

ASHEBORO HOUSING AUTHORITY
REQUEST FOR PROPOSALS
FEE ACCOUNTING SERVICES
NOVEMBER 24, 2025

Introduction

The Asheboro Housing Authority (AHA) is seeking competitive proposals for Fee Accounting Services, which relate to the accounting functions of the general operation of its various housing programs. It is AHA's desire to retain a duly qualified accountant with experience regarding HUD's housing programs, affordable housing programs and non-profit organizations. All services will be provided in accordance with the existing rules, orders, directives, and regulations promulgated by the United States Department of Housing and Urban Development, (including but not limited to the HUD Accounting Handbook, Financial Management Handbook, HUD Audit Guidelines and the Annual Contributions Contract) provided that such compliance is in the best interest of AHA and is required by law. ***Services provided will begin in Fiscal Year 2026, or April 1, 2026 to March 31, 2027.***

The successful proposer will be asked to enter into a Fee Accounting Services Contract for a period of two years, Fiscal Years 2026 and 2027 (April 1, 2026 to March 31, 2028) with the **OPTION** of three one-year extensions.

Background

AHA is a public housing authority (PHA) serving the housing needs of lower income residents of the City of Asheboro and Randolph County, North Carolina. AHA's housing programs include:

- 200 Low-Rent Public Housing units (no COCC).
- 879 Housing Choice Vouchers including management of 71 Project Based Vouchers in addition to 25 NED Vouchers. AHA also administers HOPWA Vouchers.
- 40 New Construction Multifamily units owned & managed by Wainman Homes, Inc. a 501 (c) (3) non-profit,
- 50 multifamily LIHTC units, owned & managed by Wainman Homes, Inc. a 501(c)(3) non-profit, under IRS Rules & Regulations until December 31, 2027.
- Seven market rental units owned & managed by Brenlin Homes, Inc. a 501(c)(3) non-profit,
- In addition, AHA manages the day-to-day operations of the two non-profit corporations.

AHA currently uses Lindsey Software owned by MRI Software.

Scope of Services

The successful proposer will work in conjunction with the AHA's Accounting Manager to produce General Ledgers, Accounts Payable, and Payroll books and records in a timely fashion and shall provide computerized financial statements for each program in compliance with the required regulations. Fee Accounting Services may include, but not limited to the following:

- During the first contract year, an evaluation of AHA's accounting needs, workflow assignments and organizational opportunities will be conducted with the help of the contractor.
- Budget Preparation: Prepare AHA budgets for housing programs including but not limited to the Operating

- Fund subsidy and Housing Choice Voucher (HCV) Program. Services may include Calculation of Operating Subsidy and development of Low Rent Public Housing Program Budgets, HCV budget and Capital Fund Budget, and non-profit budgets, among others.
- Monthly Tasks:
 - Review and analyze monthly, the budgets, books of account and records of AHA.
 - Prepare and/or review necessary journal vouchers.
 - Produce monthly financial reports for the Board of Commissioners and the Executive Director.
 - Review controls of costs and finances.
 - Prepare and review reports and balance sheets required by Federal, State and/or local laws, statutes or regulations.
 - Be available and serve as consultant on accounting, funding, and other financial matters, as needed, and agreed upon.
 - Review the accounting records to ascertain they are being maintained in accordance with the current Generally Accepted Accounting Principles (GAAP), and reporting provisions of applicable HUD guidelines for use in auditing purposes and the Single Audit Act.
 - Provide any other accounting services, which may from time to time arise from revisions to the current HUD requirements.
 - Immediately inform the appropriate level of management i.e. the Executive Director, or the Board of Directors, of any matters, which may cause them to believe any errors, irregularities, or illegal acts may exist.
 - Provide reports on the status of the Public Housing Assessment System (PHAS) scoring process for FASS, MASS, Capital Fund and Section Eight Management Assessment Program (SEMAP) indicators to maintain high performer scoring for AHA.
- End of Year Assistance: The successful proposer will provide year-end assistance to AHA in the analysis of the general ledgers and provide adjusting and closing entries prior to independent audit. They will prepare work papers that are audit-ready, prepare the HUD required Financial Data Schedule (FDS) and submit the FDS to HUD's REAC in the required time frame.
- Audit Assistance: Provide financial records, statements and assistance for the annual independent audit and work in conjunction with independent auditor on the annual audit and resolve any audit findings during audit and other audits, as necessary.
- New HUD Requirements: Various new HUD requirements have been proposed to be implemented including but not limited to:
 - New SF-425 HUD Financial Reporting Requirements including PIH 2025-20, among others.
 - New Cash Management Policies
 - Other new requirements as implemented.
- Review AHA investments, all program reserves and collateralization and report and make recommendations to the Executive Director on such matters.
- Other Services: Participate in other special programs and projects as needed and as agreed upon by AHA and the Fee Accountant including but not limited to develop and write policies and procedures, technical assistance in information technology systems both hardware and software, maintenance services payments from non-profits to AHA and property development new HUD programs among others.

The successful proposer will be given remote access to AHA's systems to facilitate remote work as agreed upon.

Submission

Each Proposer should submit an original and three (3) copies of its Proposal to Asheboro Housing Authority, Attention: Robert Lawler, Executive Director, 338 W. Wainman Avenue, P. O. Box 609, Asheboro, NC 27204-0609. ***Proposals will be accepted until 2:00 p.m. local time Monday, December 22, 2025.*** Any Proposals received after the specified time and date will not be considered. ***Faxed or e-mailed proposals shall not be accepted.*** **Proposals must be clearly marked “Fee Accounting Services”**

Inquiries

Inquiries concerning the RFP should be submitted in writing to the issuing office:

Asheboro Housing Authority
338 W. Wainman Avenue
PO Box 609
Asheboro, North Carolina 27204-0609
Attention: Robert Lawler, Executive Director
(336) 629-4146 extension 207 or rlawler@asheboroha.org

Proposal Format: All proposal information must be submitted in the following format:

Letter of Transmittal – The transmittal letter shall be addressed to the Contact person listed above and shall include the complete name of the firm or person(s) submitting the proposal, the main office address, primary contact person’s name, title, telephone number, and email and as well as a signature of a representative legally authorized to bind the proposal.

Executive Summary – A summary of the proposal stating the proposer’s understanding of the scope of work, a detailed scope of work to be provided, hours per month, the approach to be used to complete the scope of work, proposers people involved, their skill levels and their roles, resources needed from AHA and the amount of time anticipated by AHA management and staff.

Experience – Provide a description of company’s Fee Accounting Service experience with PHAs of similar scope and scale relative to all aspects of affordable housing programs including but not limited to the following:

- Experience providing monthly, quarterly and annual Fee Accounting Services to PHAs of similar scope and size.
- HUD regulations including but not limited to Project-Based Accounting in the Low-Rent Public Housing Program (LRPH); in the LRPH Capital Fund Program, and Financial Management in the HCV Program; Multifamily – New Construction program, Low Income Housing Tax Credits program and other affordable housing programs and grants.
- Successful filing of annual, unaudited financial statements for programs/funds under the Office of Management and Budget (OMB) Single Audit Act.
- Experience in the interpretation and application of new Governmental Accounting Standards Board (GASB) statements as issued and apply existing GASB statements to new transactions for clients.
- Accurate application of Generally Accepted Accounting Principles (GAAP) and company policy to maintenance general ledgers and multiple subsidiary ledgers, including payroll, bank reconciliation, purchasing, work orders, accounts payable, accounts receivable, inventory, and fixed assets.
- Experience providing year-end assistance to close out a fiscal year and prepare material for unaudited FDS submission and ability to work with AHA’s Independent Auditor providing financial records, statements and assistance in conjunction with Independent Auditor on annual audits and resolve any audit findings during audit.

- Describe the firms experience with information technology system and your ability to provided services either onsite or remotely.

Cost of Services - AHA requires each proposer to provide an estimated personnel cost, expenses and hours for Fee Accounting Services associated with the scope of services and schedule. In order to allow a proper review/comparison of proposer's costs all proposers must use the following template to provide these costs. As stated later in the RFP negotiations may be held with one or more proposers to determine the best mix of services for AHA with negotiations resulting in a contract for services.

Cost Type	RATE PER HOUR	ESTIMATED HOURS	AMOUNT
Personnel Type			
Project Manager			
Other Personnel 1			
Other Personnel 2			
Travel Expenses (Lodging, Travel & Meals)			
Other Costs (itemize)			
Totals			

Please list any other cost information the firm may wish to provide.

Based on the above provide a not-to-exceed fee for the proposed scope of work for each of the five years of the proposed contract. The proposed not-to-exceed fees submitted are inclusive of all necessary cost to provide the proposed services, including, but not limited to: employee costs and benefits; clerical support; overhead; profit; supplies; materials; licensing; insurance; travel expenses; etc.

	Contract Year	Not to Exceed
Not-to-Exceed Fee	Original Contract: Years One & Two April 1, 2026 to March 31, 2028	\$
Not-to-Exceed Fee	First One-Year Extension April 1, 2028 to March 31, 2029	\$
Not-to-Exceed Fee	Second One-Year Extension April 1, 2029 to March 31, 2030	\$
Not-to-Exceed Fee	Third One-Year Extension April 1, 2030 to March 31, 2031	\$

References – Provide at least three (3) references of current client’s projects of similar scope with the proposal. Include name, title, and address, and phone number, email of contact person and date of service/contract. Indicate the experience of the proposer in providing services to housing authority clients by listing the name of each housing authority, the type(s) of service performed, and the year(s) of engagement.

Additional Information – Please provide any other information you feel is important for consideration in our evaluation of proposals.

Required Forms:

- Instructions of Offers Non-Construction: HUD Form 5369-B
- Certification and Representation of Offerors Non-Construction: HUD Form 5369-C
- General Conditions for Non-Construction Contracts HUD Form 5370-C

Attachments:

- AHA’s Audit FYE March 31, 2025
- Required Forms

Instructions and Notice for Proposers

General

There is no expressed or implied obligation for the AHA to reimburse firms for any expenses incurred in preparing proposals in response to this request. By submission of a proposal the submitter agrees, if it’s proposal is accepted, to enter into a contract with the AHA to complete all work as specified or indicated in the contract documents for the contract price. The proposers further accept all of the terms and conditions of the RFP. The proposer consents to personal jurisdiction and venue in a state court of competent jurisdiction in Randolph County, North Carolina.

Proposals should be prepared in accordance with instructions contained within the RFP and shall remain valid for 90 days. Proposals shall be evaluated by the AHA as stated in the evaluation factors noted in the RFP. Oral presentations, if deemed necessary by the AHA, will be scheduled at a mutually agreeable date and time. AHA reserves the right to request additional information concerning any and/or all Proposals submitted.

Acknowledgment of Amendments

Proposers shall acknowledge in their proposals receipt of amendment(s) to this RFP by signing the document on the acknowledgment line of the amendment. A proposer’s failure to acknowledge an amendment may result in rejection of the offer.

Default by Proposer

In the event of default by the successful proposer, AHA may procure the services specified from other sources. The proposer agrees to reimburse AHA for any additional costs incurred as a result of such default.

Awards

AHA reserves the right to cancel this RFP or to reject, in whole or in part, any and all proposals received in response to this RFP, upon its determination that such cancellation or rejection is in the best interests of AHA. AHA further reserves the right to waive any informality in any proposals received if it is in the public interest to do so. The decision as to who shall receive a contract award, or whether or not an award shall be made as a result of this RFP, shall be at the absolute, sole discretion of AHA.

