ 12,400,981</u>	<u>\$ (5,131,643)</u>	<u>\$ (942,734)</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 13 – Other Post Employment Retirement Benefits (OPEB)

ANNUAL OPEB COST AND NET OPEB OBLIGATION

The Authority's provides post-employment medical benefits, including prescription drug benefits as part of a medical plan on a fully insured basis through the NYSHIP Empire Plan and Capital District Position Health Plan (CDPHP). The liability is actuarially determined in accordance with parameters of GASB Statement No. 75. The following table shows the components of the Authority's annual OPEB costs for the fiscal years, the amounts of estimated contributions to the plan and changes in the Authority's net OPEB obligation to the plan:

	<u>2023</u>	<u>2022</u>
Interest on Net OPEB Obligation	1,144,271	2,096,751
Service Cost with Interest	<u>1,032,658</u>	<u>1,067,834</u>
Annual OPEB Cost (Expense)	2,176,929	3,164,585
Changes in Assumptions	(1,052,897)	(29,181,494)
Contributions Made	<u>(997,715)</u>	<u>(988,419)</u>
Increase in Net OPEB Obligation	126,317	(27,005,328)
Net OPEB Obligation- Beginning Balance	<u>29,105,623</u>	<u>56,110,951</u>
Net OPEB Obligation- Ending Balance	<u>\$ 29,231,940</u>	<u>\$ 29,105,623</u>

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

The deferred outflow is primarily driven by a decrease in the discount rate, plus updated mortality table SOA Pub-2010 and the mortality improvement scale SOA MP-2019 and is being amortized over a nine - year period. At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023	2023	2022	2022
	Deferred Outflow	Deferred Inflows	Deferred Outflow	Deferred Inflows
	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>
Changes in Assumptions	\$ 9,104,683	\$ 23,846,272	\$ 10,917,004	\$ 26,044,036
Differences between expected and actual experience	-	-	-	-
Net Difference between projected and actual earnings on plan investments	-	-	-	-
Changes in Proportion	-	-	-	-
Authority's contributions subsequent to the measurement date	-	-	-	-
Total	<u>\$ 9,104,683</u>	<u>\$ 23,846,272</u>	<u>\$ 10,917,004</u>	<u>\$ 26,044,036</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 13 – Other Post Employment Retirement Benefits (OPEB)-(Continued)

The Authority's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for the 2023 and 2022 and the three preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2019	\$ 1,728,588	59%	\$ 37,445,000
6/30/2020	3,671,139	30%	50,688,087
6/30/2021	4,456,942	24%	56,110,950
6/30/2022	1,839,448	114%	29,105,622
6/30/2023	738,589	155%	29,231,940

FUNDED STATUS AND FUNDING PROGRESS

As of July 1, 2022, the most recent valuation date, the plan was 0.0% funded. At June 30, 2023 and 2022, the actuarial liability for benefits was \$29,231,940 and \$29,105,622 respectively, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAL) of \$29,231,940 and \$29,105,622 respectively.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

EFFECT OF 1% CHANGE IN HEALTHCARE TREND RATES

	1% Decrease	Discount Rate	1% Increase
	<u>3.00%</u>	<u>4.00%</u>	<u>5.00%</u>
Total OPEB Liability	\$ 34,236,317	\$ 29,231,940	\$ 25,216,204

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial Cost Method	Entry Age Normal as a level percentage of payroll
Investment Rate of Return	4.0% per annum

The selected discount rate is based on the prescribed discount interest rate methodology under GASB 74/75 using an average of three 20-year bond indices as of June 30, 2023.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 13 – Other Post Employment Retirement Benefits (OPEB) (Continued)

Healthcare Trend Rates

2024	6.75%
2025	6.50%
2026	6.25%
2027	6.00%
2028	5.75%

Actuarial Value of Assets: Not valued since benefit is unfunded. Assets are zero.

Reconciliation of Plan Participation – Active Employees

	<u>July 1, 2023</u>	<u>July 1, 2022</u>
A. Average Age at Hire	38.1	38.1
B. Average Service	8.1	8.1
C. Average Current Age	46.2	46.2

Note 14– Risk Management

During the years ended June 30, 2023, and 2022 the Authority’s risk management program, in order to deal with potential liabilities, consisted of various insurance policies for fire, general liability, crime, auto and public-official’s errors and omissions. Periodically, but not less than once annually, the Authority conducts a physical inspection of its Projects for the purpose of determining potential liability issues. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Settled claims relating to the commercial insurance have not exceeded the amount of insurance in any of the past three fiscal years.

Note 15 – Construction Commitments

At June 30, 2023 and 2022, the Authority’s outstanding construction commitments pertaining to its Capital Fund Programs were not material. The costs pertaining to such commitments will be paid by grants approved and committed to the Authority by the U.S. Department of Housing and Urban Development.

Note 16 – Housing Choice Voucher Fund Balance – (Restricted & Unrestricted)

Administrative fees paid by HUD to the Authority in excess of administrative expenses are part of the undesignated fund balance and are considered to be “administrative fee reserves”. Administrative fee reserves accumulated prior to January 1, 2004, are subject to all requirements applicable to administrative fee reserves including, but not limited to, 24 CFR982.155 – i.e. “other housing purposes permitted by state or local law”.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 16 – Housing Choice Voucher Fund Balance – (Restricted & Unrestricted) (Continued)

The Authority had no pre-January 1, 2004, reserves as of June 30, 2023, or 2022. Excess administrative fees earned in 2004 and subsequent years must be used for activities related to the provision of tenant-based rental assistance authorized under Section 8 of the United States Housing Act of 1937, including related development activities.

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Housing Assistance Payments (Restricted)	\$ 644,899	\$ 1,086,095
Administrative (Unrestricted)	<u>(2,401,596)</u>	<u>(2,623,468)</u>
Total Net Position	<u>\$ (1,756,697)</u>	<u>\$ (1,537,373)</u>

Note 17- Leases

As Described in Note 1, the Authority was required to Adopt GASB 87 as of July 1, 2021. The Authority has entered into various leases with third parties where the Authority is the lessor and lessee. The following is a description of leases entered into as both a lessor and lease.

Lessor:

The Authority has entered into 8 leases with various cell phone companies in which it rents rooftop space and 5 leases for which it rents office space to various businesses. The Authority recognizes a lease receivable with a term greater than 12 months in its financial statements. At the commencement of the lease, the Authority initially measures the leases receivable at the present value of the payments expected to be received during the lease term. Subsequently the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources is initially measured as the initial amount of the lease receivable adjusted for lease payments received at or before lease commencement. Subsequently, the deferred inflows of resources is recognized as revenue on a straight line basis over the life of the lease term. The Authority has used an internal borrowing rate of 5.5% to present value the lease receivables. The balance of the leases receivable on June 30, 2023 and 2022 was \$3,130,858 and \$3,277,294 respectively. Deferred Inflows on June 30 on 2023 and 2022 were \$2,812,376 net of accumulated amortization of \$609,290 and \$3,100,032 net of accumulated amortization of \$321,634 respectively.

Lessee:

The Authority has entered into 3 master lease agreements with its discreetly presented component units to guarantee nonresidential rental income. The Authority then sublets the space to third party tenants whose leases are included above. Under GASB 87 the Authority was required to record a right to use asset measured at an amount equal to the present value of the initial measurement of the related lease liability plus any lease payments made prior to the lease term. The discount rate used was 5.5%. The right to use asset is amortized on a straight-line basis over the life of the lease.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 17- Leases (Continued)

Future minimum lease payments required under the operating leases are as follows:

	<u>Lease Payment</u>
June 2024	\$ 28,135
June 2025	30,220
June 2026	32,440
June 2027	15,052
June 2028	1,813
Thereafter	<u>275,857</u>
	<u>\$ 383,517</u>

The weighted average of the remaining lease payments at June 30, 2023 was \$1,145.

Note 18 – Long Term Debt

Equipment Loan

On December 12, 2019, the Authority financed a tractor with snow removal attachments for 36 months. The amount financed was \$53,165 and the interest rate is 4.75% per annum. Principal and interest payments of \$1,581 are due each month for 36 months beginning February 2020. At June 30, 2023 and 2022, the outstanding balance was \$0 and \$10,895 respectively.

Capital Fund Finance Program

Pursuant to the Fannie Mae Capital Fund Finance Program ("CFFP") Bond A Loan Agreement dated December 30, 2009, the Authority entered into an \$8,375,000 construction loan agreement (the "CFFP Bond A Note") with Fannie Mae Capital. The funds received from Fannie Mae were loaned to Ezra Prentice Redevelopment, LLC for rehabilitation of the project pursuant to a tax credit allocation. On October 31, 2017, the CFFP note was refinanced with Capital One Public Funding, LLC (COPF). In January of 2022, the Authority received \$179,936 from the partnership which purchased the Steamboat Square properties for repayment of those properties' share of the CFFP Loan. The Authority reduced the outstanding principal amount by \$179,936 in addition to the required monthly payments.

The COPF loan balance bears interest at a fixed rate of 3.25% and is due on January 1, 2030. The Authority has the option to prepay the loan on or after November 1, 2022. At June 30, 2023 and 2022 the outstanding loan amount was \$3,019,572 and 3,586,045 respectively.

The following is a schedule of principal and interest payments:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 422,106	\$ 91,885
2025	436,031	77,961
2026	450,415	63,577
2027	465,274	48,718
2028	480,622	33,369
2029-2030	<u>765,124</u>	<u>20,202</u>
	<u>\$ 3,019,572</u>	<u>\$ 335,712</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 18 – Long Term Debt – (Continued)

Federal Home Loan

On December 30, 2009, the Authority received \$245,000 from the Federal Home Loan Bank through HSBC Mortgage Corporation under the Affordable Housing Program (AHP), 12 CFR Part 1291, in conjunction with the Ezra Prentice Project. The mortgage is secured by the Project. The loan is subject to a recapture agreement for 15 years and at the end of the fifteen-year period, the Authority will be entitled to a release from the note.

On February 3, 2014, the Authority received \$440,000 from the Federal Home Loan Bank through M & T Bank under the Affordable Housing Program (AHP), 12 CFR Part 1291, in conjunction with the Swan Street Lofts Project. The mortgage is secured by the Project. The loan is subject to a recapture agreement for 15 years and at the end of the fifteen - year period, the Authority will be entitled to a release from the note.

On September 8, 2015, the Authority received \$300,000 from the Federal Home Loan Bank through M & T Bank under the Affordable Housing Program (AHP), 12 CFR Part 1291, in conjunction with the Southend Associates III, LP Project. The mortgage is assigned to M&T Bank and is subordinate to Southend Associates III, L.P.'s debt to HTFC. The loan is subject to a recapture agreement for 15 years and at the end of the fifteen - year period, the Authority will be entitled to a release from the note.

On July 20, 2017, the Authority received \$792,990 from the Federal Home Loan Bank through M & T Bank under the Affordable Housing Program (AHP), 12 CFR Part 1291, in conjunction with the Ida Yarbrough Phase I LLC. The mortgage is assigned to M&T Bank and is subordinate to Ida Yarbrough Homes Redevelopment's debt to HTFC. The loan is subject to a recapture agreement for 15 years and at the end of the fifteen - year period, the Authority will be entitled to a release from the note.

On April 30, 2022, the Authority financed a tractor with snow removal attachments for 60 months. The amount financed was \$22,605 and the interest rate is 0% per annum. Principal payments of \$377 are due each month for 60 months beginning May 2022. At June 30, 2023 and 2022 the outstanding balance was \$17,331 and \$21,851 respectively.

The following is a schedule of principal and interest payments:

<u>Year</u>	<u>Principal</u>
2024	\$ 4,520
2025	4,520
2026	4,520
2027	3,771
	<u>\$ 17,331</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt – (Continued)

Total long-term debt amounted to \$4,779,455 and \$5,396,780 at June 30, 2022 and 2021 respectively. The current portion of the long-term debt at 2023 and 2022 amounted to \$426,627 and \$448,250 respectively.

