



AGENDA AND NOTICE

Board of Commissioners Meeting
Monday, April 30, 2018



**Spartanburg Housing Authority
Regular Board Meeting
Monday, April 30, 2018
04:00 P.M.**

NOTICE

The Housing Authority of the City of Spartanburg will hold its regularly scheduled Board of Commissioner's meeting at 04:00 P.M. Monday, April 30, 2018, in the Executive Board Room at the Spartanburg Housing Authority offices, located at 2271 S. Pine St., Spartanburg, S.C., 29302.

AGENDA

CALL MEETING TO ORDER

- I. Moment of Silence**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Approval of Minutes - Board Meeting March 27, 2018**
- V. Commission Comments**
- VI. Public/Staff Comments**
- VII. Special Presentation - Rubino & Company**
 - 1. Housing Authority of the City of Spartanburg FY 2017 Independent Audit Board Presentation.
- VIII. Action Items and Resolutions**
 - 1. Resolution 2018-23: Audit FY2017
- IX. HUD Annual/Five Year Plan Presentation – Sr. Staff**
- X. Executive Session (contract issue, same as the March 18th meeting)**
- XI. Monthly Reports**
- XII. Adjournment**



**Approval of Minutes –
Regular Board Meeting
March 27, 2018**

**Board of Commissioners Meeting
Monday, April 30, 2018**



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**MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SPARTANBURG, SOUTH CAROLINA
MARCH 27, 2018**

MEETING CALLED TO ORDER: The meeting was held in the Executive Board Room of the Spartanburg Housing Authority, 2271 South Pine Street, Spartanburg, SC 29302.

Chairman Charles White called the meeting to order at 4:00 P.M. with a moment of silence.

**Commissioner Myers arrived at 4:04 P.M.*

MOMENT OF SILENCE: - *observed*

PRESENT: Charles White, Molly Talbot-Metz, John O. Fairey, Jr., Andrew Poliakoff, Brenda Thomas, and *Matthew Myers

Bo Campbell, SHA's Attorney of the Horton Law Firm attended the meeting as well.

ABSENT: none

APPROVAL OF THE AGENDA:

Terril Bates asked for the Board's consideration in adding resolution 2018-17.

Commissioner Fairey made a motion to approve resolution 2018-17 to be added to the agenda. The motion was seconded by Commissioner Thomas and unanimously carried.

Commissioner Talbot-Metz made a motion to approve the amended agenda. The motion was seconded by Commissioner Fairey, and unanimously carried.

The Attorney subsequently advised that the addition would be in violation of Stat Statute as it did not constitute an emergency.

APPROVAL OF THE PREVIOUS MEETING MINUTES:

A motion to approve the minutes of the February 27, 2018 regular Board of Commission meeting was made by Commissioner Thomas, seconded by Commissioner Talbot-Metz, and unanimously carried.

A motion to approve the minutes of the February 27, 2018 Spartanburg Area Housing Corporation Board meeting was made by Commissioner Talbot-Metz, seconded by Commissioner Fairey, and unanimously carried.



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A motion to approve the minutes of the February 27, 2018 HOPE VI Board meeting was made by Commissioner Talbot-Metz, seconded by Commissioner Thomas, and unanimously carried.

COMMISSION COMMENTS

Commissioner Myers shared that he attended the NDG and Purpose-Built Communities gathering; a networking and dinner event. There were no presentations during the event but there was a culmination of the day of having individuals from around the Southeast come and see what's been done in Spartanburg and to ask questions and interact with the Purpose-Built Communities folks. There were also two entrepreneurial groups who came out of a leadership training called Start Me. One was a rap recording group and the other was a musical jazz group that also teaches music. Terril Bates shared that the group, Start Me, has a contract with the school district to do an eight-week program. Commissioner Myers shared that the event was nice but not exactly what he was expecting.

Additionally, Terril Bates shared that the housing authority is part of the Purpose-Built Community network. There are 17 community network organizations in the United States and Spartanburg happens to be one. There were also members from the Southeast and East Coast who were in Spartanburg to see the work that is going on in the north side and most of the day's event was spent touring Spartanburg and the gathering ended with a mixer in the evening.