Complete and Accurate Submission

A proposer's failure to provide accurate information in response to this RFP may disqualify the proposer from further participation in the selection process. A proposal may be corrected, modified, or withdrawn, provided that the correction, modification, or request for withdrawal is made by the proposer in writing and is received at the place of submission prior to the date and time designated in the RFP for final receipt of proposals. After such date and time, the proposer may not change any provision of its proposal in a manner prejudicial to the interests of AHA and/or fair competition.

Retention

All proposals are the property of the AHA, shall be retained by AHA, and shall not be returned to the proposer.

Insurance

a) Before commencing work, the Contractor and each subcontractor shall furnish the PHA with certificates of insurance showing the following insurance is in force and will insure all operations under the Contract:

- Workers' Compensation, in accordance with the law of the state of North Carolina.
- Commercial General Liability (on an "Occurrence Coverage form") with a combined single limit for bodily injury and property damage of not less than \$1,000,000.00 per occurrence (with an aggregate of no less than \$2,000,000.00) to protect the Contractor and each subcontractor against claims for bodily injury or death and damage to the property of others.
- Automobile Liability on owned and non-owned motor vehicles, and employee non-ownership, used on the site(s) or in connection therewith for a combined single limit for bodily injury and property damage of not less than \$1,000,000.00.
- Evidence of malpractice and errors and omission insurance.

If any such insurance is due to expire during the contract period, the Contractor (including subcontractors, as applicable) shall not permit the coverage to lapse and shall furnish evidence of coverage to the PHA. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be canceled or nonrenewed by the insurance company until at least 30 days prior written notice has been given to the PHA.

b) The PHA is to be included as an additional insured on both the Comprehensive General Liability and Auto Liability policies.

All insurance shall be carried with companies that are financially responsible. If such insurance is due to expire during the contract period, the Contractor shall not permit the coverage to lapse and shall furnish evidence of coverage to AHA.

Evidence of Non-Debarred or Suspended

Certified statement that firm is not debarred, suspended or otherwise prohibited from providing services by a Federal, State or Local agency.

Indemnification

Contractor agrees to protect, defend indemnify and hold AHA, its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or arising out of this agreement and/or the performance hereof that are due to the negligence of the contractor, its officers, employees, or agents. The contractor further agrees to investigate, handle, respond to, provide defense for, and defend the same at its sole expense and agrees to bear all other costs and expenses related thereto.

Subcontractors

- Unless otherwise stated within the RFP documents, the successful bidder may not use any subcontractors to accomplish any portion of the services described within the RFP documents or the contract without the prior written permission of the AHA.
- The subcontractor shall not enter into any sublet work assigned and contracted through the prime contractor. The prime contractor shall be responsible for the compliance by all subcontractors, including e-verify. A breach of this compliance may be grounds for termination of the contract and for debarment as a contractor and subcontractor.

Proposal Evaluation Criteria:

All proposals will be evaluated based on the evaluation criteria outlined below. The Evaluation Committee will review all proposals according to the evaluation factors and points and determine which proposals are competitive and which are noncompetitive. Those proposals determined to be competitive will be further evaluated and scored. Negotiations may be held with one or more proposers with negotiations resulting in a contract for services.

1. Experience of the proposer in conducting work of similar scope with an emphasis on housing authorities of similar size and scope: (30 points).
2. Evidence of the firm's ability to perform the scope of work as indicated by the profiles of the principles and staff's professional and technical competence with HUD: (25 points).
3. Capability to provide professional services in a timely manner including examples of projects of similar scope and scale. (20 points).
4. Quality of references: (15 points).
5. Cost of Services: Cost will not be the sole determination for award. (10 points)

Evidence firm is registered and licensed to do business in North Carolina: Yes or No.

END

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing



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1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here.]

Certifications and Representations of Offerors Non-Construction Contract

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offers to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offers represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offers, the bidder/offers:

(1) ☐ has, ☐ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ☐ has, ☐ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offers shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offers shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offers represents and certifies as part of its bid/offer that it:

(a) ☐ is, ☐ is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) ☐ is, ☐ is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) ☐ is, ☐ is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

<input type="checkbox"/> Black Americans	<input type="checkbox"/> Asian Pacific Americans
<input type="checkbox"/> Hispanic Americans	<input type="checkbox"/> Asian Indian Americans
<input type="checkbox"/> Native Americans	<input type="checkbox"/> Hasidic Jewish Americans

3. Certificate of Independent Price Determination

(a) The bidder/offers certifies that—

(1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offers or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offers, directly or indirectly, to any other bidder/offers or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder/offers to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the bidder/offers's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offers's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offers's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

(a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 01/31/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (without maintenance) greater than \$100,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

Section I - Clauses for All Non-Construction Contracts greater than \$100,000

1. Definitions

The following definitions are applicable to this contract:

- (a) 'Authority or Housing Authority (HA)' means the Housing Authority.
- (b) 'Contract' means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) 'Contractor' means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) 'Day' means calendar days, unless otherwise stated.
- (e) 'HUD' means the Secretary of Housing and Urban Development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
REPORT ON AUDIT
OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA
YEAR ENDED MARCH 31, 2025

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Asheboro Housing Authority
Asheboro, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Asheboro Housing Authority (the Authority) as of and for the year ended March 31, 2025; and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of March 31, 2025, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. We are required to be independent of the 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 Asheboro Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

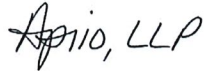
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 8 through 16 and Schedules of the Authority's Proportionate Share of Net Pension Liability (Asset) and Employer Pension Contributions on pages 43 and 44 and the Schedules of the Authority's Changes in Net OPEB Liability (Asset) and Employer OPEB Contributions on pages 45 and 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards 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*, the Financial Data Schedule, the Statement and Certification of Program Costs – Capital Fund Program and the Schedule of Budget-to-Actual Comparison are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, the Financial Data Schedule, the Statement and Certification of Program Costs – Capital Fund Program and the Schedule of Budget-to-Actual Comparison are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Aprio, LLP". The signature is stylized, with the "A" being particularly large and the "P" having a long, sweeping tail.

Birmingham, Alabama
November 18, 2025



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

Board of Commissioners
Asheboro Housing Authority
Asheboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Authority, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 18, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Aprio, LLP

Birmingham, Alabama
November 18, 2025



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

Board of Commissioners
Asheboro Housing Authority
Asheboro, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Asheboro Housing Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended March 31, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended March 31, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of 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 federal program. Our audit does not provide a legal determination of Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to 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 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 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a

reasonable user of the report on compliance about 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, *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 the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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


Report on Internal Control Over Compliance

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

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

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



Birmingham, Alabama
November 18, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR ASHEBORO HOUSING AUTHORITY, ASHEBORO, NORTH CAROLINA
MARCH 31, 2025

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, Asheboro Housing Authority, Asheboro, North Carolina (the Authority) is providing this Management's Discussion and Analysis (MD&A) report. This MD&A should be considered in conjunction with the Financial Data Schedule for the Authority for the fiscal year ending March 31, 2025. The Authority's MD&A is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity and (c) identify changes in the Authority's financial position.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

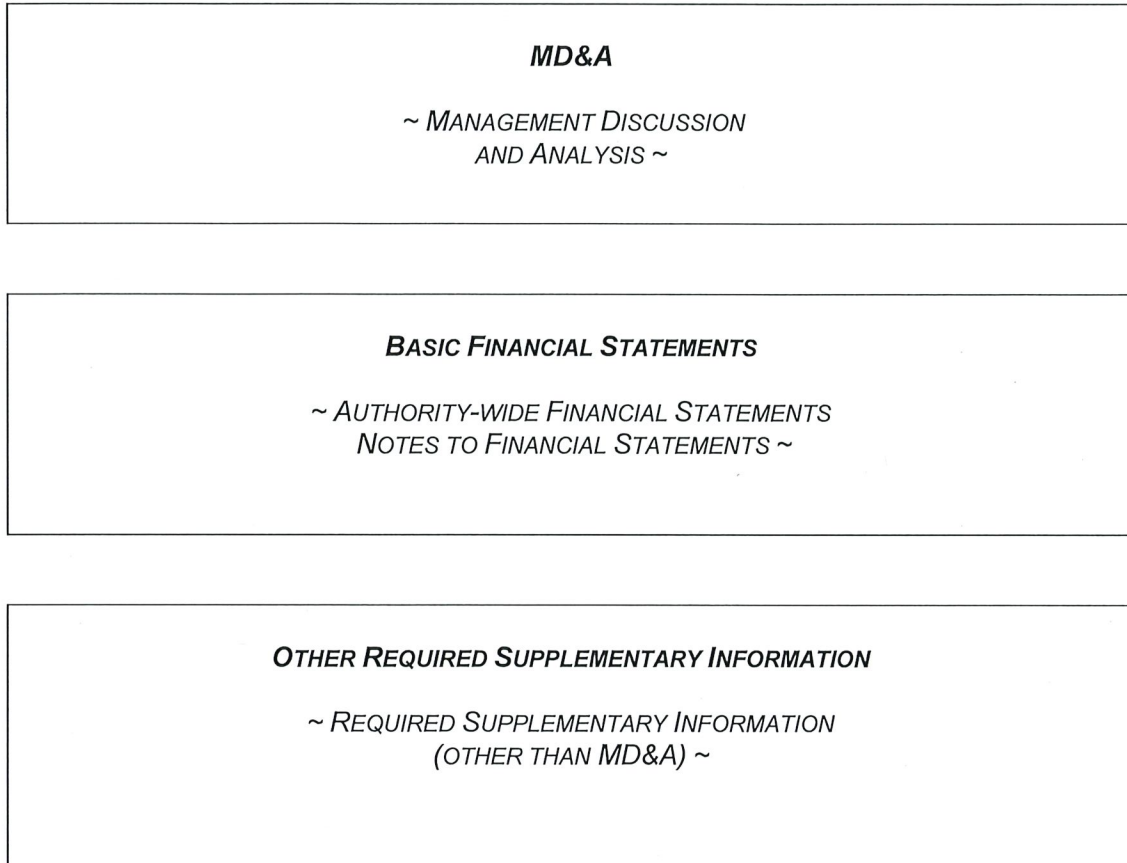
The Authority consists of a stand-alone Enterprise Fund which utilizes the full accrual basis of accounting and is similar to accounting utilized by the private sector. Within the Enterprise Fund, the Authority maintains several distinct programs.

FINANCIAL HIGHLIGHTS

- The Authority's year end Net Position increased by \$1,172,895 during 2025. Net position was \$8,055,829 and \$9,228,724 for 2024 and 2025, respectively.
- The Authority's Revenue increased by \$420,971 during 2025. Total revenues were \$7,760,254 and \$8,181,225 for 2024 and 2025 respectively.
- Total expenditures of all Authority programs increased by \$496,784 during 2025. Total expenses were \$6,511,546 and \$7,008,330 for 2024 and 2025, respectively.

USING THIS ANNUAL REPORT

The Report includes three major sections, the “Management’s Discussion and Analysis (MD&A)”, “Basic Financial Statements”, and “Other Required Supplementary Information.” The following graphic outlines the format of the Annual Report:



The primary focus of the Authority’s financial statements is on the Authority as a whole (Authority-wide).