The following is a summary of the Authority's Long-Term Liabilities at June 30, 2023 and 2022:

	Balance 7/1/2022	Advances	Payments	Additions (Decreases)	Due in One Year	Balance 6/30/2023
Equipment Loan	\$ 10,895	\$ -	\$ (10,895)	\$ -	\$ -	\$ -
Federal Home Loan -Swan Lofts	440,000	-	-	-	-	440,000
Capital One - Ezra	3,586,045	-	(386,536)	(179,936)	422,106	2,597,467
Equipment Loan	21,851	-	(4,521)	-	4,521	12,809
Federal Home Loan- Southend III	300,000	-	-	-	-	300,000
Federal Home Loan - Ezra	245,000	-	-	-	-	245,000
Federal Home Loan - Ida	792,990	-	-	-	-	792,990
Loan Liabilities	<u>5,396,781</u>	<u>-</u>	<u>(401,952)</u>	<u>(179,936)</u>	<u>426,627</u>	<u>4,388,266</u>
OPEB Liabilities	29,105,622	-	-	5,257,960	-	34,363,582
Unfunded Pension Liability*	-	-	-	(22,599)	-	(22,599)
Compensated Absences	176,899	-	-	48,443	73,793	151,549
Long Term Lease Liabilities	429,906	-	-	(46,686)	28,134	355,086
FSS Escrows	338,798	-	-	(7,473)	-	331,325
Other Long Term Liabilities	<u>30,051,225</u>	<u>-</u>	<u>-</u>	<u>5,229,645</u>	<u>101,927</u>	<u>35,178,943</u>
All Long Term Liabilities	<u>\$ 35,448,006</u>	<u>\$ -</u>	<u>\$ (401,952)</u>	<u>\$ 5,049,709</u>	<u>\$ 528,554</u>	<u>\$ 39,567,209</u>

The following two pages present a summary of the Component Unit Long Term Liabilities as of December 31, 2021. Summary Component Unit Long Term Liabilities for Ida Yarbrough Phase I, LLC are as of October 31, 2022, and Lark Drive Associates, LP are at and June 30, 2023.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt – (Continued)

Component Units

	Beg Bal	Additions	Retirement	End Bal
Lark Drive Associates, LP				
Community Preservation Corporation	1,542,947	-	34,485	1,508,462
McCarty Housing Development Fund Company Inc.				
Bond Swap	460,000	-	105,000	355,000
HOPE VI Loan - AHA	3,831,462	-	-	3,831,462
Creighton Storey Homes, LP				
HOPE VI Loan - AHA	2,950,000	-	-	2,950,000
Berkadia Mortgages	1,107,429	-	62,671	1,044,758
NY State Housing Trust Fund Through AHA	3,750,000	-	-	3,750,000
NYSERDA Grant Loaned by AHA	675,187	-	-	675,187
Weatherization Grant Through AHA	174,700	-	-	174,700
GMC Truck Loan	15,912	-	15,912	-
Swan Street Homes LLC				
NY State Housing Trust Fund Through AHA	1,800,000	-	-	1,800,000
Swan Street Mixed Use, LLC				
HOPE VI Loan - AHA	3,052,297	-	-	3,052,297
Federal Home Loan (Citizens) Through AHA	250,000	-	-	250,000
Southend Associates, LP				
Community Preservation Corporation	950,914	-	29,185	921,729
Capital City Housing Development	500,000	-	-	500,000
Housing Trust Fund Corporation Notes	1,981,000	-	-	1,981,000
Ezra Prentice Homes Redevelopment, LLC				
Tax Credit Assistance Program (TCAP)				
Through HTFC	3,400,000	-	-	3,400,000
CFFP "A" Loan Through AHA	8,375,000	-	-	8,375,000
Federal Home Loan (HSBC) Through AHA	245,000	-	-	245,000
Land Lease (Base Rent Loan) Through AHA	625,000	-	-	625,000
CFRC Note Through AHA	2,250,000	-	-	2,250,000
Purchase Money Note Through AHA	2,280,000	-	-	2,280,000
Southend Associates II, LLC				
Housing Trust Fund Corporation Notes	2,470,000	-	-	2,470,000
Southend Associates III, LP				
Federal Home Loan (M&T) Through AHA	300,000	-	-	300,000
HTFC Permanent Financing	5,681,684	-	-	5,681,684
Swan Street Lofts LP				
Empire State Dev. Corp. Throguh AHA	4,499,999	-	-	4,499,999
Federal Home Loan (M&T) Through AHA	440,000	-	-	440,000
Subtotal	53,608,531	-	247,253	53,361,278

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 18 – Long Term Debt (Continued)

Component Units

	Beg Balance	Additions	Retirement	End Balance
Subtotal From Previous Page	\$ 53,608,531	\$ -	\$ 247,253	\$ 53,361,278
Ida Yarbrough Phase I, LLC				
Note Payable - Housing Trust Fund	4,326,980	-	-	4,326,980
Note Payable - AHA Energy Related	1,154,500	-	-	1,154,500
Note Payable Affordable Housing Program through AHA	792,990	-	-	792,990
Note Payable - Albany Community Development Agency (ACDA)	200,000	-	-	200,000
Ida Yarbrough Phase II, LLC				
Note Payable - M&T (FHLB)	1,100,000	-	-	1,100,000
Note Payable - Housing Trust Fund	2,000,000	-	-	2,000,000
Note Payable - AHA (LISC Grant)	615,000	-	-	615,000
Note Payable ACDA	250,000	-	-	250,000
Permanent Mortgage - Key Bank	3,198,851	-	37,851	3,161,000
Note Payable - AHA (CFP Funds)	1,100,000	-	-	1,100,000
Ida Yarbrough Phase IV, LLC				
NYHFA Construction Loan	21,264,482	-	-	21,264,482
NY HTFC Promissory Note	4,601,688	-	-	4,601,688
NY HFA Subsidy Note	4,450,457	-	-	4,450,457
Ground Lease Promissory Note	7,716,324	-	-	7,716,324
Capital City Housing Development Fund Company, Inc.				
Grant Loan Payable - Pioneer Savings	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Total	106,879,803	-	285,104	106,594,699
Less the Current Portion of LTD	<u>(255,257)</u>			<u>(262,194)</u>
Amount of Debt Classified as Long Term	<u>\$ 106,624,546</u>			<u>\$ 106,332,505</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

A. Lark Drive Associates, L.P

Community Preservation Mortgage

The Partnership received a \$1,700,000 mortgage from the Community Preservation Corporation (CPC) on February 15, 2017. The mortgage bears interest at a fixed rate of 4.32% and is due March 1, 2024. The proceeds of the loan were used to repay the Albany Housing Authority's note. At June 30, 2023, and 2022, the unpaid principal was \$1,508,462 and \$1,542,947 respectively.

B. McCarty Housing Development Fund Company.

Series 2005 Revenue Bonds

The Company has entered into a Series 2005 variable rate demand revenue bond agreement with the Albany Housing Authority, as issuer, and Bank of New York, as trustee, in the aggregate amount of \$1,600,000. The bonds are secured by a letter of credit from Citizens Bank and mature on December 1, 2025.

Principal payments are as follows:

<u>Year</u>	<u>Principal</u>
2023	\$ 110,000
2024	120,000
2025	<u>125,000</u>
	<u>\$ 355,000</u>

HOPE VI Mortgage

The Company has received a Hope VI mortgage from the Albany Housing Authority in the amount of \$3,831,462 dated December 27, 2005. There is no requirement for monthly payments of principal and interest. Principal and 9% interest will not be due until such time as the Company is in default of the terms of the Regulatory Agreement. The balance of the loan payable to Albany Housing Authority was \$3,831,462 at both December 31, 2022, and 2021. Accrued interest was \$5,866,447 and \$5,521,615 respectively.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 18 – Long Term Debt (Continued)

C. Creighton Storey Homes, LP

AHA Money Purchase Note

In connection with the acquisition of the project, a purchase money note totaling \$2,950,000 was provided by the Albany Housing Authority (AHA). This note accrues interest at the rate of 4.79% per annum and is secured by the property. On January 1st of the year following the completion date (The "Conversion Date"), and commencing annually every April 1st thereafter, the project pays interest and principal out of available cash flow. Final payments of all outstanding amounts due under this note are due and payable on the fortieth annual anniversary of the Conversion Date. Accrued interest was \$1,594,139 and \$1,445,232 as of December 31, 2022 and 2021 respectively, of which \$237,092 was capitalized as a component of buildings and improvements.

Permanent financing for this Partnership was achieved by securing both a first and a second mortgage. On May 1, 2009, the Partnership secured a 16 year - year first mortgage for \$860,000 which bears interest at a fixed rate of 5.41%. On June 1, 2009, the Partnership secured a 17 Bo-year second mortgage for \$640,000 which bears interest at a fixed rate of 1.00%. Both loans amortize over 30 years with a balloon payment due on January 1, 2026,

The annual principal payments to maturity are as follows:

<u>Year</u>	<u>Principal</u>	
	<u>1st Mortgage</u>	<u>2nd Mortgage</u>
2022	\$ 22,099	\$ 19,530
2023	23,342	19,776
2024	24,558	20,351
2025	26,036	21,013
2026	568,810	361,571
	<u>\$ 664,845</u>	<u>\$ 442,241</u>

New York State Housing Trust Fund Loan

Additional financing was provided by the New York State Housing Trust Fund Corporation (HTFC) in the form of a 40 - year \$3,750,000 note loaned to the Partnership by the AHA which bears interest at a rate of 1% per annum. Interest of \$536,642 and \$521,016 has been accrued as of December 31, 2022, and December 31, 2021, respectively, of which \$111 was capitalized as a component of buildings and improvements.

NYSERDA Loan

Additional financing was provided by a NYSERDA grant loaned to the Partnership by AHA in the form of a 40 year note which is secured by the property and bears interest at a rate of 1% per annum. As of December 31, 2022, and December 31, 2021, \$675,187 has been drawn down on the note. Additionally, at December 31, 2022, and December 31, 2021, interest of \$97,099 and \$94,286 has been accrued, respectively, of which \$516 was capitalized as a component of buildings and improvements.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

C. Creighton Storey Homes, LP

Weatherization Loan

On April 28, 2008, the Partnership received a \$174,700 weatherization loan from the Albany Housing Authority. The loan bears interest at 1% per annum and matures on May 1, 2049. Interest and principal is to be paid from available cash flow. All unpaid interest and principal shall be due and payable on the maturity date. At December 31, 2022 and December 2021, accrued interest amounted to \$24,604 and \$23,876, respectively.

GM Financial Auto Loan

The Partnership obtained a note payable to GM Financial with the principal amount of \$37,002. The note bears an interest rate of 5.224% quarterly with a maturity date of January 14, 2023, beginning on January 14, 2020. The Organization is required to make 12 quarterly payments of 3,308. At December 31, 2022 and December 2021, the balance was \$0 and \$15,912 respectively.

D. Swan Street Homes, LLC

New York Housing Trust Fund Mortgage

Permanent financing is provided by the New York State Housing Trust Fund Corporation (HTFC) in the form of a 30 - year \$1,800,000 mortgage note loaned to the Partnership by AHA on March 14, 2008. The note is secured by the property and bears interest at an un compounded rate of 1% per annum. The first payment of interest is to be paid within 120 days after the borrower's fiscal year from excess income prior to distribution of any return on equity. Notwithstanding the above, principal and interest will be due and payable on the thirtieth anniversary of this note. At December 31, 2022 and 2021, \$233,800 and \$215,800 in interest has been accrued.

HOPE VI Loan

Secondary financing: The U.S. Department of Housing and Urban Development has granted the Albany Housing Authority, an affiliate of the managing member, \$2,764,415 of HOPE VI and HUD replacement housing funds on behalf of the Company, who in turn, has loaned these proceeds to the managing member (Swan Street Housing Development Fund Corp.). The managing member agreed to pay \$2,764,415 to the Company in the form of a capital contribution.

E. Swan Street Mixed Use, LLC

HOPE VI Loan

The Authority's Hope VI Program provided a \$3,120,000 loan to the project which is secured by the rental property and bears interest at a rate of 0.5% per annum. Commencing on the first day of April following the conversion date, annual payments of principal and interest are due from available cash flow. Any unpaid principal and accrued interest are due and payable on January 1, 2060, the maturity date. As of December 31, 2022, and 2021, loan proceeds of \$3,052,297 have been received. As of December 31, 2022, and 2021, interest of \$209,076 and \$193,814 respectively, has been accrued, of which \$4,585 was capitalized as a component of building costs during 2009.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 18 – Long Term Debt (Continued)

E. Swan Street Mixed Use, LLC

Note payable - AHP Loan

Additional financing is provided by AHA in the amount of \$250,000 through the Federal Home Loan Bank of New York's (FHLBNY) Affordable Housing Program. The loan is secured by the rental property and is non-interest bearing. Commencing on the first day of April following the conversion date, annual payments of principal are due from available cash flow. Any unpaid principal is due and payable on January 1, 2025, the maturity date. As of December 31, 2022, and 2021, loan proceeds of \$250,000 had been received.

F. Southend Associates, LP

Community Preservation Loan

On February 22, 2010, the Partnership secured a thirty year note from the Community Preservation Corporation for \$1,188,000. The interest rate is 6.14% per annum and the first principal and interest payment was due on April 1, 2010. Monthly interest and principal payments amount to \$7,230. Accrued Interest at December 31, 2022, and 2021 was \$5,247 and \$5,247 respectively.

The note cannot be repaid without incurring a prepayment penalty which ranges from 5% of the amount prepaid from the day preceding the 1st anniversary of the date of the note to 0% from the 10th anniversary forward.

The following is a schedule of estimated payments for the next five years and thereafter:

<u>Year</u>	<u>Principal</u>
2023	\$ 31,029
2024	32,988
2025	35,072
2026	37,287
2027	39,642
Thereafter	<u>745,711</u>
	<u>\$ 921,729</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

F. Southend Associates, LP

Note Payable Affordable Housing Program

In 2007, the Capital City Housing Development Fund Company, Inc. received a grant from the Affordable Housing Program (AHP) which it lent to the partnership on August 13, 2008. The loan was for \$500,000 for redevelopment during the construction phase of the project. Contemporaneously, the Capital City Housing Development Fund Company, Inc. assigned the mortgage to Key Bank. The loan contains a recapture agreement (the agreement) with the Federal Home Loan Bank if certain conditions related to compliance are not maintained; those conditions are more fully described in the agreement. The maturity date is the thirtieth anniversary of the conversion date of March 1, 2009 (March 1, 2039). At maturity the principal and the cumulative accrued interest is due in full. This note bears interest at the monthly long-term Applicable Federal Rate (AFR). Accrued interest at December 31, 2022, and 2021 was \$178,353 and \$168,953 respectively.