Chairman White shared that he attended a meeting along with Terril Bates at the city manager's office. The meeting was with the City Manager and three of his staff that are involved in the Northside. The purpose of the meeting was to meet with senior HUD officials; the new state Director and the person that administers the CPD grants.

Chairman White shared that it was impressive listening, from the city manager's perspective, of what's going on and what needs to be done. The focus is not just on places and facilities but more of an emphasis on people and how to integrate people into the economy and into the existing facilities.

Terril Bates shared that a video and graphic presentation regarding the 72 units that SHA is subsidizing through RAD was displayed during the meeting with the HUD officials. The pictures were very nice and HUD officials very impressed.

Chairman White shared that the former BI-LO Building, on John B. White Boulevard, was purchased by Piedmont Community Action 10 years ago. Piedmont spent \$700,000 for the building and they never did anything with it. The building is 30,000 square feet, one level, a loading dock in the back, a lot of surrounding grounds and a good parking lot. The price of the building has been dramatically reduced and it is believed that SHA could get it for under \$400,000. Chairman White would like for the Board members to consider viewing the property on April 11, 2018 at noon.



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PUBLIC/STAFF COMMENTS

Terril Bates introduced Lynn Levesque as the new Executive Assistant.

Terril Bates stated that the Attorney cited information in the statute that will only allow walk on resolutions if there is an emergency. Therefore, since resolution 2018-17 is not an emergency, Terril Bates would like to remove this item from the agenda and present it at a later time.

Commissioner Poliakoff made a motion to rescind the additional added resolution item to the agenda. The motion was seconded by Commissioner Talbot-Metz and unanimously carried.

As further explained by Bo Campbell, if we haven't given 24 hour's notices to the Public in accordance with FOIA, additional resolutions cannot be added unless there is an emergency.

INFORMATION ITEM

Staff Development Training Logs

Terril Bates stated that Chairman White and a few others has previously asked about staff and what SHA is doing for the staff. As such, this information item is being shared to reflect SHA's investment in the staff. The training logs are managed on a department level by the department heads and the report details what type of investment is made in the staff. SHA spent \$73,000 on staff training last year; this is a considerable amount of money. SHA will continue to invest in staff, but possibly not at that financial level.

Chairman White stated that he was very impressed, not only the scope but the attention to detail in how everything was logged, recorded, and the variety of training opportunities. As an educator, there is nothing more important than continuous staff development and staff growth. Going forward, the Commissioners would like to see this type of report on an annual basis with the last board meeting of the fiscal year.

ACTION ITEMS:

1) RESOLUTION NO. 2018-15 Procurement Policy

Terril Bates gave an overview of the resolution.

The new Procurement Policy was sent last month as an information item so that the board could review it. The new Procurement Policy, with the board's approval, will be effective April 1, 2018. There was an update to 2 CFR 200.317 and prior to this update, there was a HUD only procurement policy and that changed significantly. SHA needed to go through and update policy issues according to the new CFR and then adjust the small purchase limit.



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An issue that SHA has is that it's often reliant on HUD for sole source. So when we do an RFP, if only one or two people respond, we have to request permission for sole source from HUD, which we actually received for our attorney. So HUD feels that we're not being responsible and we're costing them a lot of work because there is no regulation that really supports our small purchase limit of \$35,000. HUD asked that we consider an amendment to our policy so that we're not having to inundate them. The new Procurement Policy raises the small purchase threshold from \$35,000 to \$60,000 whereas the HUD approved level is somewhere between \$120,000 and \$150,000. So, SHA is not wanting to go as far as HUD would allow, but to settle in the middle.

Commissioner Talbot-Metz made a motion to approve Resolution 2018-15. The motion was seconded by Commissioner Fairey.

Chairman White asked for a motion to approve **Resolution 2018-15**. The motion was unanimously carried.

RESOLUTION NO. 2018-15
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
March 27, 2018

2) RESOLUTION NO. 2018-16 Public Housing Operating Account

Angela Leopard provided an overview of the resolution.