Authority-Wide Financial Statements

Statement of Net Position

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

Statement of Revenues, Expenses, and Changes in Net Position

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, operating grants, Operating Expenses, such as administrative, utilities, maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Position is the "Change in Net Position", which is similar to Net Income or Loss.

Statement of Cash Flows

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, from capital and related financing activities and from investing activities.

THE AUTHORITY'S PROGRAMS

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 funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income.

Housing Choice Voucher Program - Under the Housing Choice Voucher Program, The Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's 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 at 30% of household income.

Capital Program - This program includes the Capital Fund Program and Development Program funds. The Authority receives funding to rehabilitate and repair existing housing stock and to develop new housing. The Capital Program operates under annual grants from the Department of Housing and Urban Development. These grants are formula based and not competitive awards. The Capital Program is the primary funding source for physical and management improvements to the Authority's properties.

Other Programs - In addition to the significant programs above, the Authority also maintains the following programs:

- Housing Opportunities for Persons with AIDS (HOPWA)
- Wainman Homes, Inc. - Component Unit
- CASPN Homes, Inc. - Component Unit
- Brenlin Homes, Inc. - Component Unit
- Local Business Activities
- FSS Escrow Forfeiture
- Family Self Sufficiency

AUTHORITY-WIDE STATEMENTS

The following table reflects the Statement of Net Position compared to the prior year.

TABLE 1

STATEMENT OF NET POSITION

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Assets:			
Current & Restricted Assets	\$ 6,300,316	\$ 5,596,928	\$ 703,388
Capital Assets	4,193,886	4,074,544	119,342
Deferred Outflows of Resources	366,759	394,709	(27,950)
Total Assets	<u>\$ 10,860,961</u>	<u>\$ 10,066,181</u>	<u>\$ 794,780</u>
Liabilities:			
Current Liabilities	\$ 284,907	\$ 757,201	\$ (472,294)
Non Current Liabilities	1,337,465	1,233,549	103,916
Deferred Inflows	9,865	19,602	(9,737)
Total Liabilities	<u>\$ 1,632,237</u>	<u>\$ 2,010,352</u>	<u>\$ (378,115)</u>
Net Position:			
Net Investment in Capital Assets	\$ 4,193,886	\$ 3,982,251	\$ 211,635
Restricted Net Position	1,098,462	684,746	413,716
Unrestricted Net Position	3,936,376	3,388,832	547,544
Total Net Position	<u>\$ 9,228,724</u>	<u>\$ 8,055,829</u>	<u>\$ 1,172,895</u>

For more detailed information see pages 17 - 18 on the Statement of Net Position.

Major Factors Affecting the Statement of Net Position

Current and restricted assets increased \$703,388. This increase was due to mainly an increase in cash.

Capital assets increased \$119,342 due to the capital asset additions exceeding depreciation expense.

Deferred outflows of resources decreased \$27,950. This decrease was due to changes in pension and opeb related liabilities.

Current liabilities decreased by \$472,294. This decrease was due mainly to a decrease in current debt, accounts payable and unearned revenues.

Non-current liabilities increased by \$103,916 mainly due to the increase in pension and opeb liabilities offset by a decrease in debt.

Deferred inflows of resources decreased by \$9,737, This was due to changes in the pension and opeb related liabilities.

Table 2 presents details on the change in Unrestricted Net Position

TABLE 2
CHANGE IN UNRESTRICTED NET POSITION

Unrestricted Net Position, March 31, 2024	\$3,388,832
Results of Operations	923,365
Investment Income	47,629
Capital Additions from Operating Funds	(56,322)
Gain on Disposal of Capital Assets	7,510
Principal & Interest Payments on Capital Debt	(106,934)
Depreciation Expense	146,012
Transfer from (to) Restricted Net Position	<u>(413,716)</u>
Unrestricted Net Position, March 31, 2025	<u><u>\$3,936,376</u></u>

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer change in financial well-being.

TABLE 3
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following schedule compares the revenues and expenses for the current and previous fiscal year.

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Revenues:			
Tenant Rental Revenue	\$ 1,251,936	\$ 1,164,478	\$ 87,458
Operating Grants	6,506,405	5,372,332	1,134,073
Capital Grants Received	209,032	998,322	(789,290)
Investment Income	47,629	39,851	7,778
Gain on Disposal of Capital Assets	7,510	-	7,510
Other Revenue	158,713	185,271	(26,558)
	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 8,181,225</u>	<u>\$ 7,760,254</u>	<u>\$ 420,971</u>
Expenses:			
Administrative Expenses	\$ 1,330,660	\$ 1,172,720	\$ 157,940
Tenant Services	87,664	71,029	16,635
Utilities	214,363	196,956	17,407
Maintenance & Operations	1,255,272	1,079,414	175,858
General Expense	236,838	216,876	19,962
Housing Assistance Payments	3,722,880	3,655,562	67,318
Depreciation	146,012	115,524	30,488
Interest Expense	14,641	3,465	11,176
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 7,008,330</u>	<u>\$ 6,511,546</u>	<u>\$ 496,784</u>
	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) Revenues Over Expenses	<u>\$ 1,172,895</u>	<u>\$ 1,248,708</u>	<u>\$ (75,813)</u>

EXCESS (DEFICIENCY) REVENUES OVER EXPENSES

There was a decrease in the excess revenues over expenses due to an increase in expenses exceeding the increase in revenues.

REVENUES

Revenues increased by \$420,971. This increase was primarily due to an increase in tenant rental revenue and operating grants offset by a decrease in capital grants. Tenant rental revenue increased due to an increase in tenant income. Operating grants increased due to an increase in housing choice voucher operating grants and operating funds received through the capital fund program. Capital grants decreased due to the timing of the receipt of funds.

EXPENSES

Expenses increased by \$496,784. This increase was mainly due to increases in administrative expenses, maintenance & operations expenses and HAP expenses. The increase in administrative expenses was due to increases in salaries, benefits and office expenses. The increases in maintenance & operations expenses were due to increases in salaries, benefits and maintenance contracts. HAP expenses increased due to an increase in payment standards.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of March 31, 2025, The Authority had \$4,193,886 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (additions, deductions, and depreciation) of \$119,342 from \$4,074,544 at March 31, 2024.

TABLE 4
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION AND AMORTIZATION)

	2025	2024	Variance	% Change
Land	\$ 803,095	\$ 803,095	\$ -	0%
Buildings & Improvements	12,610,479	12,376,698	233,781	2%
Furniture & Equipment	1,152,704	1,150,660	2,044	0%
Accumulated Depreciation	(10,372,392)	(10,255,909)	(116,483)	1%
Net Capital Assets	<u>\$ 4,193,886</u>	<u>\$ 4,074,544</u>	<u>\$ 119,342</u>	<u>3%</u>

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on page 28 of the notes.

Beginning Balance	\$ 4,074,544
Additions:	
Capital Fund Program	209,032
Operating Fund	56,322
Depreciation Expense	<u>(146,012)</u>
Ending Balance	<u>\$ 4,193,886</u>

TABLE 5
CAPITAL DEBT OUTSTANDING AT YEAR-END

	<u>3/31/2025</u>	<u>3/31/2024</u>
Note Payable -- Pinnacle Bank \$	-	\$ 28,887
Note Payable -- John Deere	-	63,406
Total Debt	<u>\$ -</u>	<u><u>\$ 92,293</u></u>

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development by the U.S. Congress.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary, and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies, and other costs.

The individuals to be contacted regarding this report are Robert P. Lawler, Jr., Executive Director, or Claudette Chevannes, Accounting Supervisor at Asheboro Housing Authority, 338 W. Wainman Ave., PO Box 609, Asheboro, NC, 27204-0609, telephone number (336) 629-4146.

ASHEBORO HOUSING AUTHORITY
STATEMENT OF NET POSITION
MARCH 31, 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>Enterprise Fund</u>
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 5,002,088
Accounts Receivable - HUD	37,088
Accounts Receivable - Other Govt	13,446
Tenants Accounts Receivable	20,801
Allowance for Doubtful Accounts	(371)
Fraud Recovery	82,000
Allowance For Fraud Recovery	(67,797)
Prepaid Costs	86,397
Total Current Assets	<u>5,173,652</u>
<u>Restricted Assets</u>	
Cash and Cash Equivalents	<u>1,126,664</u>
Total Restricted Assets	<u>1,126,664</u>
<u>Capital Assets</u>	
Land	803,095
Buildings and Improvements	12,610,479
Furniture and Equipment	<u>1,152,704</u>
	14,566,278
(Less): Accumulated Depreciation	<u>(10,372,392)</u>
Net Capital Assets	<u>4,193,886</u>
<u>Deferred Outflows of Resources</u>	<u>366,759</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 10,860,961</u>

See the accompanying notes to financial statements.

ASHEBORO HOUSING AUTHORITY
STATEMENT OF NET POSITION
MARCH 31, 2025

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>Enterprise Fund</u>
<u>Current Liabilities</u>	
Accounts Payable	\$ 114,904
Accrued Compensated Absences	8,691
Payable to Other Governments	59,137
Tenant Security Deposits	98,877
Unearned Revenues	3,298
Total Current Liabilities	<u>284,907</u>
<u>Long-Term Liabilities</u>	
Accrued Compensated Absences	78,222
Other Liabilities - Non Current	28,202
Accrued Pension and OPEB Liab.	1,231,041
Total Long-Term Liabilities	<u>1,337,465</u>
Total Liabilities	<u>1,622,372</u>
<u>Deferred Inflows of Resources</u>	<u>9,865</u>
<u>Net Position</u>	
Net Investment in Capital Assets	4,193,886
Restricted Net Position	1,098,462
Unrestricted Net Position	3,936,376
Total Net Position	<u>9,228,724</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 10,860,961</u>

See the accompanying notes to financial statements.

ASHEBORO HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2025

	Enterprise Fund
<u>Operating Revenues</u>	
Dwelling Rent	\$ 1,251,936
Operating Grants	6,506,405
Other Income	158,713
Total Operating Revenues	<u>7,917,054</u>
<u>Operating Expenses</u>	
Administrative	1,330,660
Tenant Services	87,664
Utilities	214,363
Maintenance and Operations	1,255,272
General Expense	236,838
HAP Payments	3,722,880
Depreciation	146,012
Total Operating Expenses	<u>6,993,689</u>
Operating Income (Loss)	<u>923,365</u>
<u>Non-Operating Revenues (Expenses)</u>	
Investment Income	47,629
Gain on Disposal of Capital Assets	7,510
Interest Expense	(14,641)
Total Non-Operating Revenues (Expenses)	<u>40,498</u>
Increase (Decrease) in Net Position before Capital Contributions	963,863
Capital Contributions	<u>209,032</u>
Increase (Decrease) in Net Position	1,172,895
Net Position, Beginning	8,055,829
Net Position, Ending	<u>\$ 9,228,724</u>

See the accompanying notes to financial statements.