Housing Trust Fund Corporation (HTFC)

On February 22, 2010, the Partnership secured two promissory notes from the Housing Trust Fund Corporation (HTFC). The first note is in the amount of \$1,300,000 and the second in the amount of \$681,000. Both are secured by a Mortgage and Security Agreement and a Regulatory Agreement on the property and improvements. The notes bear interest at an annual uncompounded rate of 1% on the outstanding principal of the loans. Interest is calculated on an annual basis and the first payment of interest is due 120 days after the Partnership's year end and is to be paid from excess income prior to distribution of any return on equity as defined in the Regulatory and Operating Agreement. All principal and accrued interest is payable on the 30th anniversary of the notes. The notes may not be prepaid in whole or in part at any time unless expressly agreed to in writing by HTFC. At December 31, 2022, and 2021 accrued interest on the HTFC loans was \$254,228 and \$234,418 respectively.

G. Ezra Prentice Homes Redevelopment, LLC

HTFC TCAP Loan

Pursuant to the promissory note dated December 30, 2009, the Company entered into a Tax Credit Assistance Program loan (the "TCAP Loan") with the Housing Trust Fund Corporation ("HTFC") in the amount of \$3,500,000 in connection with Section 1602 of the American Reinvestment and Recovery Act of 2009. The TCAP Loan funds were used for eligible rehabilitation costs as defined in Section 42 of the Internal Revenue Code. Additionally, the property must be operated in a manner consistent with the requirements for low-income housing tax credits under Section 42 of the Internal Revenue Code. During the construction period, the TCAP Loan was non-interest bearing. At the end of the construction period, the loan converted to a permanent loan and bears simple interest at 1% per annum. All debt service is deferred until the deferred development fee is paid or the 16th anniversary of Conversion, as defined in the TCAP Loan agreement. Once interest payments commence, a one-time interest payment of \$35,000 will be made. All remaining interest will be paid out of Net Cash Flows, as defined in the Operating Agreement. All principal and interest on the TCAP Loan are due on the 40th anniversary of Conversion.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

G. Ezra Prentice Homes Redevelopment, LLC

HTFC TCAP Loan

The TCAP Loan is secured by a Mortgage and Security Agreement and a TCAP Written Agreement. During 2013, the Company received additional capital contributions from the Investor Member. Accordingly, per HCR's equity policy, the Company was required to return \$100,000 of the loan funds advanced. As of December 31, 2022, and 2021, the Company's total principal balance is \$3,400,000, and \$387,250 and \$353,250 of interest was accrued, respectively.

AHA CFFP Loan

In 2009 the Albany Housing Authority was granted permission to leverage its Capital Fund Program to finance the redevelopment of the Ezra Prentice property. Pursuant to the Fannie Mae Capital Fund Finance Program ("CFFP") Agreement dated December 30, 2009, the Albany Housing Authority borrowed \$8,375,000 which was secured by its Capital Fund Program. The Company then entered into a construction/permanent loan agreement (the CFFP A Note) with the Albany Housing Authority, an affiliate of the Managing Member. The note bears interest at the fixed rate of 6.05% per annum until the conversion date at which time the interest rate will be reduced to 0%. The principal and all unpaid interest are due on the maturity date of December 30, 2059. The Company then entered into a construction/permanent loan agreement (the CFFP A Note) with AHA. As of December 31, 2022, and 2021, the outstanding principal balance was \$8,375,000 and accrued interest was \$1,436,975.

AHA AHP Owner Loan

Pursuant to the Affordable Housing Program Owner Note dated December 30, 2009, the Company entered into a promissory note (the "AHP Owner Note") with AHA in the amount of \$537,000. The AHP Owner Note is non-interest bearing and is payable out of Net Cash Flows, as defined in the Operating Agreement. The AHP Owner Note is secured by a mortgage on the Property. All principal and unpaid interest is due at the maturity date of December 30, 2059. As of December 31, 2022 and 2021, the outstanding principal balance was \$245,000.

AHA Base Rent Loan

Pursuant to the Base Rent Note Agreement dated December 30, 2009, the Company entered into a promissory note (the "Base Rent Note") with AHA in the amount of \$625,000 in connection with the land lease entered into by the Company. The Base Rent Note bears interest at the fixed rate of 4.17% per annum. The Base Rent Note is payable out of Net Cash Flow, as defined in the Operating Agreement, in the following order: (i) payment of default interest if any; (ii) payment of all amounts due and owing for attorney fees and cost; (iii) payments toward interest other than default interest; and (iv) payment toward the outstanding principal balance. All principal is due at the maturity date of December 30, 2059. The Base Rent Note is secured by an acquisition mortgage and security agreement on the Property. As of December 31, 2022, and 2021, the outstanding principal balance was \$625,000 and accrued interest was \$338,814 and \$312,751, respectively, of which \$7,235 was capitalized to construction in progress.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

G. Ezra Prentice Homes Redevelopment, LLC (Continued)

AHA CFRC Loan

Pursuant to the CFRC Note Agreement dated December 30, 2009, the Company entered into a promissory note (the "CFRC Note") with AHA in the amount of \$2,250,000. The CFRC Note is non-interest bearing. The CFRC Note is payable out of Net Cash Flows, as defined in the Operating Agreement, in the following order: (i) payment of default interest if any; (ii) payment of all amounts due and owing for attorney fees and cost; (iii) payments toward interest other than default interest; and (iv) payment toward the outstanding principal balance. All principal and unpaid interest is due at the maturity date of December 30, 2059. The CFRC Loan is secured by a mortgage and security agreement. As of December 31, 2022, and 2021 the outstanding principal balance was \$2,250,000.

AHA Purchase Money Loan

Pursuant to the Purchase Money Note Agreement dated December 30, 2009, the Company entered into a promissory note (the "Purchase Money Note") with AHA in the amount of \$2,280,000 in connection with the acquisition of the building. The Purchase Money Note bears interest at the fixed rate of 4.17% per annum. The Purchase Money Note is payable out of Net Cash Flows, as defined in the Operating Agreement, in the following order: (i) payment of default interest if any; (ii) payment of all amounts due and owing for attorney fees and cost; (iii) payments toward interest other than default interest; and (iv) payment toward the outstanding principal balance. All principal and unpaid interest is due at the maturity date of December 30, 2059. The Purchase Money Note is secured by an acquisition mortgage and security agreement on the Property. As of December 31, 2022, and 2021, the outstanding principal balance was \$2,280,000 and accrued interest was \$1,093,374 and \$998,298 respectively, of which \$142,614 was capitalized to construction in progress.

H. Southend Associates II, LLC

Housing Trust Fund Corporation (HTFC) Loan

During February of 2012, the New York State Housing Trust Fund Corporation (HTFC) provided permanent financing in the form of 30 year, \$803,832 and \$1,666,168 mortgage notes to satisfy the construction loan. These notes bear interest at an uncompounded rate of 0.9129% per annum, and the first interest payment is due within 120 days of the Company's fiscal year end from excess income prior to distribution of any return to equity. As a result, \$2,470,000 is payable to HTFC at December 31, 2022, and 2021 and, and the related accrued interest is \$169,880 and \$157,840 respectively. During 2022, no interest was paid to HTFC from excess income.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

I. Southend Associates III, L.P

Note Payable Affordable Housing Program

During 2015 the Albany Housing Authority “the Authority” received a grant from the Affordable Housing Program (AHP), which it lent to the partnership on September 8, 2015. The loan was for \$300,000 for redevelopment and operating costs and subject to AHP regulations. Contemporaneously, the Albany Housing Authority assigned the mortgage to M&T Bank. The mortgage is subordinate to the HTFC loan and contains a recapture agreement (the Agreement) with the Federal Home Loan Bank if certain conditions related to compliance are not maintained. Those conditions are more fully described in the Agreement. The maturity date is the fiftieth anniversary of the conversion date of October 1, 2015 (October 1, 2065). This note bears interest at 6% and is secured by a mortgage in the property. Accrued interest as of December 31, 2022, and 2021 was \$126,000 and \$108,000, respectively.

Housing Trust Fund Corporation (HTFC) – Permanent Financing

On August 26, 2014, the Partnership secured permanent financing from HTFC in the form of a promissory note of \$5,681,684. The note is secured by a mortgage and security agreement on the property and the improvements and bears interest at a fixed un compounded rate of 0.42241%. Interest is due 120 days from the end of each fiscal year, from excess income prior to the distribution of any return on equity. Distribution of excess income is applied first to repay any deferred interest, then to current interest. The note matures on August 25, 2044, and may not be prepaid without written permission from HTFC. To date \$176,351 of interest has accrued and \$124,351 of interest was paid as of 2022.

J. Swan Street Lofts, L.P

AHA Empire State Development Corporation (ESDC) Loan

On December 20, 2011, the Albany Housing Authority was the sub-recipient of a \$4,499,999 Empire State Development Corporation (ESDC) grant which was loaned to the partnership. The note bears interest rate at 0% and is due 50 years from the conversion date, which was January 1, 2015. The principal and all accrued interest is due on the maturity date (January 1, 2065). The note is secured by a mortgage on the property.

AHA Federal Home Loan Bank (FHLB) Loan

On February 3, 2014, the Albany Housing Authority (AHA) issued a \$440,000 promissory note secured by a mortgage on the property. The note bears interest at 0% and is due 50 years from January 1 of the year after certificates of occupancy are issued unless the partnership defaults on the loan (January 1, 2064). In the event of default, the interest rate will be 10% per annum.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

K. Ida Yarbrough Phase I, LLC

Note Payable - HTF Loan

On July 20, 2016, the Housing Trust Fund (HTF) entered into a loan agreement for funds to be disbursed during the construction period in the amount of up to \$4,326,980. The loan bears simple interest at the rate of 0.55% per annum beginning in November 2018. Interest-only payments on the HTF Loan will be made annually from and to the extent of available Net Cash Flow. On November 30, 2048, the HTF Loan will mature, and all outstanding principal and accrued but unpaid interest will be unconditionally due and payable in full by the Company. At October 31, 2022, and 2021, the principal outstanding was \$ 4,326,980 and accrued interest was \$23,798 and \$24,842 respectively

Note payable - AHA Loan – Energy Related

On July 20, 2016, Albany Housing Authority (AHA) entered into a loan agreement with the Company. The loan principal is in the amount of \$1,154,500 made by AHA from the proceeds of New York State Energy Research and Development Authority and Environmental Facilities Corporation Funds to assist in the construction of 61 affordable housing units. The AHA Loan has a term of 30 years and does not bear interest. Payments on the AHA Loan will be made annually from and to the extent of available Net Cash Flow. Upon maturity of the AHA Loan, all outstanding principal and accrued but unpaid interest will be unconditionally due and payable in full by the Company. As of October 31, 2022 and 2021 the Company has received \$1,154,500.

Note payable - AHP Loan

During 2016 the Albany Housing Authority received a grant from the Affordable Housing Program (AHP) which was lent to the Company on July 20, 2016. The loan was for \$792,990 for redevelopment and operating costs and subject to AHP regulations. Contemporaneously, the Albany Housing Authority assigned the mortgage to M&T Bank. The mortgage is subordinate to the HDFC loan and recapture agreement (the agreement) with the Federal Home loan bank if certain conditions related to compliance are not maintained. Those conditions are more fully described in the agreement. The AHP Loan has a term of 30 years and does not bear interest. Upon maturity of the AHP Loan, all outstanding principal and accrued but unpaid interest will be unconditionally due and payable in full by the Company. As of October 31, 2022, and 2021, the Company has received \$792,990.

Note Payable - ACDA Loan

On July 20, 2016, the Albany Community Development Agency (ACDA) entered into a loan agreement with the Company with the principal not to exceed \$200,000. The loan has a term of 32 years from the date the Project is completed. No interest will accrue, and principal payments are deferred for the term of the loan. As of October 31, 2022, and 2021, the Company has received \$200,000.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

L. Ida Yarbrough Phase II, LLC

Housing Trust Fund Corporation (HTFC) Loan

On March 8, 2018, the Housing Trust Fund (HTF) entered into a loan agreement for funds to be disbursed during the construction period in the amount of up to \$2,000,000. The construction phase of the HTF Loan bears interest at 0% . The permanent phase of the HTF Loan has a term of 30 years and bears simple interest at the rate of 1.0% per annum which will begin after the conversion date (final disbursement of loan proceeds). Interest-only payments on the HTF Loan will be made annually from and to the extent of available Net Cash Flow. Upon maturity of the HTF Loan, all outstanding principal and accrued but unpaid interest will be unconditionally due and payable in full by the Company. At December 31, 2022, and 2021, the principal outstanding was \$2,000,000.