We currently operate under an inter-fund banking structure and a decision was made to no longer operate under that type of accounting structure. Due to the complexity of the restrictions and sensitivity of the funds, all accounts should be independent. Currently now the public housing operating funds do not have independent bank accounts, so the sole purpose is to house those funds.

Nominal fees were discussed by the Commissioner and no additional questions we raised.

Commissioner Myers made a motion to approve Resolution 2018-16. The motion was seconded by Commissioner Fairey.

Chairman White asked for a motion to approve **Resolution 2018-16**. The motion was unanimously carried.

RESOLUTION NO. 2018-16
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
March 27, 2018



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MONTHLY REPORTS:

1. Chief Executive Office (Terril Bates):

Terril Bates highlights of the report surrounded the submission of the tax credit application which went on March 8, 2018. SHA expects to know the outcome of that application from the State Housing Authority sometime in June.

SHA is aware of the situation at Victoria. NHP was second in the scoring; it's expected that in the next couple of weeks, a resolution will be brought to the board to consider adding Victoria to the next highest scoring vendor.

Due to a scheduling conflict with the NAHRO program, the next board meeting will be on Monday, April 30, 2018. There will be no lunch and learn that week. The auditor will be available to meet with anyone that has questions.

In June, the Five Year Plan will be presented to the board for approval. A presentation of the Plan will be made to the Resident Advisory Board, a public notice along with the plan will be sent to much of the city, and the plan will go to the libraries.

A discussion surrounding the presentation of the Plan to the Commissioners was deliberated. It was agreed that the Plan will be presented during the April 30, 2018 meeting.

2. Finance (Angela Leopard):

Angela Leopard presented the Finance Report and began by discussing the fact that the Finance Committee made a decision that the report will no longer highlight the 10% variance. A focus would be on the annual budget, the percent used period to date, and the annual target because this reflects if SHA is on track or not. If there is significant variance there would be discussion.

Commissioner Myers noted that SHA is doing exceptionally well in expense control and overall SHA is below the budget target; and that is good.

Terril Bates mentioned that while in the profit world, it's good to have excess in a budget. SHA would need to spend conservatively but ensure that there is not a significant carry over into the reserves.

3. Program Dashboard:

Jessica Holcomb presented an overview of the Asset Management dashboard. It was also noted that the Maintenance Personnel attended a two-week training in Greenville through the American Apartment Association. Additionally, in May SHA will host the UPCS/REAC certification training course. Jessica Holcomb has invited other housing authorities to join, in an effort to help cover some of the costs.



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Tiffany Askew presented an overview of the Housing Choice Voucher dashboard. There was a reduction on the voucher issuance due in part to the recapture of \$300,000 by HUD in previous years. The MOD Rehab property, Norris Ridge, continues to have difficulty in reaching the occupancy goal. The city has taken an interest in this property because of several other issues.

The Commissioners and staff discussed the funding at a national level; so far, the amounts have not been finalized.

Joseph Jackson presented an overview of the Capital Fund dashboard. SHA will be submitting a capital fund revision for 2014 to clean up an issue that was pointed out by HUD. There is \$108,000 that needs to be reallocated.

Chairman White asked for an update on the twinning. As reported by Terril Bates, the State Housing Authority asked SHA to not submit the 4 percent application because it cannot be approved until there is an approved 9 percent application.

Commissioner Fairey raised the question regarding size of the Board. Bo Campbell indicated that he reviewed the Bylaws and the requirement states that there has to be seven Commissioners. However, the statute only required no less than five and no more than seven. Therefore, if SHA tweaks the Bylaws to mirror the statute, the SHA can conduct business with just three Commissioners. Chairman White recommended that the Bylaws be changed to reflect the statute.

Additional discussion surrounding possible candidates was deliberated. It was mentioned that there were a few candidates that were pondering the idea of joining the Commission. Terril Bates indicated that there can't be a conflict of interest for those individuals that consider joining the Board.

Commissioner Talbot-Metz made a motion to adjourn the meeting. The motion was seconded by Commissioner Myers and the motion was unanimously carried.

Meeting Adjourned at 5:20 p.m.