**ASHEBORO HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025**

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 1,188,941
Cash Received from Operating Grants	6,617,984
Cash Payments from Other Sources	(160,158)
Cash Payments for Salaries and Benefits	(1,543,196)
Cash Payments to Vendors and Landlords	(5,186,669)
Net cash flows provided (used) by operating activities	<u>916,902</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Outlay	(265,354)
Capital Grants Received	209,032
Gain on Disposal of Capital Assets	7,510
Principal and Interest Payments on Capital Debt	(107,062)
Net cash flows provided (used) by capital and related financing activities	<u>(155,874)</u>
<u>Cash flows from investing activities:</u>	
Interest earned from cash and cash equivalents	47,629
Net cash flows provided (used) by investing activities	<u>47,629</u>
Net increase (decrease) in cash and cash equivalents	<u>808,657</u>
Unrestricted and Restricted Cash and Cash Equivalents, beginning of year	<u>5,320,095</u>
Unrestricted and Restricted Cash and Cash Equivalents, end of year	<u><u>\$ 6,128,752</u></u>
 <u>Reconciliation of operating income to net cash provided by (used in) operating activities:</u>	
Operating Income (Loss)	\$ 923,365
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	146,012
Bad Debt Expense	47,468
Change in Accounts Receivable	54,432
Change in Prepaid Insurance	3,369
Change in Accounts Payable	(89,766)
Change in Accrued Expenses	156,741
Change in FSS Escrow Deposits	1,695
Change in Unearned Revenue	(333,270)
Change in Tenant Security Deposits	6,856
Net cash provided by (used in) operating activities	<u><u>\$ 916,902</u></u>

See the accompanying notes to financial statements.

ASHEBORO HOUSING AUTHORITY
STATEMENT OF CASH FLOWS - CONTINUED
FOR THE YEAR ENDED MARCH 31, 2025

Enterprise
Fund

Reconciliation of unrestricted and restricted cash and cash equivalents presented on the Statement of Net Position, to ending unrestricted and restricted cash and cash equivalents presented above on the Statement of Cash Flows:

Cash and Cash Equivalents	\$ 5,002,088
Restricted Cash and Cash Equivalents	<u>1,126,664</u>
Cash and Restricted Cash, End of Year	<u><u>\$ 6,128,752</u></u>

See the accompanying notes to financial statements.

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "enterprise fund" in the basic financial statements as follows:

Enterprise Fund - In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Governmental Accounting Standards - The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents.

Accounts Receivable

Tenant accounts receivables are carried at the amount considered by management to be collectible. Accounts Receivable – Other Govt. consists of amounts due from the Eastern Triad HIV Consortium.

Inventories

Inventories (consisting of material and supplies) are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, the Authority establishes an allowance for obsolete inventory. In accordance with the consumption method, inventory is expensed when items are actually placed in service.

Investments

Investments, when present, are recorded at fair value. Investment instruments for the public funds held under an Annual Contributions Contract with HUD consist only of items specifically approved for public housing agencies by HUD. Investments of public funds are either FDIC insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal deposit insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name. It is the Authority's policy that all public funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of North Carolina.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Prepaid Items

Prepaid Items consists of payments made to vendors for goods or services that will benefit future periods.

Unearned Revenue

The Authority recognizes revenues as earned. The amount received in advance of the period in which it is earned is recorded as a liability under Unearned Revenue.

Revenue Accounting Policies

Dwelling rent income, HUD Grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue is shown as non-operating revenue.

These financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements.

Capital Assets

Capital assets are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments in excess of \$3,000 are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the statement of revenues and expenses. Estimated useful lives are as follows:

Buildings and improvements	15 - 40 years
Furniture and equipment	5 - 7 years

Authority management has assessed the carrying values of capital asset balances as of March 31, 2025, and as of November 18, 2025. No significant capital asset value impairments exist as of the noted dates.

Budgetary Data

The Authority maintains budgetary controls over all funds, as required by the Budget and Fiscal Control Act and the terms of the Authority's annual contributions contract with HUD. An annual budget is adopted for all enterprise funds, except the Low Rent Housing Modernization Project Fund, which is a capital project fund. A multi-year budget is adopted for that fund. The budget was prepared on the modified accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE B - REPORTING ENTITY DEFINITION

Asheboro Housing Authority ("the Authority") is a public body corporate and politic pursuant to the laws of the State of North Carolina which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies.

The Authority is a separate non-profit corporation with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to its surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14 (amended), of the Governmental Accounting Standards Board: The Financial Reporting Entity and Statement No. 39 Determining Whether Certain Organizations are Component Units*, and *Statement No. 61: The Financial Reporting Entity: Omnibus*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following blended component units:

- Wainman Homes, Inc. - Section 8 Housing Assistance Payments Contract NC 190007007
- Brenlin Homes, Inc.
- CASPN Homes, Inc.

The component units are controlled by the same governing Board as the Asheboro Housing Authority. These corporations were established by the Authority for the purpose of adding Affordable Housing Stock. The Corporations are used in furtherance of the low-income housing mission of the Authority.

The Authority is also comprised of the following programs:

- Low Rent Public Housing (LRPH) under Annual Contributions Contract A-3358
- Public Housing Capital Fund Program (CFP)
- Housing Choice Vouchers (HCV) under Annual Contributions Contract A-3252
- Housing Opportunities for Persons with AIDS (HOPWA)
- Local Business Activities
- FSS Escrow Forfeiture
- Family Self-Sufficiency Program

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE C - CASH AND INVESTMENT DEPOSITS

Custodial Credit Risk - The Authority's policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government. Cash deposits for the non-public funds held by the not-for-profit corporations operated by the Authority are not eligible under state law for collateral securities. It is the Authority's policy to maintain the maximum amount of FDIC insurance available for these funds.

Interest Rate Risk - The Authority's formal investment policy does limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility to maturities not to exceed two years at time of purchase.

At March 31, 2025, the Authority's deposits were not limited and all of which are either available on demand or have maturities of less than two years.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other federally insured investments.

The Authority's cash and cash equivalents consist of cash held in interest bearing checking accounts and certificates of deposit with varying interest rates totaling \$6,128,152. The remaining \$600 is held in a petty cash fund. Deposits with financial institutions are secured as follows:

PUBLIC FUNDS:

	PER AUDIT	PER BANK
Insured by FDIC	\$ 750,000	\$ 750,000
Collateralized with specific securities in the Authority name which are held by the financial institution	3,209,894	3,176,287
Uncollateralized	-	-
	<u>\$ 3,959,894</u>	<u>\$ 3,926,287</u>

NON PUBLIC FUNDS:

	<u>\$ 2,168,258</u>	<u>\$ 2,246,538</u>
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Non-Public funds are not collateralized.

NOTE D - CONTRACTUAL COMMITMENTS

The Authority had Outstanding Contractual Commitments as of March 31, 2025, as follows:

<u>Type Commitment</u>	<u>Amount</u>
Modernization Contract	\$556,940

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE E - CONCENTRATION OF RISK

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

NOTE F - RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in a public entity risk pool (North Carolina Housing Authorities Risk Retention Pool) and also carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. In compliance with North Carolina GS 159-29 the Authority's finance officer (Executive Director) has an individual bond of \$50,000. The Authority has not had any significant reductions in insurance coverage, or any claims not reimbursed.

NOTE G - SIGNIFICANT ESTIMATES

These financial statements are prepared in accordance with generally accepted accounting principles. The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTE H - COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate a limited amount of earned but unused annual leave. Employees receive annual hours based on the number years of service. Upon separation from employment, an employee shall be paid for all allowable accumulated annual leave, as of their final date of employment. Leave accrued but not yet paid as of the end of the fiscal year, is shown as a liability allocated between current and non-current.

NOTE I - NONCURRENT LIABILITIES

A summary of noncurrent liabilities is as follows at March 31, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Accrued Compensated Absences	\$ 80,318	\$ 6,595	\$ -	\$ 86,913	\$ 8,691
FSS Escrow Accounts	26,507	1,695	-	28,202	-
Mortgages Payable	28,887	-	28,887	-	-
Note Payable	63,406	-	63,406	-	-
Accrued OPEB & Pension Liability	1,106,195	282,943	158,097	1,231,041	-
Total Debt	<u>\$ 1,305,313</u>	<u>\$ 291,233</u>	<u>\$ 250,390</u>	<u>\$ 1,346,156</u>	<u>\$ 8,691</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE J - RESTRICTED CASH

Restricted cash consists of the following:

Component Unit Replacement Reserve	\$ 621,474
Component Unit Operating Reserve	113,430
HAP Equity	363,558
FSS Escrows	28,202
	<u>\$ 1,126,664</u>

NOTE K - RESTRICTED NET POSITION

Restricted net position consists of the following:

Component Unit Replacement Reserve	\$ 621,474
Component Unit Operating Reserve	113,430
HAP Equity	363,558
	<u>\$ 1,098,462</u>

NOTE L - CAPITAL ASSETS

A summary of Capital Assets at March 31, 2025, is as follows:

	Low Rent/ Capital Fund	Section 8 HCV	Component Units	Total
Land	\$ 192,393	\$ -	\$ 610,702	\$ 803,095
Building and Improvements	10,509,686	\$ -	2,100,793	12,610,479
Furniture and Equipment	716,138	91,101	345,465	1,152,704
Less Accumulated Depreciation	<u>(8,518,596)</u>	<u>(75,693)</u>	<u>(1,778,103)</u>	<u>(10,372,392)</u>
Net Capital Assets	<u>\$ 2,899,621</u>	<u>\$ 15,408</u>	<u>\$ 1,278,857</u>	<u>\$ 4,193,886</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE L - CAPITAL ASSETS - CONTINUED

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers & Deletions</u>	<u>Ending Balance</u>
Land	\$ 803,095	\$ -	\$ -	\$ 803,095
Construction in Process	<u>-</u>	<u>209,032</u>	<u>(209,032)</u>	<u>-</u>
Total Assets not being depreciated	803,095	209,032	(209,032)	803,095
 Buildings & Improvements	12,376,698	24,749	209,032	12,610,479
 Furniture & Equipment	<u>1,150,660</u>	<u>31,573</u>	<u>(29,529)</u>	<u>1,152,704</u>
Total Property and Equipment	14,330,453	265,354	(29,529)	14,566,278
Less Accumulated Depreciation				
Buildings & Improvements	(9,441,753)	(114,434)	-	(9,556,187)
Furniture & Equipment	<u>(814,156)</u>	<u>(31,578)</u>	<u>29,529</u>	<u>(816,205)</u>
Net Book Value	<u>\$ 4,074,544</u>	<u>\$ 119,342</u>	<u>\$ -</u>	<u>\$ 4,193,886</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M - PENSION PLAN OBLIGATION

Local Governmental Employees' Retirement System

Plan Description - The Authority is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees. Article 3 of G.S. Chapter 239 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, and one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or by calling (919) 981-5454 or at www.osc.nc.gov.

Benefits Provided - LGERS provides retirement benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of service or at age 60 with five years of creditable service.

Contributions - Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Authority employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Authority's contractually required contribution rate for the year ended March 31, 2025, was 13.67% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Authority were \$141,246 for the year ended March 31, 2025.

Refund of Contributions - Authority employees, who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By State law, refunds to members with at least five years of service include 4% interest. State law requires 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions, or any other benefit provided by LGERS.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M - PENSION PLAN OBLIGATION - CONTINUED

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

At March 31, 2025, the Authority reported a liability of \$654,799 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the pension asset was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024, utilizing update procedures incorporation the actuarial assumptions. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the Authority's proportion was .00971%, which was an increase of .0008% from its proportion measured as of June 30, 2023.