LISC Loan

On March 8, 2018, Albany Housing Authority (AHA) entered into a loan agreement with the Company. The loan principal is in the amount of \$615,000 made by AHA from the proceeds of Local Initiatives Support Corporation (LISC) to assist in the construction of 76 affordable housing units. The AHA Loan has a term of 30 years from the conversion date and bears interest at 1% per annum. Payments on the AHA Loan will be made annually to the extent of available Net Cash Flow. Upon maturity of the AHA Loan, all outstanding principal and accrued but unpaid interest will be unconditionally due and payable in full by the Company. As of December 31, 2022 and 2021 the Company has received \$615,000

AHA CFP Loan

On March 8, 2018, the Albany Housing Authority entered into a \$1,100,000 loan agreement with the Company to advance funds received from the Capital Fund Program. The loan is due on the 30th anniversary of the conversion date, which is January 1st of the year immediately following the final closing. The note bears interest at 1% per annum and principal and interest shall be payable only to the extent of Cash Flow as set forth in the Operating Agreement. At December 31, 2022 and 2021, \$1,100,000 has been received and \$49,002 and \$38,002 of interest was respectively of which \$16,944 was capitalized.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 18 – Long Term Debt (Continued)

L. Ida Yarbrough Phase II, LLC

Albany Community Development Agency Loan

On March 8, 2018, the Albany Community Development Agency (ACDA) entered into a loan agreement with the Company with the principal not to exceed \$250,000. The loan has a term of 32 years from the date the Project is completed. No interest will accrue, and principal payments are deferred for the term of the loan. As of December 31, 2022, and 2021, the Company has received \$250,000.

Note payable - AHA Loan

During 2019 the Albany Housing Authority received a grant from the Affordable Housing Program (AHP) through the Federal Home Loan Bank (FHLB) which was lent to the Company on August 1, 2019. The loan for \$1,100,000 was used for the renovation of the Ida Yarbrough Phase II Project. Contemporaneously, the Albany Housing Authority assigned the mortgage to M&T Bank. The mortgage is subordinate to the HDFC loan. The note bears interest of 1% per annum and is due on January 1, 2051. As of December 31, 2022, and 2021, the Company has received \$1,100,000.

Key Bank Permanent Financing Loan

On September 29, 2020, the Company secured permanent financing for the Project from Key Bank National Association for \$3,240,000. The note bears interest at a fixed rate of 6.4% and matures on October 1, 2050. The note requires consecutive monthly payments due on the first of each month. Monthly principal and interest payments required are \$19,928.17.

As of December 31, 2023, the note payable matures as follows:

Year	Amount
2024	\$ 42,377
2025	45,704
2026	48,680
2027	51,851
2028	54,696
Thereafter	2,877,375
Note Payable at December 31, 2023	3,120,683
Less Unamortized Debt Issuance Costs	(103,398)
Note Payable Net of Unamortized Debt Issuance Costs	\$ 3,017,285

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

M. Ida Yarbrough Phase IV, LLC

Construction Loan (NYSHFA)

On December 17, 2020, New York State Housing Finance Agency agreed to provide \$51,735,000 in construction financing consisting of a short-term loan of 30,270,000 and a long-term loan of \$21,465,000.

The short-term loan has a fixed interest rate of 1.5% and matures June 23, 2023, at which time the short-term loan will convert to permanent financing by combining with the long-term loan. Interest only payments of \$37,837.50 are due each month up to the conversion date. The long-term loan bears a fixed rate of interest of 3.4% and requires interest only payments of 60,817 up to the conversion date of June 23, 2023. At conversion, the short-term loan will combine with the long-term loan with a stated rate of 3.4% and mature on April 1, 2058. Interest and principal payments required on the combined loan will be \$87,474 per month. At December 31, 2022 and 2021 interest paid on both loans was \$2,519,094 and \$1,131,244 and was capitalized as part of construction.

Note Payable - NYHTF Loan

On December 17, 2020, as part of the acquisition of the Corning Homes and Ida Yarbrough properties, the Company assumed a \$4,601,688 loan from the New York Housing Trust Fund. The terms of the note were amended and restated on December 17, 2020. The note requires interest at an un compounded rate of .2% of the outstanding principal balance annually on the anniversary date of the note. All outstanding principal and interest is due on the 30th anniversary of this note, December 17, 2050. On December 31, 2022 and 2021, accrued interest was \$9,203 and \$9,203 respectively and was expensed as part of operations.

Note Payable – (NYSHFA) – Subsidy Note

On December 17, 2020, the Company secured a \$29,852,633 construction loan from NYSHFA. Loan proceeds will be advanced in accordance with the terms of the construction and project loan agreement. Interest from the date of the note up to the conversion date is 2.66% per annum and is payable on the maturity date. Interest after the conversion date is .20% and shall be payable monthly. All unpaid principal and interest is due April 1, 2063.

Promissory Note – Ground Lease (AHA)

On December 17, 2020, the Company entered into a ground lease with the Albany Housing Authority for two parcels of land commonly known as North Albany and the Ida IV Parcel for \$13,070,000. The Company paid \$751,988 in cash, assumed an HTFC loan for \$4,601,688 and entered into a note payable for \$7,716,324. Of the 13,070,000, \$8,939,211 was allocated to the cost of buildings, \$3,000,000 was allocated to the ground lease, \$850,000 was allocated to operating and replacement reserves and \$280,789 was allocated to the investment in net lease. The term of the lease is 40 years from the date of the note and the interest rate is the long term AFR annual rate currently at 1.90% compounded annually. At December 31, 2022 and 2021, accrued interest payable was \$334,888 and \$146,610 and accumulated amortization was \$70,588 and \$35,294 respectively.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 18 – Long Term Debt (Continued)

N. Capital City Housing Development Fund Company, Inc (CCHDFC)

On August 13, 2008, CCHDFC entered into a \$500,000 mortgage agreement with Pioneer Savings Bank through the Affordable Housing Program. CCHDFC loaned the proceeds to South end Associates LP for redevelopment costs. Contemporaneously, CCHDFC assigned the mortgage to Key Bank. The mortgage bears interest at the monthly long term Applicable Federal Rate (APR) and has a maturity date of March 1, 2039.

Note 19 – Other Income

Other Income includes office rental income from the Albany County District Attorney and the State Employees Federal Credit Union (SEFCU). In addition, the Authority has lease contracts with Crown Castle International Corp. for rooftop rental space for cellular antennas and with MacGray corporation for laundry equipment at various locations. The Authority has management contracts with its component units and the HCV Program. Developer fees earned in connection with the Authority's development activities as well as dividends, and loan interest are also reflected in Other Income.

Note 20 – Economic Dependency

For the Years ended June 30, 2023, and 2022 the Authority's revenues were primarily received from HUD and are subject to the availability of funds based on congressional approval, and the Authority's compliance with Federal rules and regulations.

Note 21 - Component Units

The Authority has determined that the following partnerships, limited liability companies and not for profit organizations should be included in its financial statements as discretely presented component units.

Lark Drive Associates, L.P., whose fiscal year- end is June 30, operates a 142-unit apartment complex which qualifies for low-income housing tax credits under IRS Section 42. There are 35 units utilizing project-based vouchers. During the fiscal year 2017, the Authority acquired the partnership and accordingly changed the partnership's year end to coincide with the Authority's year end as required.

McCarty Housing Development Fund Company, Inc., a not - for profit company, whose fiscal year end is December 31, operates a 92-unit apartment complex. The units include 56 public housing units and 35 tax credit units.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 21 - Component Units – (Continued)

Creighton Storey Homes L.P., whose fiscal year end is December 31, operates a 128-unit apartment complex located in 10 buildings. The project qualifies for low-income housing tax credits under Section 42 of the Internal Revenue Code: There are 64 units utilizing project-based vouchers. On January 31, 2022, the equity partner exited the partnership and Albany Housing assumed the majority interest in the partnership for the outstanding debt plus \$25,000 in cash..

Swan Street Homes, LLC, whose fiscal year end is December 31, operates a 54-unit apartment complex which qualifies for low-income housing tax credits under IRS section 42. All the units are public housing units.

Swan Street Mixed Use, LLC, whose fiscal year end is December 31, operates a 23-unit apartment complex which qualifies for low-income housing tax credits under IRS section 42. All the units are public housing units. Additionally, the project has commercial space available for rent.

Southend Associates, L.P., whose fiscal year end is December 31, operates 10 single family rental homes and 2 buildings containing 42 rental units which qualify for low-income housing tax credits under IRS section 42. There are 32 units utilizing project-based vouchers.

Ezra Prentice Homes Redevelopment, LLC, whose fiscal year end is December 31, operates a 176-unit apartment complex which qualifies for low-income housing tax credits under IRS section 42. There are 169 public housing units and 7 units utilizing project-based section 8 vouchers.

Southend Associates II, LLC, whose fiscal year end is December 31, operates a 43-unit apartment complex which qualifies for low-income housing tax credits under IRS section 42 and for the historical tax credit program as described in IRS Section 48. There are 26 public housing units.

Southend Associates III, L.P., whose fiscal year end is December 31, operates a 56-unit apartment complex which qualifies for low-income housing tax credits under IRS Section 42 and some of the buildings also qualify for the historical tax credit program as described in IRS Section 48. There are 21 public housing units, and 35 units utilizing project-based vouchers.

Swan Street Lofts, L.P., whose fiscal year end is December 31, operates a 22-unit apartment complex which qualifies for low-income housing tax credits under IRS Section 42. Additionally, the project has commercial space available for rent. All of the units utilize project-based vouchers.

Ida Yarbrough Phase I, LLC, whose fiscal year end is October 31, operates a 61-unit apartment complex which qualifies for low-income housing tax credits under IRS Section 42. There are 45 public housing units and 16 units utilizing project-based vouchers.

Ida Yarbrough Phase II, LLC, whose fiscal year end is December 31, operates a 76-unit apartment complex which qualifies for low-income housing tax credits under IRS Section 42. There are 8 public housing units and 23 units utilizing project-based vouchers.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 21 - Component Units – (Continued)

Ida Yarbrough Phase IV, LLC, whose fiscal year- end is December 31, operates two midrise buildings containing 224 units and a site that contains 160 duplex units formerly Corning Homes. The complex qualifies for low-income housing tax credits under IRS Section 42.

Capital City Housing Development Fund Company Inc. (CCHDFC) whose fiscal year end is December 31 is the parent company for CCH South End 1, LLC and CCH Knox Street.

Capital City Housing Southend 1 LLC., whose fiscal year end is December 31, is the managing general partner in Southend Associates, L.P. and is a wholly owned affiliate of Capital City Housing Development Fund Company Inc. Southend Associates L.P. is the owner of the first phase of AHA's efforts to revitalize Albany's South End neighborhood.

Capital City Housing - Knox Street Project Inc. (CCH Knox Street) whose fiscal year end is December 31, was formed to assist in the development of low-income housing on Knox Street in Albany and is a wholly owned subsidiary of CCHDFC.

The final discreetly presented component unit, Frederick Douglass, was an effort to seed Public Housing neighborhoods with homeownership opportunities. The Housing Authority sought private and state funding to underwrite the cost of homes to sell to first time homebuyers, generally Section 8 recipients. There is no current financial activity for the entity.

The Authority has invested \$100 in LV Apartments Limited Partnership and \$900 in Swan Street Lofts, LP. Neither investment is accounted for under the equity method of accounting.

Steamboat 20, LLC whose fiscal year end is December 31, is currently under rehabilitation. It will upon completion own and operate an 88-unit apartment complex.

The individual financial statements for the component units listed above can be obtained by contacting the Authority located at 200 S. Pearl Street, Albany, NY. 12202. Individual statements are not prepared for Corning Homes, Lark Drive Associates, CCH, LV Apartments, Pieter Schuyler and Fredrick Douglass as they are not required.

Note 22 – Cash, Cash Equivalents and Restricted Cash Presented in the Statement of Cash Flows – Component Units Only

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the total of the same amounts shown in the statement of cash flows.

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 2,032,220	\$ 2,828,385
Tenant Security Deposits	483,154	497,671
Restricted Cash Reserves	8,005,531	7,968,133
Less: Reserves held by third party	<u>(1,376,598)</u>	<u>(1,366,233)</u>
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	<u>\$ 9,144,307</u>	<u>\$ 9,927,956</u>

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

Note 22 – Cash, Cash Equivalents and Restricted Cash Presented in the Statement of Cash Flows – Component Units Only

During 2019, the discretely presented component units were required to implement ASU 2016-18 Topic 230 *Statement of Cash Flows*. ASU 2016-18 requires the entities to report net cash provided or used by operating, investing and financing activities and the net effect of those cash flows on the total of cash, cash equivalents and amounts described as restricted cash or restricted cash equivalents during the year. The update also amends Topic 230 to require disclosures about the nature of restricted cash and provide a reconciliation of cash, cash equivalents and restricted cash between the balance sheet and the statement of cash flows.