Respectfully Submitted,
The Housing Authority of the City of Spartanburg



Action Items & Resolution

2018-23

Audit FY2017

Board of Commissioners Meeting

Monday, April 30, 2018

**HOUSING AUTHORITY OF THE
CITY OF SPARTANBURG**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
WITH INDEPENDENT AUDITORS' REPORT**

Year Ended September 30, 2017

TABLE OF CONTENTS

Description	Pages
INDEPENDENT AUDITORS' REPORT	1-3
REQUIRED SUPPLEMENTAL INFORMATION	
Management Discussion and Analysis (MD&A)	4-10
FINANCIAL STATEMENTS	11-15
Statement of Net Position	
Statement of Revenues, Expenses, and Changes in Net Position	
Statement of Cash Flows	
Notes to the Financial Statements	16-46
REQUIRED SUPPLEMENTAL INFORMATION	47-48
Schedule of Proportionate Share of the Net Pension Liability	
Schedule of Contributions	
SUPPLEMENTAL INFORMATION	
Financial Data Schedule (FDS)	50-64
Statement and Certification of Actual Capital Fund Program Costs	65
Statement and Certification of Actual HOPE VI Program Costs	66
REPORT ON SINGLE AUDIT	
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 <i>Government Auditing Standards</i>	67-68
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	69-71
Schedule of Expenditures of Federal Awards	72
Notes to Schedule of Expenditures of Federal Awards	73
Schedule of Findings and Questioned Costs	74-75
Schedule of Prior Year Findings and Questioned Costs	76

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Spartanburg
Spartanburg, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Spartanburg (the Authority) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of September 30, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Pension Schedules on pages 4 – 10 and 47 – 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedule, Statement and Certification of Actual Capital Fund Program Costs, and Statement and Certification of Actual HOPE VI Program Costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements.

The Financial Data Schedule, Statement and Certification of Actual Capital Fund Program Costs, Statement and Certification of Actual HOPE VI Program Costs, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 Financial Data Schedule, Statements and Certifications of Actual Capital Fund Program Costs, Statement and Certification of Actual HOPE VI Program Costs, and the Schedule of Expenditures of Federal Awards 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 April __, 2018 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Bethesda, Maryland
April __, 2018

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Management's Discussion and Analysis

The management of the Housing Authority of the City of Spartanburg (the Authority or SHA) offers the readers of the Authority's financial statements this narrative overview and analysis of the Authority's financial activities for the year ended September 30, 2017. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual program issues or concerns. Readers should consider the information presented here in conjunction with the Authority's financial statements to obtain a full understanding of its financial position. The major focus of this MD&A relates to the primary government and as such excludes those items that relate to the statements of the Discrete Component unit that are presented in a separate column of the upper level financial statements.

This management's discussion and analysis is presented in accordance with the requirements of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) to allow the reader to gain an adequate understanding of the Authority's annual operating results and financial position as of September 30, 2017.

Questions concerning the information provided in this discussion or requests for additional information should be addressed to the Authority's Executive Director.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$45,073,634 (net position) as compared to \$47,197,440 for the prior fiscal year.
- The Authority's cash and investments balance as of September 30, 2017 was \$7,241,366, representing a decrease of \$361,241 from the September 30, 2016 balance of \$7,602,607. The decrease was primarily a result of decreases in revenue and pay down of debt in the current year.
- The Authority had total operating revenues of \$20,870,252 and total operating expenses of \$23,603,989 for the year ended September 30, 2017. Substantially all of the excess of expenses over revenues related to noncash items including depreciation and unfunded pension obligation.
- As a result of participation in the South Carolina Retirement System (SCRS), the Authority recognized an unfunded obligation of \$4,063,315 as of September 30, 2017. This represents an increase of \$1,594,779 from the \$2,468,536 balance as of September 30, 2016. Additional details and plan information is included in the notes to the financial statements included in this report.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Overview of the Financial Reports

The following outline describes the integral parts of this financial presentation and is a guideline for understanding its components:

- I. Management Discussion and Analysis (MD&A) - Serves as an introduction to the Authority's basic financial statements
- II. Basic Financial Statements - Authority-wide financial statements & notes to the financial statements
- III. Other Supplementary Information

The financial statements in this report are those of a special purpose governmental entity engaged in a business type activity. The following statements are included:

- Statement of Net Position – presents information about the Authority's assets and liabilities and 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 to cash within one year), and "non-current." Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- Statement of Revenues, Expenses & Changes in Net Position – reports the Authority's revenues by source and type and its expenses by category to substantiate the change in net position for the fiscal year.
- Statement of Cash Flows – discloses net cash provided by, or used for operating activities, non-capital financing activities, and capital and related financing activities.