For the year ended March 31, 2025, the Authority recognized pension expense of \$222,930. At March 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 114,746	\$ 772
Changes of assumptions	-	-
Net difference between projected and actual earnings on plan investments	89,020	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	54,108	9,093
Employer contributions subsequent to the measurement date	108,885	-
Total	<u>\$ 366,759</u>	<u>\$ 9,865</u>

\$108,885 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2025	\$ 76,991
2026	\$ 157,498
2027	\$ 25,818
2028	\$ (12,298)
2029	-
Thereafter	-
Total	<u>\$ 248,009</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M - PENSION PLAN OBLIGATION - CONTINUED

Actuarial Assumptions - The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 percent per annum
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2023, valuation were based on the results of an actuarial experience study prepared as of December 31, 2019, and adopted by the Board of Trustees on January 28, 2021.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income returns projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections 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. Best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024, are summarized in the following table:

	Target Allocation	Long-Term Expected Rate of Return*
Fixed income	33.00%	2.40%
Global Equity	38.00%	6.90%
Real Estate	8.00%	6.00%
Alternatives	8.00%	8.60%
Opportunistic Fixed Income	7.00%	5.30%
Inflation Sensitive	6.00%	4.30%
Total	<u>100.00%</u>	

The information above is based on 30-year expectations developed with the investment consulting firm and is part of the asset liability and investment policy of the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2023, is 0.78%.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE M - PENSION PLAN OBLIGATION - CONTINUED

Discount rate - The discount rate used to measure the total pension liability was 6.5% for the December 31, 2023 valuation. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate - The following presents the Authority's proportionate share of the net pension liability at June 30, 2024 calculated using the discount rate of 6.50 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Plan's Net Pension Liability (Asset)	\$ 1,160,323	\$ 654,799	\$ 238,936

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

NOTE N - COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

NOTE O - OTHER POST EMPLOYMENT BENEFITS

HEALTHCARE BENEFITS:

The Authority adopted GASB Statement No. 75 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The Statement establishes standards for the measurement, recognition and display of other postemployment benefit (OPEB) expenses and related liabilities, note disclosures and required supplementary information.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE O - OTHER POST EMPLOYMENT BENEFITS - CONTINUED

PLAN DESCRIPTION:

Asheboro Housing Authority (the "Employer") administers a single-employer defined benefit healthcare plan (the Retiree Health Reimbursement Arrangement (HRA) Plan"). The plan became effective January 1, 2005 (the "Effective Date"), and it provides postemployment healthcare benefits to retirees of the Employer provided they participate in the Local Government Employees' Retirement System (LGERS) and are either 62 years of age or older with 15 years of service for the Employer or 50 and qualified to retire under the LGERS after 20 years of service or any age and qualified to retire under the LGERS. In addition, the Employer pays for a Medicare supplemental policy A-J and reimburses qualified retirees for up to \$1,000 of prescription drug expenses each calendar year for the employee who retires with a minimum of 20 years of service or who has taken a disability retirement as the result of a job-related injury while performing his/her job for the Employer. In addition, retirees can purchase self-only dental and vision insurance at the Employer's group plan rates. The Employer may amend the plan at any time. The Authority may choose, in its best interest and upon Board approval, to reimburse healthcare expenses for eligible retirees under a non-HRA plan contract.

This Plan is intended to qualify as an employer-provided medical reimbursement plan under Code 105 and 106 and regulations issued there under and as a health reimbursement arrangement as defined under IRS Notice 2002-45 and shall be interpreted to accomplish that objective. The Medical Care Expenses reimbursed under the Plan are intended to be eligible for exclusion from participating Retiree's gross income under Code 105(b). Present retirees participating in the plan is seven. In addition, one retired employee receives OPEB benefits under a contract separate from the HRA plan. Payments under this contract are taxable income for the recipient.

FUNDING POLICY:

The Authority pays the full cost of coverage for the healthcare benefits paid to qualified retirees. All benefits under this plan shall be paid from the general assets of the Employer on a pay as you go basis. The Plan does not require the Employer to segregate funds for the benefit of any participant. In fiscal year March 31, 2025, the Authority and its component units made total contributions to the plan of \$16,851.

OPEB LIABILITIES AND OPEB EXPENSE:

As of March 31, 2025, the Authority reported a total OPEB liability of \$576,242. The total OPEB liability was measured as of March 31, 2025, and was determined by an actuarial valuation as of March 31, 2025. The Authority's total OPEB liability was based on a projection of the Authority's long-term share of contributions to the OPEB plan relative to the projected contributions, actuarially determined. For the year ended March 31, 2025, the Authority recognized pension expense of \$77,148. Under the alternative measurement method, all deferred outflows and inflows of resources items are fully recognized immediately.

ANNUAL OPEB COST AND TOTAL OPEB OBLIGATION:

The Employer's annual OPEB cost (expense) is calculated based on the annual required contributions of the employer (ARC). The Employer has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 75 for single-employer plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE O - OTHER POST EMPLOYMENT BENEFITS - CONTINUED

The following table shows the components of the Employer's annual OPEB cost for the current year, the amount actually contributed to the plan and changes in the Employer's total OPEB obligation for the postemployment healthcare benefits:

<u>Total OPEB Obligation</u>	<u>Total</u>
Service cost	\$ 20,331
Interest	22,332
Change of benefit terms	-
Differences between expected and actual experience	33,614
Changes of assumptions	871
Benefit payments	(16,851)
Net Change in Total OPEB Liability	60,297
Total OPEB Obligation - Beginning of Year	515,945
Total OPEB Obligation - End of Year	<u>\$ 576,242</u>

SCHEDULE OF FUNDING PROGRESS:

As of March 31, 2025, the most recent valuation date, the Authority held \$-0- in assets and had an actuarial determined accrued liability of \$576,242. The plan is underfunded by \$576,242. Contributions to the OPEB plan from the Authority were \$16,851 for the year ended March 31, 2025.

SENSITIVITY OF THE AUTHORITY'S TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE:

The following projects the Authority's total OPEB liability calculated using the discount rate of 4.55 percent, as well as what the Authority's total OPEB would be if it were calculated using a discount rate that is 1-percentage-point lower (3.55 percent) or 1-percentage-point higher (5.55 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Plan's Total OPEB Liability (Asset)	\$ 632,048	\$ 576,242	\$ 528,240

The following projects the Authority's total OPEB liability calculated using the health care trend rate of 8.00 percent, as well as what the Authority's total OPEB would be if it were calculated using a health care trend that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Plan's Total OPEB Liability (Asset)	\$ 558,619	\$ 576,242	\$ 596,379

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE O - OTHER POST EMPLOYMENT BENEFITS - CONTINUED

ACTUARIAL METHODS AND ASSUMPTIONS:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the plan members at 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. The actuarial assumptions used in this report are as prescribed in GASB 75 under the Alternative Measurement Method.

The following simplifying assumptions were made:

Actuarial Valuation Date - April 1, 2024

Discount Rate - 4.55%

Payroll Growth – 3.50% per year

Inflation Rate - 3.25% per year

Cost Method - Entry Age Normal Level % of Salary

Amortization - Level % of pay over thirty years based on an open group

Census Data - Census information was provided by the Authority in April 2025

Mortality - SOA Pub - 2010 General Headcount Weighted Mortality Table fully generational using scale MP-2021

Turnover - Assumption used to project annual terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rate represents the probability of termination in the next twelve months, and they are based on the NCLGERS actuarial valuation as of December 31, 2023. The assumptions from these state-wide valuations provide reasonable estimates of experience for municipal employers such as the Asheboro Housing Authority. Sample annual turnover rates are as shown below:

Age	MALE	FEMALE
25	12.0%	17.5%
30	7.5%	11.0%
35	5.5%	9.0%
40	5.5%	7.0%
50+	4.3%	4.5%

Disability - None

Retirement Rate - Employees are assumed to retire at 61, subject to the plan's minimum retirement age/service requirements.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE O - OTHER POST EMPLOYMENT BENEFITS - CONTINUED

Per Capita Costs - Annual pre-Medicare per capital cost for medical/rx coverage are equal to the premium rates effective January 1, 2025. The costs are assumed to increase with medical/rx trend rates. All employees are assumed to elect the plan they are currently enrolled in at retirement. The per capita costs represent the cost of coverage for a retiree-only population. Actuarial standards require the recognition of higher inherent costs for a retired population versus an active population. Annual per capita costs per plan are as shown below:

Plan	Unisex Rates
Gold	\$17,979
Silver	\$14,431

Healthcare cost trend rate - The initial trend rate was based on a combination of employer history, national trend surveys, and professional judgment. The ultimate trend rate was selected based on historical medical CPI information.

FYE	MEDICAL/RX	DEDUCT REIMB/PART D
2026	8.00%	3.00%
2027	7.75%	2.75%
2028	7.50%	2.50%
2029	7.25%	2.25%
2030	7.00%	2.00%
2031	6.75%	1.75%
2032	6.50%	1.50%
2033	6.25%	1.25%
2034	6.00%	1.00%
2035	5.75%	1.00%
2036	5.50%	1.00%
2037	5.25%	1.00%
2038	5.00%	1.00%
2039	4.75%	1.00%
2040+	4.50%	1.00%

Retiree Contributions - Retiree contributions are assumed to increase according to health care trend rates.

Health Care Coverage Election Rate - Active employees with current coverage: 100%; active employees with no coverage: 0%; Inactive employees with current coverage: 100%; Inactive employees with no coverage: 0%.

Spousal Coverage - Spousal age and coverage for current retirees and active employees is based on actual data.

Employer Funding Policy - Pay as you go cash basis.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE O - OTHER POST EMPLOYMENT BENEFITS - CONTINUED

Membership of the HRA Plan consisted of the following at March 31, 2025, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	8
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	11
Total	<u>19</u>

NOTE P - PILOT AGREEMENT

The Authority has entered into a Payment in Lieu of Taxes Agreement with the City of Asheboro, North Carolina whereby the Authority agrees to pay a negotiated sum in lieu of real property taxes. As of March 31, 2025, \$59,137 remains outstanding.