Note 23 – Restricted Net Position

Restricted Net Position is comprised of the following at June 30, 2023 and 2022:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
HAP	\$ 644,899	\$ 1,086,096
Mainstream HAP	6,890	52,227
Emergency Housing Voucher HAP	6,078	32,472
Pieter Schuyler Replacement Reserve	-	-
Pieter Schuyler Operating Reserve	-	-
Fannie Mae Debt Service Accounts	<u>339,845</u>	<u>330,102</u>
	<u>\$ 997,712</u>	<u>\$ 1,500,897</u>

Note 24- Deferred Revenues

Deferred Revenue was comprised of the following at June 30, 2023 and 2022:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Tenant Prepaid Rent	\$ 102,649	\$ 113,586
Commercial Rent	15,249	7,075
Operating Subsidy	43,046	43,046
Retiree Health Benefits	-	2,357
	<u>\$ 160,944</u>	<u>\$ 166,064</u>

Note 25 – Accounts Payable HUD

Amounts due to HUD are overpayments calculated on the year- end settlement forms and interest earned on HCV accounts in excess of \$500. Accounts Payable related to the Mainstream Vouchers, Shelter Plus Care, Single Room Occupancy, Moderate Rehab are \$75,937, \$54,240, \$65,924 and \$10,595 respectively. The total amount due to HUD for all programs at June 30, 2023 and 2022 was \$224,329 and \$85,002 respectively.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 26 - Related Party Transactions

Housing Authority

Management Fees

During the fiscal years 2022 and 2021, the Authority billed its component units approximately \$807,582 and \$974,520 respectively, in management, bookkeeping and asset management fees.

Personnel and Operating Costs

During the component unit fiscal years 2022 and 2021, the component units paid the Authority \$3,432,362 and \$3,488,083 respectively for personnel services, related benefits, workers compensation insurance and materials.

Developers Fee

The Authority has a receivable for deferred developer fees. The Authority has not recorded a receivable for this amount since all fees are payable to the extent of excess cash in priority order of distribution in accordance with each discretely presented component units operating agreement. When fees are received, they are charged directly to revenue. The amount owed AHA at June 30, 2023 and 2022 from its discretely presented component units was \$ 3,254,725 and \$1,992,873 respectively.

Note 27- Board Designated Funds

The Authority, as owner of the Capital South Campus Center, required the managing agent to establish and fund a maintenance reserve of \$1,000 per month to be held by the Authority. The Authority's board has designated these funds to be used for major maintenance costs arising in the future. The Authority added \$12,260 to this account during the year ended June 30, 2016, to satisfy its matching contribution under the CFCF Grant that funded the building's construction. The Authority revised the management structure for the Capital South Center, and effective October 1, 2017, the managing agent is no longer required to fund the maintenance reserve. At June 30, 2023 and 2022, the balance in the reserve fund was \$37,335 and \$37,335 respectively.

Note 28- Contingencies

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses. Additionally, during this time NYS placed a moratorium on evictions and actions against tenants for non-payment of rent. Consequently, tenant accounts receivable balances have increased during the prior two years. Management is working with the tenants in applying for Emergency Rental Assistance Program (ERAP) funding as well as entering into repayment agreements with selected tenants to try and collect on past due balances.

ALBANY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

Note 29 – Sale of Assets and Transfer of Assets

During the prior fiscal year, the Authority sold a parcel of land located at 106 South Pearl Street resulting in a gain on the sale of \$788,495.

Note 30 – Prior Period Adjustments and Equity Transfers

During the fiscal year, the Authority made certain prior period adjustments which increased beginning equity. The Authority recorded adjustments of \$259,756 to accrued pension and OPEB liabilities. In addition, \$29,500 in fixed assets related to the shuttering of AMP-4 were transferred to a related entity.

During the fiscal year, the Authority made certain prior period adjustments and equity transfers which decreased beginning equity. The Authority transferred (\$25,448) to AMP-10, Ezra Prentice Homes Redevelopment, LLC a miscellaneous adjustment to Amp 3 for \$1,296 and a \$53,885 adjustment for OPEB expense for a total adjustment of \$29,733.

Note-31 – Restated Discretely Component Unit Column

During the fiscal year, the Authority restated Intangible Assets-Net and to reflect ASU-2015-03, Accounting for Debt Issuance Costs. The standard requires that debt issuance costs be netted against the related debt in the liability section of the Balance Sheet for the Discretely Presented Component Units.

Note 32 - Subsequent Events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management has evaluated subsequent events through March 30, 2024, the date on which the financial statements were available to be issued and concluded that one subsequent event has occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

In December 2023, the Authority's relate entity AHA Southend LP, LLC acquired the 90.90% interest in Southend Associates, LP from Meridian Bank for exit taxes of \$14,232. The Authority will continue to present the partnership as a discretely presented component unit.

ALBANY HOUSING AUTHORITY
Albany, New York
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

	Funds Expended
DIRECT FEDERAL ASSISTANCE	
<u>Department of Housing and Urban Development</u>	
Low Income Housing Operating Subsidy (CFDA#14.850)	\$ 6,259,337
Capital Fund Program (CFDA# 14.872)	4,715,528
Resident Opportunity and Supportive Services (CFDA # 14.870)	284,292
Emergency Housing Vouchers (EHV)	241,483
 <u>HOUSING VOUCHER CLUSTER</u>	
Mainstream Vouchers (CFDA # 14.879)	831,659
Section 8 Housing Choice Voucher (CFDA # 14.871)	23,160,334
Subtotal	23,991,993
 <u>HOUSING ASSISTANCE PAYMENTS PROGRAM CLUSTER</u>	
Section 8 Moderate Rehabilitation Single Room Occupancy (CFDA#14.249)	202,769
Section 8 Moderate Rehabilitation (CFDA#14.856)	168,520
Subtotal	371,289
Total Direct Federal Assistance	35,863,922
 INDIRECT FEDERAL ASSISTANCE	
<u>Department of Housing and Urban Development</u>	
Shelter Care Plus (CFDA#14.238)	
Passed Through CARES, Inc,	712,305
 <u>Department of Agriculture</u>	
Summer Food Program of Children (CFDA#10.559)	
Passed Through New York State Education Department	31,889
Total Indirect Federal Assistance	744,194
TOTAL DIRECT AND INDIRECT FEDERAL ASSISTANCE	\$ 36,608,116

ALBANY HOUSING AUTHORITY
Albany, New York
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation - The Schedule of Expenditures of Federal Awards is presented in accordance with generally accepted accounting principles and is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.
2. There were no subrecipient activities during the audit period.
3. The Authority has elected not to use the 10% de minimis cost rate.
4. The Authority received no non-cash assistance.
5. The Authority did not have any HUD issued mortgages or loans.

ALBANY HOUSING AUTHORITY
Albany, New York
SCHEDULES OF REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY

For the Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability/(asset)	0.024%	0.024%	0.022%	0.022%	0.023%	0.023%	0.023%	0.023%	0.024%
Authority's proportionate share of the net pension liability (asset)	5,131,643	(1,940,492)	22,599	5,993,066	1,637,722	740,645	2,241,519	3,769,953	795,845
Authority's share of the net pension liability as a percentage of its covered payroll	71%	-28%	0.34%	92%	26%	12%	36%	65%	12%
Plan fiduciary net position as a percentage of the total pension liability	90.78%	96.48%	99.95%	86.4%	96.3%	94.7%	90.7%	90.7%	97.9%

ALBANY HOUSING AUTHORITY
Albany, New York
SCHEDULES OF AUTHORITY'S CONTRIBUTIONS TO THE
PUBLIC EMPLOYEES RETIREMENT SYSTEM
For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 715,368	\$ 940,347	\$ 880,364	\$ 845,344	\$ 881,558	\$ 844,454	\$ 873,731	\$ 980,884	\$ 1,091,034
Contribution in Relation to the Contractually Required Contribution	(715,368)	(940,347)	(880,364)	(845,558)	(881,558)	(844,454)	(873,731)	(980,884)	(1,091,034)
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 7,247,866	\$ 6,927,257	\$ 6,687,871	\$ 6,528,218	\$ 6,281,940	\$ 6,341,853	\$ 6,286,295	\$ 5,836,417	\$ 6,586,227
Contribution as a Percentage of Covered Employee Payroll	9.87%	13.57%	13.16%	12.95%	14.03%	13.32%	13.90%	16.81%	16.57%

ALBANY HOUSING AUTHORITY
Albany, New York
SCHEDULES OF CHANGES IN THE AUTHORITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 1,032,658	\$ 1,067,834	\$ 1,596,580	\$ 1,398,633	\$ 460,787	\$ 447,368
Interest	1,144,271	2,096,751	1,048,041	900,162	1,267,801	1,243,175
Changes of Benefit Items	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	-	-	-	-	-
Changes in Assumptions or Other Inputs	(1,052,897)	(29,181,494)	3,863,436	12,050,554	-	-
Benefit Payments	<u>(997,715)</u>	<u>(988,418)</u>	<u>(1,085,194)</u>	<u>(1,106,262)</u>	<u>(1,012,926)</u>	<u>(960,972)</u>
Net Change in Total OPEB Liability	126,317	(27,005,327)	5,422,863	13,243,087	715,662	729,571
Total OPEB Liability - Beginning	<u>29,105,623</u>	<u>56,110,950</u>	<u>50,688,087</u>	<u>37,445,000</u>	<u>36,729,338</u>	<u>29,911,889</u>
Total OPEB Liability - Ending	<u>\$ 29,231,940</u>	<u>\$ 29,105,623</u>	<u>\$ 56,110,950</u>	<u>\$ 50,688,087</u>	<u>\$ 37,445,000</u>	<u>\$ 30,641,460</u>
Covered - Employee Payroll	\$ 7,247,866	7,006,576.00	\$ 6,764,832	\$ 6,686,641	\$ 6,281,940	\$ 6,341,853
Total OPEB Liability as a Percentage of Covered-Employee Payroll	24.79%	24.07%	12.06%	13.19%	16.78%	20.70%

Notes to Schedule:

Changes in Assumptions and Other Inputs Reflect the Effects of Changes in the Discount Rate Each Period. The Following are the Discount Rates Used in Each Period