NOTE Q - SUBSEQUENT EVENTS

In preparing financial statements, management evaluated subsequent events through November 18, 2025, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE R - CONDENSED BLENDED COMPONENT UNIT FINANCIAL STATEMENTS

The Authority includes two blended component units in its reporting entity. Condensed component unit financial statements as of, and for the year ended March 31, 2025, for all blended component units are as follows:

Condensed Blended Component Units - Statement of Net Position

	Wainman Homes, Inc. 3/31/2025	CASPN Homes, Inc. 3/31/2025	Brenlin Homes, Inc. 3/31/2025	Total Blended Component Units 3/31/2025
Assets				
Current assets	\$ 1,979,635	\$ (666,587)	\$ 93,131	\$ 1,406,179
Restricted assets	115,963	418,109	200,832	734,904
Capital assets	273,450	866,731	138,676	1,278,857
Non-current assets	61,082	-	-	61,082
Deferred outflows	14,671	18,339	3,667	36,677
Total assets	<u>\$ 2,444,801</u>	<u>\$ 636,592</u>	<u>\$ 436,306</u>	<u>\$ 3,517,699</u>
Liabilities				
Current liabilities	\$ 15,335	\$ 19,905	\$ 3,507	\$ 38,747
Non-current liabilities	45,044	52,761	72,551	170,356
Deferred Inflows	293	363	73	729
Total liabilities	<u>60,672</u>	<u>73,029</u>	<u>76,131</u>	<u>209,832</u>
Net position				
Net Investment in capital assets	273,450	866,731	138,676	1,278,857
Restricted net position	115,963	418,109	200,832	734,904
Unrestricted net position	1,994,716	(721,277)	20,667	1,294,106
Total net position	<u>\$ 2,384,129</u>	<u>\$ 563,563</u>	<u>\$ 360,175</u>	<u>\$ 3,307,867</u>

The note receivable in the amount of \$61,082 carried by Wainman Homes, Inc. has been eliminated in the top-level financial statements by the note payable in the amount of \$61,082 carried by Brenlin Homes, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE R - CONDENSED BLENDED COMPONENT UNIT FINANCIAL STATEMENTS – CONTINUED

Condensed Blended Component Units - Statement of
Revenues, Expenses and Changes in Net Position

	Wainman Homes, Inc. 3/31/2025	CASPN Homes, Inc. 3/31/2025	Brenlin Homes, Inc. 3/31/2025	Total Blended Component Units 3/31/2025
<u>Operating Revenues</u>				
Tenant rental revenue, grants and other revenue	\$ 422,884	\$ 362,231	\$ 65,308	\$ 850,423
Total Operating Revenues	422,884	362,231	65,308	850,423
<u>Operating Expenses</u>				
Administrative and general expenses	139,793	129,286	26,368	295,447
Maintenance and utilities	136,489	182,073	5,785	324,347
Depreciation	5,091	27,802	6,843	39,736
Total Operating Expenses	281,373	339,161	38,996	659,530
<u>Operating Income (Loss)</u>	141,511	23,070	26,312	190,893
<u>Non-Operating Revenues(Expenses)</u>				
Investment Income	24,662	5,807	1,592	32,061
Interest Expense	-	(4,374)	(1,254)	(5,628)
Total Non-Operating Income(Expense)	24,662	1,433	338	26,433
Increase (decrease) in net position	166,173	24,503	26,650	217,326
Beginning net position	2,217,956	539,060	333,525	3,090,541
Ending net position	<u>\$ 2,384,129</u>	<u>\$ 563,563</u>	<u>\$ 360,175</u>	<u>\$ 3,307,867</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE R - CONDENSED BLENDED COMPONENT UNIT FINANCIAL STATEMENTS – CONTINUED

Condensed Blended Component Units - Statement of Cash Flows

	Wainman Homes, Inc. 3/31/2025	CASPN Homes, Inc. 3/31/2025	Brenlin Homes, Inc. 3/31/2025	Total Blended Component Units 3/31/2025
Cash flows from (used by)				
operating activities	\$ 151,216	\$ 62,177	\$ 34,085	\$ 247,478
Cash flows from (used by)				
Capital and financing activities	-	(33,389)	(3,372)	(36,761)
Cash flows from (used by)				
investing activities	24,662	5,807	1,592	32,061
Net increase in cash and equivalents	175,878	34,595	32,305	242,778
Beginning current and restricted cash	1,909,888	(288,268)	259,007	1,880,627
Ending current and restricted cash	<u>\$ 2,085,766</u>	<u>\$ (253,673)</u>	<u>\$ 291,312</u>	<u>\$ 2,123,405</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 141,511	\$ 23,070	\$ 26,312	\$ 190,893
Depreciation	5,091	27,802	6,843	39,736
Change in other operating activities	4,614	11,305	930	16,849
Net cash provided (used) by operating activities	<u>\$ 151,216</u>	<u>\$ 62,177</u>	<u>\$ 34,085</u>	<u>\$ 247,478</u>

**ASHEBORO HOUSING AUTHORITY
STATEMENT AND CERTIFICATION OF PROGRAM COSTS - CAPITAL FUND PROGRAM
FOR THE YEAR ENDED MARCH 31, 2025**

	Public Housing Capital Fund Program NC19P08150121	Public Housing Capital Fund Program NC19P08150122
Funds Approved	\$ 497,830	\$ 624,571
Funds Disbursed	497,830	624,571
Excess Funds Approved	<u>\$ -</u>	<u>\$ -</u>
 Funds Advanced	 \$ 497,830	 \$ 624,571
Funds Disbursed	497,830	624,571
Excess Funds (Deficiency)	<u>\$ -</u>	<u>\$ -</u>

1. The distribution of costs as shown on the Actual Modernization Cost Certificates submitted to HUD for approval is in agreement with the Housing Authority's records.
2. All modernization costs have been paid and all related liabilities have been discharged through payment.

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED MARCH 31, 2025

<u>Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing No.</u>	<u>Pass-through Entity Identifying No.</u>	<u>Federal Expenditures</u>
Public Housing Program	14.850	N/A	\$ 847,854
Resident Opportunity & Supportive Services	14.870	N/A	\$ 79,581
Public Housing Capital Fund Program	14.872	N/A	\$ 833,732
Family Self Sufficiency Program	14.896	N/A	\$ 58,570
Housing Opportunities for Persons with AIDS	14.241	N/A	\$ 23,273
Housing Voucher Cluster:			
Housing Choice Vouchers	14.871	N/A	\$ 4,582,579
Section 8 Project Based Cluster:			
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	\$ 289,848
		TOTAL HUD EXPENDITURES	\$ 6,715,437
		TOTAL FEDERAL EXPENDITURES	\$ 6,715,437

Note 1 - Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of operations of the Authority it is not intended to and does not present the financial net position, changes in net position or cash flows of the Authority.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3 – Awards Passed through to Subrecipients

No federal award funds were passed through to subrecipient grantees during the fiscal year ended March 31, 2025.

Note 4 – Non-monetary Federal Awards Assistance

The Authority did not receive or expend non-monetary federal awards assistance during the fiscal year ended March 31, 2025.

Note 5 - Indirect Cost Rate

The Authority did not elect to use the 10% *De Minimus Cost Rate*.

ASHEBORO HOUSING AUTHORITY

ASHEBORO, NORTH CAROLINA

SCHEDULE OF CHANGES IN PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)

MARCH 31, 2025

	Fiscal Year ending				
	2025	2024	2023	2022	2021
Asheboro Housing Authority's proportion of the net pension liability (asset)	0.00971%	0.00891%	0.00831%	0.00991%	0.00871%
Asheboro Housing Authority's proportionate share of the net pension liability (asset)	\$ 654,799	\$ 590,250	\$ 468,803	\$ 151,979	\$ 311,245
Asheboro Housing Authority's covered-employee payroll	\$1,046,608	\$ 700,571	\$ 678,519	\$ 883,762	\$ 853,876
Asheboro Housing Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	62.56%	84.25%	69.09%	17.20%	36.45%
Plan fiduciary net position as a percentage of the total pension liability**	83.30%	82.49%	84.14%	95.51%	88.61%

	Fiscal Year ending				
	2020	2019	2018	2017	2016
Asheboro Housing Authority's proportion of the net pension liability (asset)	0.00886%	0.0115%	0.0116%	0.0125%	0.0121%
Asheboro Housing Authority's proportionate share of the net pension liability (asset)	\$ 241,960	\$ 274,006	\$ 177,674	\$ 264,443	\$ 54,304
Asheboro Housing Authority's covered-employee payroll	\$ 897,742	\$ 868,643	\$ 836,861	\$ 857,698	\$ 786,645
Asheboro Housing Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	26.95%	31.54%	21.23%	30.83%	6.90%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	91.63%	94.18%	91.47%	98.09%

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ASHEBORO HOUSING AUTHORITY

ASHEBORO, NORTH CAROLINA

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

MARCH 31, 2025

	Fiscal Year ending				
	2025	2024	2023	2022	2024
Contractually required contribution	\$ 141,246	\$ 126,559	\$ 105,370	\$ 93,832	\$ 92,442
Contributions in relation to the contractually required contribution	141,246	126,559	105,370	93,832	92,442
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll used in calculation	\$ 1,046,608	\$ 700,571	\$ 678,519	\$ 883,762	\$ 853,876
Contributions as a percentage of covered-payroll	13.50%	18.07%	15.53%	10.62%	10.83%

	Fiscal Year ending				
	2020	2019	2018	2017	2016
Contractually required contribution	\$ 69,575	\$ 64,019	\$ 63,183	\$ 59,904	\$ 57,706
Contributions in relation to the contractually required contribution	69,575	64,019	63,183	59,904	57,706
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll used in calculation	\$ 897,742	\$ 868,643	\$ 836,861	\$ 857,698	\$ 786,645
Contributions as a percentage of covered-payroll	7.75%	7.37%	7.55%	6.98%	7.34%

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ASHEBORO HOUSING AUTHORITY

ASHEBORO, NORTH CAROLINA

SCHEDULE OF CHANGES IN NET OPEB LIABILITY (ASSET)

MARCH 31, 2025

	Fiscal Year Ending			
	2025	2024	2023	2022
Asheboro Housing Authority's net OPEB liability (asset)	\$ 576,242	\$ 515,945	\$ 441,683	\$ 699,174
Asheboro Housing Authority's covered-employee payroll	\$ 1,046,608	\$ 700,571	\$ 678,519	\$ 883,762
Asheboro Housing Authority's net OPEB liability (asset) as a percentage of its covered-employee payroll	55.06%	73.65%	65.10%	79.11%
Plan fiduciary net position as a percentage of the total pension liability**	0.00%	0.00%	0.00%	0.00%

	Fiscal Year Ending		
	2021	2020	2019
Asheboro Housing Authority's net OPEB liability (asset)	\$ 1,997,149	\$ 1,772,545	\$ 1,626,702
Asheboro Housing Authority's covered-employee payroll	\$ 853,876	\$ 897,742	\$ 868,643
Asheboro Housing Authority's net OPEB liability (asset) as a percentage of its covered-employee payroll	233.89%	197.44%	187.27%
Plan fiduciary net position as a percentage of the total pension liability**	0.00%	0.00%	0.00%

Note: Information is not required to be presented retroactively. This schedule will NOT present 10 years' worth of information until fiscal year 2028.

ASHEBORO HOUSING AUTHORITY

ASHEBORO, NORTH CAROLINA

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

MARCH 31, 2025

	Fiscal Year Ending			
	2025	2024	2023	2022
Contractually required contribution	\$ 16,851	\$ 25,641	\$ 14,829	\$ 22,454
Contributions in relation to the contractually required contribution	16,851	25,641	14,829	22,454
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered-employee payroll used in calculation	\$ 1,046,608	\$ 700,571	\$ 678,519	\$ 883,762
Contributions as a percentage of covered-payroll	1.61%	3.66%	2.19%	2.54%

	Fiscal Year Ending		
	2021	2020	2019
Contractually required contribution	\$ 28,873	\$ 27,617	\$ 27,125
Contributions in relation to the contractually required contribution	28,873	27,617	27,125
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Authority's covered-employee payroll used in calculation	\$ 853,876	\$ 897,742	\$ 868,643
Contributions as a percentage of covered-payroll	3.38%	3.08%	3.12%

Note: Information is not required to be presented retroactively. This schedule will NOT present 10 years' worth of information until fiscal year 2028.