2022	3.77%
2021	5.90%
2020	2.44%
2019	3.50%
2018	3.50%

Albany Housing Authority (NY009)
ALBANY, NY

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2023

	14,679 Midstream Vouchers	14,238 Shelter Plus Care	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	14,870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discreetly Presented	6.2 Component Unit - Blended	10,559 Summer Food Service Program for Children	14,871 Housing Choice Vouchers	14,871 Emergency Housing Voucher	14,871 FSS Escrow Forfeiture Account	14,855 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$1,074,630	\$112,046	\$85,149	\$0	\$2,032,220	\$72,831	\$0	\$1,873,501	\$49,124	\$789,631	\$194,945	\$6,245,177	\$0	\$6,245,177
112 Cash - Restricted - Modernization and Development	\$374,705	\$0	\$0	\$0	\$3,005,531	\$0	\$0	\$941,364	\$10,392	\$11,885	\$0	\$9,343,867	\$0	\$9,343,867
113 Cash - Other Restricted	\$240,886	\$0	\$0	\$0	\$483,154	\$7,679	\$0	\$0	\$0	\$0	\$0	\$732,647	\$0	\$732,647
114 Cash - Tenant Security Deposits	\$1,690,321	\$112,046	\$85,149	\$0	\$10,520,905	\$80,910	\$0	\$2,812,985	\$59,509	\$11,885	\$184,945	\$16,321,691	\$0	\$16,321,691
115 Cash - Restricted for Payment of Current Liabilities	\$715	\$0	\$0	\$8,484	\$0	\$0	\$0	\$59,996	\$0	\$0	\$0	\$148,195	\$0	\$148,195
121 Accounts Receivable - PHA Projects	\$3,680	\$0	\$0	\$0	\$76,036	\$350	\$0	\$0	\$0	\$0	\$0	\$3,680	\$0	\$3,680
122 Accounts Receivable - HUD Other Projects	\$77,934	\$0	\$0	\$0	\$2,847,032	\$42,710	\$0	\$0	\$0	\$0	\$0	\$4,972,317	\$0	\$4,972,317
125 Accounts Receivable - Miscellaneous	\$734,437	\$0	\$0	\$0	\$885,160	\$25,107	\$0	\$0	\$0	\$0	\$0	\$3,424,179	\$0	\$3,424,179
126 Allowance for Doubtful Accounts - Tenants	\$-419,625	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$-1,439,912	\$0	\$-1,439,912
128.1 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$136,593	\$0	\$0	\$0	\$2,556	\$2,556	\$0	\$112,943	\$0	\$0	\$0	\$252,062	\$0	\$252,062
128.1 Allowance for Doubtful Accounts - Fraud	\$-86,279	\$0	\$0	\$0	\$-1,278	\$-1,278	\$0	\$-112,943	\$0	\$0	\$0	\$-182,500	\$0	\$-182,500
129 Accrued Interest Receivable	\$11,475	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,952	\$0	\$23,427	\$0	\$23,427
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$479,900	\$112,046	\$85,149	\$8,484	\$1,727,888	\$19,231	\$0	\$59,996	\$0	\$4,628,949	\$184,945	\$7,201,146	\$0	\$7,201,146
131 Investments - Unrestricted	\$2,153,463	\$0	\$0	\$0	\$12,717,786	\$23,311	\$0	\$2,873,981	\$59,506	\$11,885	\$0	\$4,463,083	\$0	\$4,463,083
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$14,955	\$0	\$0	\$0	\$467,893	\$23,311	\$0	\$0	\$0	\$0	\$0	\$509,606	\$0	\$509,606
142 Prepaid Expenses and Other Assets	\$85,324	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,347	\$0	\$3,347
143 Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$190,696	\$0	\$190,696
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$4,420,983	\$112,046	\$85,149	\$8,484	\$12,717,786	\$23,152	\$0	\$2,873,981	\$59,506	\$11,885	\$184,945	\$8,309,600	\$-309,529	\$8,309,600
161 Land	\$1,846,002	\$0	\$0	\$0	\$2,010,289	\$522,831	\$0	\$3,963,674	\$0	\$0	\$0	\$8,344,896	\$0	\$8,344,896
162 Buildings	\$103,142,823	\$0	\$0	\$0	\$189,609,470	\$3,948,137	\$0	\$3,927,224	\$0	\$0	\$0	\$301,827,654	\$0	\$301,827,654
163 Furniture, Equipment & Machinery - Dwellings	\$6,056,936	\$0	\$0	\$0	\$2,781	\$46,689	\$0	\$0	\$0	\$0	\$0	\$8,131,216	\$0	\$8,131,216
164 Furniture, Equipment & Machinery - Administration	\$385,339	\$0	\$0	\$0	\$4,217,204	\$0	\$0	\$279,817	\$0	\$0	\$0	\$929,945	\$0	\$929,945
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	\$-67,313,164	\$0	\$0	\$0	\$-850,979,544	\$-1,590,637	\$0	\$-81,792	\$0	\$0	\$0	\$-155,228,277	\$0	\$-155,228,277
167 Accumulated Depreciation	\$2,532,465	\$0	\$0	\$0	\$45,434,118	\$0	\$0	\$0	\$0	\$0	\$0	\$47,866,983	\$0	\$47,866,983
168 Infrastructure	\$18,692,381	\$0	\$0	\$0	\$190,319,318	\$2,956,930	\$0	\$198,025	\$0	\$0	\$0	\$4,826,723	\$0	\$4,826,723
160 Total Capital Assets, Net of Accumulated Depreciation	\$9,475,000	\$112,046	\$85,149	\$8,484	\$207,442,221	\$3,149,505	\$0	\$4,277,025	\$59,506	\$11,885	\$184,945	\$274,1803	\$-309,529	\$274,1803
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$590,000	\$0	\$590,000
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non-Current	\$0	\$0	\$0	\$0	\$3,900,117	\$0	\$0	\$0	\$0	\$0	\$0	\$666,621	\$0	\$666,621
174 Other Assets	\$2,589,896	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,463,434	\$0	\$7,463,434
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$194,727,455	\$2,956,930	\$0	\$198,025	\$0	\$0	\$0	\$24,090,147	\$0	\$24,090,147
180 Total Non-Current Assets	\$30,716,077	\$0	\$0	\$0	\$0	\$69,423	\$0	\$1,205,139	\$0	\$0	\$0	\$21,214,193	\$0	\$21,214,193
200 Deferred Outflow of Resources	\$4,133,805	\$112,046	\$85,149	\$8,484	\$207,442,221	\$3,149,505	\$0	\$4,277,025	\$59,506	\$11,885	\$184,945	\$293,914,184	\$-309,529	\$293,914,184
200 Total Assets and Deferred Outflow of Resources	\$39,270,846	\$112,046	\$85,149	\$8,484	\$207,442,221	\$3,149,505	\$0	\$4,277,025	\$59,506	\$11,885	\$184,945	\$309,914,184	\$-309,529	\$309,914,184
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$8,865,814	\$1,174	\$0	\$0	\$0	\$0	\$0	\$9,161,617	\$0	\$9,161,617
312 Accounts Payable <= 90 Days	\$59,181	\$0	\$0	\$0	\$36,944	\$1,283	\$0	\$28,650	\$0	\$0	\$0	\$412,920	\$0	\$412,920
313 Accounts Payable >90 Days Past Due	\$27,685	\$0	\$0	\$0	\$0	\$978	\$0	\$10,622	\$0	\$0	\$0	\$34,298	\$0	\$34,298
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,737	\$0	\$112,737
322 Accrued Compensated Absences - Current Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$1,579,764	\$0	\$0	\$17,633	\$0	\$0	\$0	\$1,578,784	\$0	\$1,578,784
331 Accounts Payable - HUD PHA Programs	\$0	\$54,240	\$65,924	\$0	\$0	\$0	\$0	\$10,955	\$0	\$0	\$0	\$224,329	\$0	\$224,329
332 Accounts Payable - PHA Projects	\$230,101	\$0	\$0	\$0	\$68,881	\$9,349	\$0	\$0	\$0	\$0	\$0	\$308,331	\$0	\$308,331
333 Accounts Payable - Other Government	\$240,996	\$0	\$0	\$0	\$463,154	\$7,679	\$0	\$0	\$0	\$0	\$0	\$732,647	\$0	\$732,647
341 Tenant Security Deposits	\$100,485	\$0	\$0	\$0	\$154,466	\$2,164	\$0	\$15,249	\$0	\$0	\$0	\$315,412	\$0	\$315,412
342 Unearned Revenue	\$422,135	\$0	\$0	\$0	\$284,619	\$0	\$0	\$43,046	\$0	\$0	\$0	\$691,246	\$0	\$691,246
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$1,950	\$0	\$0	\$0	\$1,956,784	\$0	\$0	\$0	\$0	\$0	\$0	\$1,958,734	\$0	\$1,958,734
344 Current Portion of Long-term Debt - Operating Borrowings	\$202,918	\$225	\$0	\$0	\$314,157	\$6,658	\$0	\$6,005	\$0	\$0	\$1,300	\$601,297	\$0	\$601,297
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Albany Housing Authority (NY009)
ALBANY, NY

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2023

	14,879 Mainstream Volunteers	14,238 Shelter Plus Care	14,239 Section 8 Moderate Rehabilitation Single Room Occupancy	14,870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discrepancy Presented	6.2 Component Unit - Blended	10,559 Summer Food Service Program for Children	14,871 Housing Choice Vouchers	14,81V Emergency Housing Voucher	14,8FA FSS Escrow Furniture Account	14,856 Lower Assistance Program, Section 8 Moderate	COCC	Subtotal	ELIM	Total
347 Inlet Program - Due To	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$1,453,851	\$1,204,666	\$66,149	\$6,484	\$13,725,645	\$31,195	\$0	\$140,220	\$43,046	\$0	\$11,895	\$739,115	\$16,407,553	-\$399,529	\$16,098,054
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$133,176,743	\$0	\$0	\$0	\$0	\$0	\$0	\$1,790,800	\$137,565,009	\$0	\$137,565,009
352 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$18,654,735	\$1,360	\$0	\$0	\$0	\$0	\$0	\$0	\$19,889,280	\$0	\$19,889,280
354 Accrued Compensated Absences - Non Current	\$0	\$0	\$0	\$0	\$77,146	\$1,360	\$0	\$0	\$0	\$0	\$0	\$0	\$78,506	\$0	\$78,506
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$11,072,892	\$0	\$0	\$0	\$0	\$196,899	\$0	\$3,384,636	\$0	\$0	\$0	\$19,709,306	\$34,363,562	\$0	\$34,363,562
350 Total Non-Current Liabilities	\$11,072,892	\$0	\$0	\$0	\$151,806,624	\$198,228	\$0	\$3,705,109	\$0	\$0	\$0	\$21,953,679	\$191,526,566	\$0	\$191,526,566
300 Total Liabilities	\$15,216,781	\$1,204,666	\$66,149	\$6,484	\$165,634,269	\$229,423	\$0	\$3,845,329	\$43,046	\$0	\$11,895	\$22,692,700	\$207,934,149	-\$399,529	\$207,624,620
400 Deferred Inflow of Resources	\$19,699,344	\$0	\$0	\$0	\$0	\$141,095	\$0	\$2,190,393	\$0	\$0	\$0	\$14,055,668	\$27,026,398	\$0	\$27,026,398
508.3 Nonspendable Fund Balance	\$0	\$0	\$0	\$0	\$57,377,857	\$2,956,630	\$0	\$198,025	\$0	\$0	\$0	\$4,699,392	\$63,984,665	\$0	\$63,984,665
508.4 Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
509.3 Restricted Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
510.3 Committed Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
511.3 Assigned Fund Balance	\$339,845	\$0	\$0	\$0	\$7,971,696	\$0	\$0	\$644,899	\$10,382	\$11,885	\$0	\$0	\$6,985,597	\$0	\$6,985,597
512.3 Unassigned Fund Balance	\$5,577,505	\$0	\$0	\$0	\$23,538,701	-\$177,843	\$0	\$2,599,621	\$6,078	\$0	\$173,050	\$2,382,176	-\$34,026,645	\$0	-\$34,026,645
512.4 Unrestricted Net Position	\$13,414,221	\$0	\$0	\$0	\$41,809,952	\$2,778,987	\$0	\$1,756,697	\$10,460	\$11,885	\$173,050	\$2,477,216	\$98,953,637	\$0	\$98,953,637
513 Total Equity - Net Assets / Position	\$154,000	\$112,046	\$66,149	\$6,484	\$207,444,221	\$3,149,505	\$0	\$4,277,025	\$59,506	\$11,885	\$184,945	\$39,175,572	\$293,914,184	-\$399,529	\$293,604,655
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$39,270,446	\$112,046	\$66,149	\$6,484	\$207,444,221	\$3,149,505	\$0	\$4,277,025	\$59,506	\$11,885	\$184,945	\$39,175,572	\$293,914,184	-\$399,529	\$293,604,655

Albany Housing Authority (NY009)
ALBANY, NY

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2023

	Project: Total	14879 Mainstream Vouchers	14239 Shelter Plus Care	14246 Section 8 Rehabilitation Single Room Occupancy	14870 Resident Opportunity and Supportive Services	61 Component Unit - Dietrichy Presented	62 Component Unit - Blended	10559 Summer Food Service Program for Children	14871 Housing Choice Vouchers	14ENV Emergency Housing Voucher	14ESA ESS Escrow Foreclosure Account	14886 Lower Income Housing Rehabilitation Program Section 8 Mortgage	Subtotal	ELIM	Total
70000 Net Tenant Rental Revenue	\$3,510,233						\$203,821						\$14,039,810		\$14,039,810
70400 Tenant Revenue - Other	\$48,128					\$95,799							\$143,927		\$143,927
70500 Total Tenant Revenue	\$3,559,362	\$0	\$0	\$0	\$0	\$10,325,756	\$203,821	\$0	\$0	\$0	\$0	\$0	\$14,183,737	\$0	\$14,183,737
70600 HUD PIV Operating Grants	\$9,046,670	\$906,659	\$712,305	\$202,769	\$284,292				\$23,085,334	\$241,483		\$168,520	\$34,646,032		\$34,646,032
70610 Capital Grants	\$1,923,185												\$1,923,185		\$1,923,185
70700 Asset Management Fee													\$1,544,079	-\$1,544,079	\$0
70730 Book Keeping Fee													\$54,180	-\$54,180	\$0
70740 Front Line Services Fee													\$326,108	-\$326,108	\$0
70750 Other Fees													\$65,143	-\$65,143	\$0
70700 Total Fee Revenue	\$1,923,185	\$906,659	\$712,305	\$202,769	\$284,292								\$1,224,631	-\$1,224,631	\$0
70800 Other Government Grants						\$0		\$31,889					\$31,889		\$31,889
71100 Investment Income - Unrestricted	\$76,579					\$80,025	\$685		\$500		\$26,519	\$159,308	\$193,166		\$193,166
71200 Mortgage Interest Income											\$34,465				\$34,465
71300 Proceeds from Disposition of Assets Held for Sale															
71310 Cost of Sale of Assets															
71400 Fraud Recovery															
71600 Other Revenue	\$646,779					\$2,321,316	\$28,510	\$99,502	\$9,502				\$99,502		\$99,502
71600 Gain or Loss on Sale of Capital Assets	\$102,847							\$9,398	\$9,398		\$12,535	\$564	\$1,706,127	-\$1,706,127	\$0
72000 Investment Income - Restricted								\$11,695	\$11,695		\$1,161,892		\$1,173,624		\$1,173,624
70000 Total Revenue	\$15,521,353	\$906,659	\$712,305	\$202,769	\$284,292	\$12,792,895	\$233,016	\$31,889	\$23,163,429	\$241,483	\$12,535	\$169,084	\$60,416,843	-\$2,053,654	\$58,363,189
91100 Administrative Salaries	\$596,674	\$44,160	\$9,416	\$20,773	\$106,630	\$769,224	\$13,433	\$15,543	\$790,187	\$17,510	\$17,268	\$17,268	\$4,231,954		\$4,231,954
91200 Auditing Fees	\$22,470	\$208	\$1,093	\$225	\$4,665	\$4,665	\$320		\$3,000		\$3,000		\$3,000		\$3,000
91300 Management Fee	\$1,123,516	\$13,128	\$9,796	\$5,760	\$0	\$93,369	\$14,894		\$370,632	\$3,516	\$0	\$4,128	\$1,332,269		\$1,332,269
91310 Book-keeping Fee	\$70,284	\$9,205	\$5,498	\$3,600	\$0	\$23,645	\$2,098		\$231,645	\$2,198	\$2,596		\$326,108		\$326,108
91400 Advertising and Marketing															
91500 Employee Benefit Contributions - Administrative	\$284,478	\$24,288	\$5,179	\$11,833	\$32,016	\$428,619	\$9,057	\$1,150	\$487,662	\$9,650	\$96,657	\$0	\$2,212,201		\$2,212,201
91600 Office Expenses	\$344,310	\$7,378	\$11,921	\$2,042	\$5,774	\$378,020	\$5,714	\$544	\$441,413	\$2,219	\$744	\$744	\$1,608,418	-\$1,28,405	\$1,479,983
91700 Legal Expenses	\$94,105		\$450		\$15,814	\$216,634	\$3,814		\$89,159		\$89,159		\$429,979		\$429,979
91800 Travel	\$3,178					\$3,932	\$64		\$15,039		\$32,988		\$55,201		\$55,201
91810 Allocated Overhead															
91800 Other	\$4,416	\$655				\$959,128	\$2,592		\$214				\$971,925		\$971,925
91000 Total Operating - Administrative	\$2,533,229	\$98,222	\$42,383	\$47,233	\$199,646	\$3,093,611	\$51,246	\$17,237	\$2,355,395	\$35,807	\$0	\$35,564	\$11,706,524	-\$1,098,622	\$9,707,902
92000 Asset Management Fee	\$54,180												\$54,180		\$54,180
92100 Tenant Services - Salaries	\$9,546												\$9,546		\$9,546
92200 Relocation Costs															
92300 Employee Benefit Contributions - Tenant Services															
92400 Tenant Services - Other	\$46,057		\$180,075		\$144,446	\$7,181			\$27,900		\$650		\$425,381		\$425,381
92500 Total Tenant Services	\$55,693	\$0	\$180,075	\$0	\$144,446	\$7,181	\$0	\$0	\$27,900	\$0	\$650	\$0	\$434,827	\$0	\$434,827
93100 Water	\$392,222					\$547,620	\$15,961						\$930,326		\$930,326
93200 Electricity	\$555,090					\$658,296	\$6,579						\$1,180,682		\$1,180,682
93300 Gas	\$433,095					\$373,600	\$0						\$817,391		\$817,391
93500 Labor															
93500 Sewer															
93700 Employee Benefit Contributions - Utilities															
93800 Other Utilities Expense															
93000 Total Utilities	\$1,355,407	\$0	\$0	\$0	\$0	\$1,779,416	\$21,940	\$0	\$0	\$0	\$0	\$0	\$71,646	\$0	\$71,646
94100 Ordinary Maintenance and Operations - Labor	\$1,269,655					\$1,286,682	\$22,922						\$2,682,280		\$2,682,280
94200 Ordinary Maintenance and Operations - Materials and Other	\$416,866					\$645,741	\$9,011						\$1,092,334		\$1,092,334
94300 Ordinary Maintenance and Operations Contracts	\$2,117,714		\$0		\$0	\$2,630,741	\$40,885	\$0	\$786				\$4,827,235	-\$852	\$4,826,383
94500 Employee Benefit Contributions - Ordinary Maintenance	\$893,638					\$706,425	\$18,787						\$1,603,478		\$1,603,478
94000 Total Maintenance	\$4,693,863	\$0	\$0	\$0	\$0	\$5,169,619	\$91,505	\$0	\$12,763	\$0	\$0	\$0	\$10,993,327	-\$852	\$10,992,475

Albany Housing Authority (NY009)
ALBANY, NY
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2023

	Project Total	14879 Mainstream Vouchers	14238 Shelter Plus Care	14243 Section 8 Moderate Rehabilitation Single Room Occupancy	14870 Resident Opportunity and Supportive Services	61 - Discreetly Presented	62 Component Unit - Blended	10559 Summer Food Service Program for Children	14871 Housing Choice Vouchers	14ENH Emergency Housing Voucher	14EFA ESS Escrow Foreclosure Account	14885 Lower Income Assistance Program - Section 8 Modifiable	COCC	Subtotal	ELUM	Total
95100 Protective Services - Labor	\$140,828					\$268,518	\$3,183					\$0	\$1,869	\$410,529		\$410,529
95200 Protective Services - Other Contract Costs	\$21,531					\$146,189	\$1,604					\$0	\$1,869	\$171,203		\$171,203
95300 Protective Services - Other	\$10,773					\$543						\$0		\$843		\$843
95500 Employee Benefit Contributions - Protective Services	\$173,132	\$0	\$0	\$0	\$0	\$17,646	\$243					\$0	\$1,869	\$28,684		\$28,684
95600 Total Protective Services	\$183,860					\$431,208	\$5,030					\$0	\$1,869	\$511,239		\$511,239
96100 Property Insurance	\$125,423					\$70,237	\$1,238					\$0	\$158	\$255,983		\$255,983
96120 Liability Insurance	\$93,544					\$508,049	\$58					\$0	\$2,250	\$679,480		\$679,480
96130 Workmen's Compensation	\$54,743					\$1,679	\$1,679	\$58	\$38,820			\$0	\$34,387	\$117,403		\$117,403
96140 All Other Insurance	\$467,570	\$0	\$3,115	\$0	\$0	\$128,324	\$10,031	\$58	\$48,700			\$0	\$12,085	\$287,978		\$287,978
96100 Total Insurance Premiums	\$2,138,711		\$3,115	\$0	\$0	\$782,551	\$20,976	\$58	\$88,288			\$0	\$20,114	\$1,220,444		\$1,220,444
96200 Other General Expenses	\$109,803					\$9,845		\$14,356				\$0	\$316,339	\$2,480,251		\$2,480,251
96210 Compensated Absences	\$250,101					\$150,847	\$3,272		\$54,302			\$0	\$111,906	\$428,830		\$428,830
96300 Payments in Lieu of Taxes	\$432,433					\$85,054	\$9,349					\$0	\$334,504	\$1,132,380		\$1,132,380
96400 Bad debt - Tenant Rents						\$881,223	\$18,734					\$0		\$50,406		\$50,406
96500 Bad debt - Mortgages						\$9,400			\$41,005			\$0		\$428,481		\$428,481
96600 Bad debt - Other						\$948,389	\$31,955	\$14,356	\$85,308			\$0	\$428,345	\$0	\$4,428,481	
96800 Severance Expense						\$0						\$0				
96900 Total Other General Expenses	\$0	\$0	\$0	\$0	\$0	\$948,389	\$31,955	\$14,356	\$85,308			\$0	\$428,345	\$0	\$4,428,481	
96710 Interest of Mortgage (or Bonds) Payable						\$1,950,004						\$0	\$24,401	\$2,073,518		\$2,073,518
96720 Interest on Notes Payable (Short and Long Term)						\$1,772						\$0	\$24,401	\$1,772		\$1,772
96730 Amortization of Bond Issue Costs						\$1,951,776						\$0	\$24,401	\$2,075,280		\$2,075,280
96700 Total Interest Expense and Amortization Cost						\$3,773,782						\$0	\$48,802	\$4,148,862		\$4,148,862
96800 Total Operating Expenses	\$12,322,845	\$98,222	\$254,543	\$47,233	\$284,292	\$14,111,731	\$222,052	\$31,651	\$2,577,884	\$35,907	\$850	\$35,564	\$4,754,247	\$34,768,721	-\$2,053,654	\$32,715,067
97000 Excess of Operating Revenue over Operating Expenses	\$3,189,408	\$898,437	\$477,762	\$185,538	\$0	-\$1,318,836	\$10,964	\$238	\$20,585,745	\$205,576	\$11,885	\$133,520	\$1,380,887	\$25,650,122	\$0	\$25,650,122
97100 Extraordinary Maintenance	\$146,228					\$3,871						\$0		\$150,097		\$150,097
97200 Casualty Losses - Non-capitalized	\$88,663					\$27,074						\$0		\$86,737		\$86,737
97300 Housing Assistance Payments	\$778,774		\$477,762	\$185,538		\$240,709			\$20,770,746	\$240,709		\$133,520	\$22,857,047		\$22,857,047	
97350 HAP Feasibility-In						\$6,110			\$6,110			\$0		\$6,110		\$6,110
97400 Depreciation Expense	\$2,076,023					\$4,842,023	\$147,889		\$43,092			\$0	\$179,733	\$7,288,739		\$7,288,739
97500 Fraud Losses						\$0						\$0				
97600 Capital Outlays - Governmental Funds						\$0						\$0				
97700 Debt Principal Payment - Governmental Funds						\$0						\$0				
97800 Dwelling Units Rent Expense						\$0						\$0				
90000 Total Expenses	\$14,624,857	\$876,996	\$712,305	\$202,769	\$284,292	\$18,857,825	\$386,984	\$31,651	\$23,387,632	\$278,616	\$850	\$160,084	\$4,933,980	\$64,985,451	-\$2,053,654	\$62,811,797
10010 Operating Transfer In	\$1,879,922					\$0						\$0		\$1,879,922		\$1,879,922
10020 Operating Transfer Out	-\$1,879,922					\$0						\$0		-\$1,879,922		-\$1,879,922
10030 Operating Transfers from/to Primary Government						\$0						\$0		\$0		\$0
10040 Operating Transfers from/to Component Unit						\$0						\$0		\$0		\$0
10050 Proceeds from Notes, Loans and Bonds						\$0						\$0		\$0		\$0
10060 Proceeds from Property Sales						\$0						\$0		\$0		\$0
10070 Extraordinary Items, Net Gain/Loss						\$0						\$0		\$0		\$0
10080 Special Items (Net Gain/Loss)						\$0						\$0		\$0		\$0
10091 Inter Project Excess Cash Transfer In						\$0						\$0		\$0		\$0
10092 Inter Project Excess Cash Transfer Out						\$0						\$0		\$0		\$0
10093 Transfers between Program and Project - In						\$0						\$0		\$0		\$0
10094 Transfers between Project and Program - Out						\$0						\$0		\$0		\$0
10100 Total Other financing Sources (Uses)	-\$434,015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$434,015	\$0	-\$434,015
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$462,481	\$28,863	\$0	\$0	\$0	-\$6,164,730	-\$163,978	\$238	-\$234,203	-\$35,133	\$11,885	\$0	\$1,211,154	-\$4,882,623	\$0	-\$4,882,623
11000 Required Annual Debt Principal Payments	\$421,975	\$0	\$0	\$0	\$0	\$152,184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$574,169		\$574,169

Albany Housing Authority (NY009)
ALBANY, NY

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2023

	Project Total	14,679 Mainstream Vouchers	14,528 Shelter Plus Care	14,248 Section 8 Moderate Rehabilitation Single Room Occupancy	14,870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discretionary Presented	6.2 Component Unit - Blended	10,559 Summer Food Service Program for Children	14,871 Housing Choice Vouchers	14,81V Emergency Housing Voucher	14,EEA ESS Escrow Forfeiture Account	14,889 Lower Income Housing Assistance Program, Section 8 Moderate	COCC	Subtotal	ELIM	Total
11020 Beginning Equity	\$13,156,751															\$63,606,004
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$294,511	\$48,400	\$0	\$0	\$0	\$47,974,682	\$2,941,409	-\$238	-\$1,537,273	\$51,583	\$0	\$173,050	\$787,730	\$63,606,004		\$63,606,004
11050 Changes in Compensated Absence Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$1,656	\$0	\$14,879	\$0	\$0	\$0	\$418,332	\$230,256		\$230,256
11060 Changes in Contingent Liability Balance	\$0															\$0
11070 Changes in Unrecognized Pension Transition Liability	\$0															\$0
11080 Changes in Special Term/Severance Benefits Liability	\$0															\$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0															\$0
11100 Changes in Allowance for Doubtful Accounts - Other	\$0															\$0
11170 Administrative Fee Equity	\$0															\$0
11180 Housing Assistance Payments Equity	\$0															\$0
11190 Unit Months Available	18930	1800	790	624	0	11082	276	0	36712	360	0	360	0	-\$2,401,596		-\$2,401,596
11210 Number of Unit Months Leased	13910	1094	738	480	0	10882	288	0	30866	293	0	344	0	\$644,899		\$644,899
11270 Excess Cash	\$1,682,970													\$1,682,970		\$1,682,970
11610 Land Purchases	\$0													\$0		\$0
11620 Building Purchases	\$1,551,468													\$1,551,468		\$1,551,468
11630 Furniture & Equipment - Dwelling Purchases	\$0													\$0		\$0
11650 Furniture & Equipment - Administrative Purchases	\$0													\$0		\$0
11660 Leasehold Improvements Purchases	\$0													\$0		\$0
11660 Infrastructure Purchases	\$0													\$0		\$0
13510 CFFP Debt Service Payments	\$601,911													\$601,911		\$601,911
13901 Replacement Housing Factor Funds	\$0													\$0		\$0

ALBANY HOUSING AUTHORITY
 Albany, New York
STATEMENT AND CERTIFICATION OF COMPLETED CAPITAL FUND PROGRAM GRANTS
 For the Year Ended June 30, 2023

	NY06E009501-20 <u>CFP 2020</u>
Funds Approved	\$ 216,357
Funds Expended	<u>216,357</u>
Excess/(Deficiency) Approved	<u>\$ -</u>
Funds Advanced	\$ 216,357
Funds Expended	<u>216,357</u>
Excess/(Deficiency) of Advances	<u>\$ -</u>

1. All Modernization costs have been paid and all related liabilities have been discharged through payment.
2. The distribution of cost by project and account classification accompanying the financial status reports and Actual Modernization Cost Certificate submitted to HUD for approval were in agreement with the Authority records.