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
FINANCIAL DATA SCHEDULE
MARCH 31, 2025

LINE ITEM #

	LOW RENT	CFP	S8 HCVP	ROSS GRANT	HOPRAIDS	COMPONENT UNIT(S)	BUSINESS ACTIVITIES	FSS ESCROW FORFEITURE	FAMILY SELF SUFFICIENCY	Elimination	TOTAL
ASSETS	14,850	14,872	14,871	14,870	14,241			14,896			
CURRENT ASSETS											
CASH											
111 CASH UNRESTRICTED	2,065,779	-	780,298	-	-	1,358,727	698,407	-	-	-	4,903,211
112 CASH RESTRICTED MODERNIZATION AND DEV	-	-	-	-	-	-	-	-	-	-	-
113 CASH OTHER RESTRICTED	-	-	391,760	-	-	734,904	-	-	-	-	1,126,664
114 CASH TENANT SECURITY DEPOSIT	69,103	-	-	-	-	29,774	-	-	-	-	98,877
115 CM:BvzNjwGE5EjHzIZiOV:3.RCPTS.GRANT	-	-	-	-	-	-	-	-	-	-	-
100 TOTAL CASH	2,134,882	-	1,172,058	-	-	2,123,405	698,407	-	-	-	6,128,752
ACCOUNTS AND NOTES RECEIVABLE											
121 A/R - PHA PROJECTS	-	-	-	-	-	-	-	-	-	-	-
122 A/R - HUD PROJECTS	-	-	-	20,839	-	-	-	-	16,249	-	37,088
124 A/R - OTHER GOVT	-	-	-	-	13,446	-	-	-	-	-	13,446
125 A/R - MISC	-	-	-	-	-	-	-	-	-	-	-
126 A/R - TENANTS DWELLING RENT	18,330	-	-	-	-	3,713	-	-	-	-	22,043
126.1 ALLOWANCE FOR D A - TENANTS	(1,833)	-	-	-	-	(371)	-	-	-	-	(2,204)
126.2 ALLOWANCE FOR D A - OTHER	-	-	-	-	-	-	-	-	-	-	-
127 NOTES AND MORTGAGES RECEIVABLE	-	-	-	-	-	591	-	-	-	-	591
128 FRAUD RECOVERY	-	-	82,000	-	-	-	-	-	-	-	82,000
128.1 ALLOWANCE FOR FRAUD RECOVERY	-	-	(67,797)	-	-	-	-	-	-	-	(67,797)
129 ACCRUED INTEREST RECEIVABLE	-	-	-	-	-	-	-	-	-	-	-
120 TOTAL RECEIVABLES NET OF ALLOW	16,497	-	14,203	20,839	13,446	3,933	-	-	16,249	-	85,167
CURRENT INVESTMENTS											
131 INVESTMENTS - UNRESTRICTED	-	-	-	-	-	-	-	-	-	-	-
132 INVESTMENTS - RESTRICTED	-	-	-	-	-	-	-	-	-	-	-
142 PREPAID EXPENSE AND OTHER ASSETS	60,995	-	10,963	-	-	13,745	694	-	-	-	86,397
143 INVENTORIES - MATERIALS	-	-	-	-	-	-	-	-	-	-	-
143.1 ALLOWANCE FOR OBSOLETE INV	-	-	-	-	-	-	-	-	-	-	-
144 INTERPROGRAM DUE FROM	-	-	-	-	-	-	49,547	-	-	(49,547)	-
145 ASSETS HELD FOR RESALE	-	-	-	-	-	-	-	-	-	-	-
146 AMOUNTS TO BE PROVIDED	-	-	-	-	-	-	-	-	-	-	-
150 TOTAL CURRENT ASSETS	2,212,374	-	1,197,224	20,839	13,446	2,141,083	748,648	-	16,249	(49,547)	6,300,316
NONCURRENT ASSETS											
FIXED ASSETS											
161 LAND	192,393	-	-	-	-	610,702	-	-	-	-	803,095
162 BUILDINGS	10,509,686	-	-	-	-	2,100,793	-	-	-	-	12,610,479
163 FURNITURE & EQUIPMENT - DWELLINGS	-	-	-	-	-	340,875	-	-	-	-	340,875
164 FURNITURE & EQUIPMENT - ADMINISTRATIVE	716,138	-	91,101	-	-	4,590	-	-	-	-	811,829
165 LEASEHOLD IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-
167 CONSTRUCTION IN PROGRESS	-	-	-	-	-	-	-	-	-	-	-
166 ACCUMULATED DEPRECIATION	(8,518,596)	-	(75,693)	-	-	(1,778,103)	-	-	-	-	(10,372,392)
160 TOTAL FIXED ASSETS, NET OF DEPR	2,899,621	-	15,408	-	-	1,278,857	-	-	-	-	4,193,886

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
FINANCIAL DATA SCHEDULE
MARCH 31, 2025

LINE ITEM #

LINE ITEM #	LOW RENT	CFP	88 HCTP	ROSS GRANT	HOPRAIDS	COMPONENT UNIT(S)	BUSINESS ACTIVITIES	FSS ESCROW FORFEITURE	FAMILY SELF SUFFICIENCY	Elimination	TOTAL
171	14,850	14,872	14,871	14,870	14,241	-	-	-	14,896	-	-
172	-	-	-	-	-	-	-	-	-	-	-
173	-	-	-	-	-	-	-	-	-	-	-
174	-	-	-	-	-	-	-	-	-	-	-
175	-	-	-	-	-	-	-	-	-	-	-
176	-	-	-	-	-	-	-	-	-	-	-
177	2,899,621	-	15,408	-	-	1,278,857	-	-	-	-	4,193,886
180	-	-	-	-	-	-	-	-	-	-	-
190	5,111,995	-	1,212,632	20,839	13,446	3,419,940	749,648	-	16,249	(49,547)	10,454,202
200	226,289	-	100,125	-	-	36,677	3,668	-	-	-	366,759
210	-	-	-	-	-	-	-	-	-	-	-
220	5,338,284	-	1,312,757	20,839	13,446	3,456,617	752,316	-	16,249	(49,547)	10,860,961
230	-	-	-	-	-	-	-	-	-	-	-
240	-	-	-	-	-	-	-	-	-	-	-
250	-	-	-	-	-	-	-	-	-	-	-
260	-	-	-	-	-	-	-	-	-	-	-
270	-	-	-	-	-	-	-	-	-	-	-
280	-	-	-	-	-	-	-	-	-	-	-
290	-	-	-	-	-	-	-	-	-	-	-
300	-	-	-	-	-	-	-	-	-	-	-
310	-	-	-	-	-	-	-	-	-	-	-
320	-	-	-	-	-	-	-	-	-	-	-
330	-	-	-	-	-	-	-	-	-	-	-
340	-	-	-	-	-	-	-	-	-	-	-
350	-	-	-	-	-	-	-	-	-	-	-
360	-	-	-	-	-	-	-	-	-	-	-
370	-	-	-	-	-	-	-	-	-	-	-
380	-	-	-	-	-	-	-	-	-	-	-
390	-	-	-	-	-	-	-	-	-	-	-
400	-	-	-	-	-	-	-	-	-	-	-
410	-	-	-	-	-	-	-	-	-	-	-
420	-	-	-	-	-	-	-	-	-	-	-
430	-	-	-	-	-	-	-	-	-	-	-
440	-	-	-	-	-	-	-	-	-	-	-
450	-	-	-	-	-	-	-	-	-	-	-
460	-	-	-	-	-	-	-	-	-	-	-
470	-	-	-	-	-	-	-	-	-	-	-
480	-	-	-	-	-	-	-	-	-	-	-
490	-	-	-	-	-	-	-	-	-	-	-
500	-	-	-	-	-	-	-	-	-	-	-
510	-	-	-	-	-	-	-	-	-	-	-
520	-	-	-	-	-	-	-	-	-	-	-
530	-	-	-	-	-	-	-	-	-	-	-
540	-	-	-	-	-	-	-	-	-	-	-
550	-	-	-	-	-	-	-	-	-	-	-
560	-	-	-	-	-	-	-	-	-	-	-
570	-	-	-	-	-	-	-	-	-	-	-
580	-	-	-	-	-	-	-	-	-	-	-
590	-	-	-	-	-	-	-	-	-	-	-
600	-	-	-	-	-	-	-	-	-	-	-

ASHEBORO HOUSING AUTHORITY
 ASHEBORO, NORTH CAROLINA
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LINE ITEM #

	LOW RENT	CTP 14,872	58 HCVP 14,871	ROGS GRANT 14,870	HOPALDS 14,241	COMPONENT UNIT(S)	BUSINESS ACTIVITIES	FAS ESCROW FORFEITURE 14,224	FAMILY SELF SUFFICIENCY 14,896	Elimination	TOTAL
REVENUE											
703 NET TENANT RENTAL REVENUE	686,324	-	-	-	-	532,951	-	-	-	-	1,219,275
704 TENANT REVENUE - OTHER	26,310	-	-	-	-	6,351	-	-	-	-	32,661
705 TOTAL TENANT REVENUE	712,634	-	-	-	-	539,302	-	-	-	-	1,251,936
706 HUD PHA GRANTS	847,854	624,700	4,582,579	79,581	23,273	289,848	-	-	58,570	-	6,506,405
706.1 CAPITAL GRANTS RECEIVED	-	-	-	-	-	-	-	-	-	-	209,032
707.1 MANAGEMENT FEES	-	-	-	-	-	-	-	-	-	-	-
58 ASSET MANAGEMENT FEE	-	-	-	-	-	-	-	-	-	-	-
707.2 BOOKKEEPING FEES	-	-	-	-	-	-	-	-	-	-	-
707.3 OTHER FEES	-	-	-	-	-	-	-	-	-	-	-
707.5 OTHER GOVT GRANTS	-	-	-	-	-	-	-	-	-	-	-
708 SEC 8 INCOME	-	-	-	-	-	-	-	-	-	-	-
710 INVESTMENT INCOME - UNRESTRICTED	7,975	-	-	5	-	32,061	7,588	-	-	-	47,629
712 MORTGAGE INTEREST INCOME	-	-	-	-	-	-	-	-	-	-	-
714 FRAUD RECOVERY	-	-	15,996	-	-	-	-	-	-	-	15,996
715 OTHER REVENUE	25,184	-	68,080	-	-	21,273	109,769	-	-	(81,589)	142,717
716 GAIN OR LOSS ON THE SALE OF FIXED ASSETS	7,510	-	-	-	-	-	-	-	-	-	7,510
720 INVESTMENT INCOME - RESTRICTED	-	-	-	-	-	-	-	-	-	-	-
700 TOTAL REVENUE	1,601,157	833,732	4,666,660	79,581	23,273	882,484	117,357	-	58,570	(81,589)	8,181,225
EXPENSES											
ADMINISTRATIVE											
911 ADMINISTRATIVE SALARIES	219,388	-	262,254	-	-	94,121	10,797	-	35,144	-	621,704
912 AUDITING FEES	8,819	-	11,024	-	-	1,984	220	-	-	-	22,047
913 MANAGEMENT FEES	-	-	-	-	-	-	-	-	-	-	-
913.1 BOOKKEEPING FEES	-	-	-	-	-	-	-	-	-	-	-
914 ADVERTISING AND MARKETING	-	-	-	-	-	-	-	-	-	-	-
915 EMPLOYEE BENEFIT CONTRIBUTION	112,313	-	110,433	-	-	56,179	5,697	-	17,974	-	302,596
916 OFFICE EXPENSES	61,938	-	56,870	11,085	-	27,523	2,928	-	5,452	-	165,796
917 LEGAL EXPENSES	2,086	-	-	-	-	8,952	-	-	-	-	11,038
918 TRAVEL	12,396	-	3,259	246	-	-	19,561	-	-	-	35,462
919 OTHER	93,989	-	71,221	-	888	74,947	12,561	-	-	(81,589)	172,017
920 ASSET MANAGEMENT FEE	-	-	-	-	-	-	-	-	-	-	-
TENANT SERVICES											
921 TENANT SERVICES SALARIES	-	-	-	-	-	-	-	-	-	-	-
922 RELOCATION COSTS	-	-	-	47,902	-	-	-	-	-	-	47,902
923 EMPLOYEE BENEFIT CONTRIBUTION	-	-	-	-	-	-	-	-	-	-	-
924 TENANT SERVICES OTHER	11,929	-	305	20,348	-	-	6,362	818	-	-	20,348
UTILITIES											
931 WATER	-	-	-	-	-	-	-	-	-	-	-
932 ELECTRICITY	33,716	-	-	-	-	6,494	-	-	-	-	40,210
933 GAS	28,075	-	-	-	-	76,891	-	-	-	-	104,966
934 FUEL	8,923	-	-	-	-	-	-	-	-	-	8,923
935 LABOR	-	-	-	-	-	-	-	-	-	-	-
936 SEWER	-	-	-	-	-	-	-	-	-	-	-
937 EMPLOYEE BENEFIT CONTRIBUTION UTILITY	50,546	-	-	-	-	9,718	-	-	-	-	60,264
938 OTHER UTILITIES	-	-	-	-	-	-	-	-	-	-	-