ALBANY HOUSING AUTHORITY
Albany New York
Statement of Net Assets - Discretely Presented Component Units
Supplemental Information

Assets	June 30, 2023		Dec. 31, 2022		Dec. 31, 2022		Dec. 31, 2022		Dec. 31, 2022		Dec. 31, 2022		June 30, 2022		
	Coming Homes	McCarty Hsg Nulgrove	Jun. 30, 2023	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Frederick Douglass	Combined Totals
Current assets:															
Cash & Cash Equivalents	5,033	351,950	34,503	10,809	23,395	3,714	10,174	22,401	7,049	10,562	21,529	48,665	308,899	1,126,897	2,032,220
Cash-Restricted	505,126	477,620	463,301	788,364	638,170	186,105	804,278	852,457	670,994	625,225	253,275	337,951	561,943	860,702	8,005,531
Tenant Security Deposits	-	55,110	66,710	45,455	19,159	4,298	19,650	64,078	13,432	13,765	7,203	21,920	37,991	114,383	483,154
Accounts Receivable-Net	-	-	150	-	-	-	771	-	-	-	-	73,165	-	1,950	76,036
Accounts Receivable-Net	25,996	218,909	444,178	234,365	134,775	24,766	137,405	410,330	80,457	72,309	31,855	86,312	241,367	501,988	2,647,032
Allowance for Doubtful Accounts	(4,220)	(62,627)	(108,662)	(108,662)	(53,779)	(10,216)	(49,971)	(142,256)	(28,494)	(23,083)	(13,062)	(30,184)	(77,076)	(144,765)	(995,180)
Other Current Assets	123,465	19,336	77,601	13,849	12,910	1,442	24,944	25,994	7,844	14,388	102,931	8,634	22,152	107,931	467,993
Total Current Assets	655,400	1,040,142	859,816	984,200	774,630	190,127	947,251	1,233,004	751,282	713,166	307,307	548,463	1,095,276	2,564,086	12,716,795
Fixed Assets:															
Land	-	1,003,000	105,317	209,450	60,934	76,055	151,062	-	105,707	139,162	-	63,659	-	-	2,010,289
Buildings & Improvements	-	4,672,748	12,572,488	14,817,077	9,698,009	5,895,912	12,651,991	23,975,591	9,579,891	12,621,333	9,172,032	18,293,121	25,320,909	30,436,368	189,609,470
Furniture & Equipment	-	207,411	852,600	543,252	357,386	81,800	60,727	146,206	92,155	410,699	887,450	164,955	410,563	27,781	4,244,985
Less Accumulated Depreciation	-	(3,303,003)	(6,196,180)	(6,486,374)	(4,134,054)	(2,263,020)	(4,489,529)	(7,470,080)	(2,870,578)	(3,189,529)	(3,026,023)	(2,627,520)	(2,491,059)	(462,595)	(90,979,544)
Construction in Progress	-	27,424	-	47,814	-	-	-	-	-	-	-	-	-	45,332,380	45,434,118
Net Fixed Assets	-	2,607,560	5,360,725	9,131,219	5,922,275	3,760,747	8,394,251	16,653,717	6,907,175	9,881,665	7,087,715	15,894,215	23,240,413	75,345,934	190,318,318
Investment in Commercial Lease	-	-	-	-	-	-	-	514,932	2,203	22,998	120,047	-	-	280,253	400,300
Other Noncurrent Assets	-	-	-	-	-	6,557	514,932	-	2,203	22,998	31,715	-	-	2,929,412	4,007,817
Total Assets	655,400	3,647,722	6,220,541	10,115,419	6,696,905	3,940,874	9,346,059	18,401,663	7,660,660	10,717,829	7,846,784	16,442,678	24,335,689	81,119,685	207,444,221
Liabilities:															
Current Liabilities:															
Accounts Payable - Operations	-	-	742,597	348,984	301,740	11,397	6,113	66,946	188,060	15,229	12,857	11,541	12,569	7,042,436	950
Accrued Interest	-	-	-	-	-	-	3,247	-	169,880	198,000	-	23,798	178,230	1,003,629	-
Accrued Expenses	-	23,568	76,691	30,698	-	-	-	-	76,393	43,185	14,260	-	-	14,937	-
Security Deposits	-	55,110	66,710	45,455	19,159	4,298	19,650	64,078	13,432	13,765	7,203	21,920	37,991	114,383	1,260
Deferred Revenue	-	16,189	21,870	1,028	2,584	-	5,171	10,217	4,188	5,088	2,696	9,388	7,021	69,090	-
Compensated Absences	-	1,950	4,888	3,337	3,776	314	2,132	4,993	847	632	242	1,577	1,984	12,252	-
PILOT Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	49,291	-	63,004	59,853	-	166,831	-	20,119	-	33,444	40,317	1,564,242	68,881
Bonds, Notes, and Loans Payable	-	110,000	36,910	46,363	-	-	31,029	-	-	-	-	-	-	-	1,956,784
Total Current Liabilities	-	310,212	1,005,765	474,837	388,705	78,446	102,547	313,065	453,800	296,038	37,218	101,648	340,185	9,820,969	2,210
Noncurrent Liabilities:															
Developers Fee	-	-	-	-	-	47,357	653,743	64,238	534,456	-	43,257	395,832	490,702	-	2,109,595
Compensated Absences	-	2,793	10,370	2,852	8,086	511	3,334	18,978	1,079	1,016	-	4,862	3,362	19,585	-
Accrued Interest	-	5,866,447	737,591	2,252,486	233,800	209,076	444,431	3,256,413	1,079	-	308	-	-	-	771,146
Other Non-Current Liabilities	-	-	1,193,073	299,735	199,096	199,096	764,879	1,081,659	-	-	-	1,602	4,852	-	13,000,244
Bonds, Notes, and Loans Payable	-	4,052,668	1,471,552	8,530,401	1,787,356	3,302,297	3,306,656	17,016,148	2,438,059	5,981,684	4,904,069	6,474,470	8,078,419	65,330,984	433,344,696
Total Liabilities	-	10,232,120	4,418,351	11,260,576	2,717,682	3,836,783	5,275,590	21,752,501	3,627,394	6,278,738	4,984,862	6,518,404	8,857,540	75,171,518	163,634,269
Net Assets:															
Invested in Capital Assets	-	(1,555,088)	3,852,263	554,455	4,134,919	448,450	5,056,566	(364,430)	4,469,116	3,989,981	2,183,646	9,419,745	15,121,677	10,014,970	57,377,957
Restricted	505,126	477,620	463,301	788,364	638,170	166,105	804,278	852,457	670,994	625,225	253,275	337,951	526,108	860,702	7,971,686
Unrestricted	150,274	(5,506,930)	(2,513,374)	(2,487,996)	(793,666)	(510,464)	(1,786,375)	(3,938,875)	(906,844)	(186,115)	125,001	(233,422)	(171,636)	(4,927,505)	(23,539,701)
Total Net Assets	655,400	(6,584,398)	1,802,190	(1,145,157)	3,979,223	104,991	4,072,469	(3,350,848)	4,439,091	4,439,091	2,561,922	9,524,274	15,478,149	5,948,167	41,669,952
Total Liabilities and Net Assets	655,400	3,647,722	6,220,541	10,115,419	6,696,905	3,940,874	9,346,059	18,401,663	7,660,660	10,717,829	7,846,784	16,442,678	24,335,689	81,119,685	207,444,221

ALBANY HOUSING AUTHORITY

Statement of Revenues, Expenses and Net Assets - Discretely Presented Component Units
Supplemental Information

	June 30, 2023	Dec. 31, 2022	June 30, 2023	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2022	June 30, 2022	Combined Totals	
	Coming Homes	McCarty Hsg Nulgrove	Lark Drive	Craigton	Swan Street	Swan Street Mixed Use	South End	Ezra Prentice	South End II	South End III	Swan Street Lofts Academy Lofts	Ida Yarbrough Phase I	Ida Yarbrough Phase II	Ida Yarbrough Phase IV	CCH	Frederick Douglass
Operating Revenues:																
Charges to Tenant	-	610,389	1,384,878	1,203,971	301,628	44,252	454,006	891,622	216,938	405,989	153,518	357,425	761,237	3,635,901	-	-
Federal & State Sources	-	270,351	-	-	301,106	240,891	-	881,874	128,568	67,415	67,415	165,562	46,392	-	-	-
Miscellaneous	-	17,693	29,549	16,722	5,550	1,257	6,632	20,108	1,852	4,081	36,440	15,022	13,022	51,149	-	-
Total Operating Revenues	-	898,433	1,414,227	1,220,693	608,284	286,400	460,638	1,793,604	347,368	477,485	189,958	538,079	820,651	3,687,050	-	-
Operating Expenses:																
Administrative	-	169,549	288,206	241,110	89,708	48,586	121,208	384,053	103,423	129,368	53,078	142,359	176,532	686,862	950	-
Tenant Services	-	-	762	3,925	-	-	-	-	-	-	-	-	-	2,494	-	-
Utilities	-	57,060	209,759	338,218	21,572	41,181	38,964	386,873	52,225	32,680	32,502	61,743	88,895	419,644	-	-
Maintenance	-	331,965	610,026	410,484	331,728	94,950	153,427	803,431	119,211	137,611	66,815	171,466	246,700	985,360	-	-
General Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Protective Services	-	21,043	21,159	28,815	12,471	4,883	14,146	42,295	9,112	14,958	6,005	12,498	17,125	208,166	-	-
Taxes, Insurance & Benefits	-	160,221	284,231	184,201	191,939	44,310	77,293	324,758	67,261	82,761	55,539	67,651	86,829	524,006	-	-
Depreciation & Amortization	-	204,674	334,745	402,779	257,168	166,115	317,674	660,254	244,808	373,271	269,373	536,565	793,463	262,906	-	-
Interest Expense	-	362,302	667,009	143,349	16,833	15,261	102,086	159,716	24,216	42,000	5,748	22,755	235,720	770,228	-	-
Extraordinary Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt - Other	-	-	3,871	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt - Tenants	(19,714)	24,615	193,531	109,723	31,487	10,676	45,945	61,662	46,064	8,536	15,875	6,847	20,414	125,166	9,400	-
Total Operating Expenses	(19,714)	1,331,429	2,032,999	1,850,604	954,906	423,962	870,743	2,823,142	666,320	821,485	505,035	1,021,884	1,665,778	3,984,852	12,200	-
Operating Income (loss)	19,714	(432,996)	(618,772)	(629,911)	(346,622)	(139,562)	(410,105)	(1,029,538)	(318,952)	(344,000)	(315,077)	(483,805)	(845,127)	(287,802)	(12,200)	-
Gain on Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	2,653	409	2,829	591	934	241	1,082	1,086	1,241	842	-	20	107	28,590	9,400	-
Change in Net Assets	22,367	(432,587)	(615,943)	(629,320)	(345,688)	(139,321)	(409,023)	(1,028,452)	(317,711)	(343,158)	(315,077)	(483,785)	(845,020)	(269,212)	(2,800)	-
Total Net Assets - Beginning	633,033	(6,151,611)	2,418,133	(605,637)	4,324,911	243,412	4,481,492	(2,322,396)	4,550,377	4,782,249	2,876,999	10,008,059	16,323,169	6,217,379	53,226	41,687
Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Assets - Ending	\$ 655,400	\$ (6,584,398)	\$ 1,802,190	\$ (1,145,157)	\$ 3,979,223	\$ 104,091	\$ 4,072,469	\$ (3,350,948)	\$ 4,233,366	\$ 4,439,091	\$ 2,561,922	\$ 9,524,274	\$ 15,478,149	\$ 5,948,167	\$ 50,426	\$ 41,687



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

Board of Commissioners
Albany Housing Authority
Albany, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Controller General of the United States, the financial statements of Albany Housing Authority as of and for the year ended June 30, 2023, and have issued our report thereon dated March 28, 2024. The financial statements of the discretely presented component units were not audited in accordance with Government Auditing Standards and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable non-compliance associated with the discretely presented component units.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Albany Housing Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our 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, we 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance,

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

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

(Continued)

Compliance

As part of obtaining reasonable assurance about whether the Albany Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 our testing of internal control and compliance and the results 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.



POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
March 28, 2024



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

Board of Commissioners
Albany Housing Authority
Albany, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Housing Authority of the Albany Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2023. The Albany Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Albany Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management on Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that

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

(Continued)

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

(Continued)

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


POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
March 28, 2024

ALBANY HOUSING AUTHORITY
Albany, New York
June 30, 2023

STATUS OF PRIOR AUDIT FINDINGS

None

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION 1 - SUMMARY OF AUDIT RESULTS

Type of Auditor's Report Issued: Unmodified

Internal Control over Financial Reporting:

Material Weakness(es) Identified? _____ yes X no

Significant Deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Noncompliance Material to Financial Statements Noted? _____ yes X no

Federal Awards

Internal Control over Major Programs:

Material Weakness(es) Identified? _____ yes X no

Significant Deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of audit report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance. _____ yes X no

Identification of Major Programs

CFDA	
<u>Number</u>	<u>Name of Federal Program or Cluster</u>
	Housing Voucher Cluster
14.871	Housing Choice Voucher Program
14.879	Mainstream Vouchers

Dollar Threshold used to distinguish between type A and type B Programs \$1,098,243

Auditee qualified as low-risk? X yes _____ no

SECTION 2 – FINANCIAL STATEMENT FINDINGS

None.

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.