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
FINANCIAL DATA SCHEDULE
MARCH 31, 2025

LINE ITEM #

	LOW RENT	CFP	S8 HCPT	ROSS GRANT	HOPRAIDS	COMPONENT UNIT(S)	BUSINESS ACTIVITIES	FSS ESCROW FORECLOSURE	FAMILY SELF SUFFICIENCY	Elimination	TOTAL
ORDINARY MAINTENANCE & OPERATION											
941 ORDINARY MAINT AND OF LABOR	434,548	-	-	-	-	-	-	-	-	-	434,548
942 ORDINARY MAINTENANCE AND OF MATERIALS	97,947	-	569	-	-	16,145	-	-	-	-	114,661
943 ORDINARY MAINTENANCE AND OF CONTRACT	225,802	-	1,033	-	-	213,476	-	-	-	-	440,311
945 EMPLOYEE BENEFIT CONTRIBUTION	265,752	-	-	-	-	-	-	-	-	-	265,752
PROTECTIVE SERVICES	-	-	-	-	-	-	-	-	-	-	-
951 PROTECTIVE SERVICES - LABOR	-	-	-	-	-	-	-	-	-	-	-
952 PROTECTIVE SERVICES - OTHER CONTRACT COSTS	-	-	-	-	-	-	-	-	-	-	-
953 PROTECTIVE SERVICES - OTHER	5,016	-	240	-	-	1,623	-	-	-	-	6,879
955 EMPLOYEE BENEFIT CONTRIBUTION PS	-	-	-	-	-	-	-	-	-	-	-
GENERAL EXPENSES	-	-	-	-	-	-	-	-	-	-	-
961 INSURANCE PREMIUMS	85,825	-	16,636	-	-	16,912	1,055	-	-	-	120,428
962 OTHER GENERAL EXPENSE	-	-	-	-	-	-	-	-	-	-	-
962.1 COMPENSATED ABSENCES	-	-	-	-	-	-	-	-	-	-	-
963 PAYMENTS IN LIEU OF TAXES	59,137	-	-	-	-	2,926	-	-	-	-	62,063
964 BAD DEBT - TENANT	35,565	-	-	-	-	11,903	-	-	-	-	47,468
965 BAD DEBT - MORTGAGES	-	-	-	-	-	-	-	-	-	-	-
966 BAD DEBT - OTHER	-	-	-	-	-	-	-	-	-	-	-
967 INTEREST EXPENSE	9,013	-	-	-	-	5,628	-	-	-	-	14,641
968 SEVERANCE EXPENSE	-	-	-	-	-	-	-	-	-	-	-
969 TOTAL OPERATING EXPENSES	1,862,723	-	533,844	79,581	888	625,422	59,181	818	58,570	(81,589)	3,139,438
970 EXCESS OPERATING REVENUE OVER OF EXP	(261,566)	833,732	4,132,816	-	22,385	257,062	58,176	(818)	-	-	5,041,787
971 EXTRAORDINARY MAINTENANCE	-	-	-	-	-	-	-	-	-	-	-
972 CASUALTY LOSSES - NON CAPITALIZED	-	-	-	-	-	-	-	-	-	-	-
973 RAP	-	-	3,644,823	-	-	-	-	-	-	-	3,644,823
973.5 RAP - PORTABILITY IN	-	-	56,626	-	21,431	-	-	-	-	-	56,626
974 DEPRECIATION EXPENSE	101,874	-	4,402	-	-	39,736	-	-	-	-	146,012
975 FRAUD LOSSES	-	-	-	-	-	-	-	-	-	-	-
976 CAPITAL OUTLAYS GOVT FUNDS	-	-	-	-	-	-	-	-	-	-	-
977 DEBT PRINCIPAL PAYMENT GOVT FUNDS	-	-	-	-	-	-	-	-	-	-	-
978 DWELLING UNITS RENT EXPENSE	-	-	-	-	-	-	-	-	-	-	-
900 TOTAL EXPENSES	1,964,597	-	4,239,695	79,581	22,319	665,158	59,181	818	58,570	(81,589)	7,008,330
1001 Operating Transfers In	-	-	-	-	-	-	-	-	-	(624,700)	-
1002 Operating Transfers Out	624,700	-	-	-	-	-	-	-	-	624,700	-
1003 Operating Transfers to/from Primary Government	-	(624,700)	-	-	-	-	-	-	-	-	-
1010 Total Other Financing Sources (Used)	624,700	(624,700)	-	-	-	-	-	-	-	-	-
1000 EXCESS REVENUE OVER EXPENSES	261,260	209,032	426,965	-	954	217,326	58,176	(818)	-	-	1,172,895
1103 BEGINNING EQUITY	3,778,159	-	-	-	-	-	-	-	-	-	-
1104 EQUITY TRANSFERS/PRIOR PERIOD ADJUSTMENTS	209,032	-	503,110	-	33	3,090,541	683,168	818	-	-	8,055,829
1104 EQUITY TRANSFERS/PRIOR PERIOD ADJUSTMENTS	(209,032)	(209,032)	-	-	-	-	-	-	-	-	-
1104 ENDING EQUITY	4,248,451	-	930,075	-	987	3,307,867	741,344	-	-	-	9,228,724

ASHEBORO HOUSING AUTHORITY
 ASHEBORO, NORTH CAROLINA
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LINE ITEM #

	LOW RENT	CFP	SS HCVP	ROSS GRANT	HOPRAIDS	COMPONENT UNIT(S)	BUSINESS ACTIVITIES	FSS ESCROW FORFEITURE	FAMILY SELF SUFFICIENCY	Elimination	TOTAL
	14,850	14,872	14,871	14,870	14,241			14,554	14,896	-	-
1117 ADMINISTRATIVE EQUITY	-	-	-	-	-	-	-	-	-	-	-
1118 HOUSING ASSISTANCE PAYMENTS EQUITY	-	-	566,517	-	-	-	-	-	-	-	566,517
1119 UNIT MONTHS AVAILABLE	-	-	363,558	-	-	-	-	-	-	-	363,558
1121 NUMBER OF UNIT MONTHS LEASED	2,389	-	9,871	-	20	1,212	-	-	-	-	13,492
11270 EXCESS CASH	2,299	-	6,863	-	20	1,014	-	-	-	-	10,196
1162 BUILDING PURCHASES	-	-	-	-	-	-	-	-	-	-	-
1163 FURNITURE & EQUIPMENT - DWELLING PURCHASES	-	209,032	-	-	-	-	-	-	-	-	209,032
1164 FURNITURE & EQUIPMENT - ADMIN PURCHASES	-	-	-	-	-	-	-	-	-	-	-
1165 LEASEHOLD IMPROVEMENT PURCHASES	-	-	-	-	-	-	-	-	-	-	-
1166 INFRASTRUCTURE PURCHASES	-	-	-	-	-	-	-	-	-	-	-
11020 REQUIRED ANNUAL DEBT PRINCIPAL PAYMENTS	-	-	-	-	-	-	-	-	-	-	-
139.1 REPLACEMENT HOUSING FACTOR FUNDS	-	-	-	-	-	-	-	-	-	-	-

ASHEBORO HOUSING AUTHORITY

ASHEBORO, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MARCH 31, 2025

Section I: Summary of Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued:

Unmodified

Internal Control over financial reporting:

Are material weaknesses identified?

___ Yes X No

Are significant deficiencies that are not considered
to be material weaknesses identified?

___ Yes X None
Reported

Is noncompliance that could have a material effect
on the financial statements identified?

___ Yes X No

FEDERAL AWARDS

Internal control over major programs:

Are material weaknesses identified?

___ Yes X No

Are significant deficiencies that are not considered
to be material weaknesses identified?

___ Yes X None
Reported

Type of report issued on compliance with requirements
applicable to each major program:

Unmodified

Are there any audit findings that are required to be
reported in accordance with 2CFR Section 200.516(a) of
the Uniform Guidance?

___ Yes X No

Identification of major programs:

Name of Federal Program

Assistance Listing Number

Public Housing Operating Fund

14.850

Public Housing Capital Fund Program

14.872

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

Is the auditee identified as a low-risk auditee?

X Yes ___ No

ASHEBORO HOUSING AUTHORITY
ASHEBORO, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MARCH 31, 2025

Section II: Financial Statement Findings:

Prior Year Findings and Questioned Costs

None

Current Year Findings and Questioned Costs

None

Section III: Federal Award Findings and Questioned Costs:

Prior Year Findings and Questioned Costs

None

Current Year Findings and Questioned Costs

None

ASHEBORO HOUSING AUTHORITY

SCHEDULE OF OPERATING BUDGET-TO-ACTUAL COMPARISON (Non-GAAP)

FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025 Actual</u>	<u>2025 Budget</u>	<u>Variance</u>
Revenues:			
Tenant Rental and Other Revenue	\$ 1,251,936	\$ 1,220,950	\$ 30,986
Operating Grants	6,506,405	5,326,100	1,180,305
Interest Income	47,629	35,665	11,964
Other Revenue	158,713	295,470	(136,757)
Total Operating Revenues and Investment Income	\$ 7,964,683	\$ 6,878,185	\$ 1,086,498
Expenses:			
Administrative Expenses	\$ 1,330,660	\$ 1,291,795	\$ 38,865
Tenant Services	87,664	8,250	79,414
Utilities	214,363	225,083	(10,720)
Maintenance and Operations	1,255,272	954,159	301,113
General Expense	236,838	320,769	(83,931)
Housing Assistance Payments	3,722,880	3,606,100	116,780
Total Operating Expenses	\$ 6,847,677	\$ 6,406,156	\$ 441,521
Operating Income (Loss)	\$ 1,117,006	\$ 472,029	\$ 644,977

Reconciliation to Operating Income (Loss) reported
on the Statement of Revenues, Expenses
and Changes in Net Position:

Operating Income (per above)	\$ 1,117,006
Less: Depreciation	(146,012)
Less: Interest Income	(47,629)

**Total Operating Income (Loss) reported on
the Statement of Revenues, Expenses
and Changes in Net Position**

\$ 923,365