Our analysis of the Authority as a whole follows with the most important question, "Has the Authority's financial health improved or worsened as a result of the year's activities?" The following analysis of entity-wide net position, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual method of accounting, which recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Authority-wide Net Position (Statement of Net Position)

Spartanburg Housing Authority
Comparative Statement of Net Position
TABLE I

	2017	2016	Total Change	% Change
Cash & Investments	\$ 7,241,366	\$ 7,602,607	\$ (361,241)	-4.75%
Other Current Assets	677,373	441,091	236,282	53.57%
Other Noncurrent Assets	24,703,317	24,869,769	(166,452)	-0.67%
Capital Assets	15,644,677	17,000,675	(1,355,998)	-7.98%
Deferred Outflows	2,757,515	1,940,694	816,821	0.00%
Total Assets	\$ 51,024,248	\$ 51,854,836	\$ (830,588)	-1.60%
Current Liabilities	\$ 1,089,185	\$ 1,561,154	\$ (471,969)	-30.23%
Noncurrent Liabilities	4,643,669	3,009,265	1,634,404	54.31%
Deferred Inflows	217,760	86,977	130,783	0.00%
Total Liabilities	5,950,614	4,657,396	1,293,218	27.77%
Investment in Capital Assets	15,258,906	16,589,520	(1,330,614)	-8.02%
Restricted	24,614,974	24,455,077	159,897	0.65%
Unrestricted, as restated	5,199,754	6,152,843	(953,089)	-15.49%
Total Net Position	45,073,634	47,197,440	(2,123,806)	-4.50%
Total Liabilities & Net Position	\$ 51,024,248	\$ 51,854,836	\$ (830,588)	-1.60%

Total assets decreased by \$830,588 or 1.6%. This decrease was comprised primarily of a decrease in cash & investments of \$361,241, an increase in accounts receivable of \$236,282 and a reduction in capital assets of \$1,355,998 as discussed in Section 3 of this document. Deferred outflows increased by \$816,821 which represent amounts to be provided in the future to address the \$4.1 million unfunded pension liability that existed as of September 30, 2017.

Total liabilities increased by \$1,293,218 or 27.77%. Current liabilities decreased by \$471,969 (or 30.23%) as primarily due to lower accounts payable-vendors and Accounts Payable – HUD offset by an increase in the current portion of long-term debt. The major components that contributed to the \$1,634,404 reduction in Noncurrent liabilities was the increased unfunded Pension liability and related Deferred Inflows as well as higher FSS program Escrow balances.

Total Net Position decreased by \$2,123,806 or 4.50%, which is outlined in detail on the Statement of Revenues, Expenses and Changes in Net Position.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Entity-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position)

The following table illustrates changes in revenues and expenses from FY 2016 to FY 2017:

Spartanburg Housing Authority				
Comparative Statement of Revenues, Expenses and Changes in Net Position				
TABLE II				
	2017	2016	Total Change	% Change
Revenue				
Tenant Revenue	\$ 1,815,949	\$ 1,894,659	\$ (78,710)	-4.15%
Grant Funding	18,143,603	21,110,606	(2,967,003)	-14.05%
Interest Income	12,484	10,360	2,124	20.50%
Other Income	938,518	4,077,191	(3,138,673)	-76.98%
Total Revenue	20,910,554	27,092,816	(6,182,262)	-22.82%
Expenses				
Administration	4,880,764	3,981,613	899,151	22.58%
Tenant Services	143,439	533,827	(390,388)	-73.13%
Utilities	1,063,132	1,060,837	2,295	0.22%
Maintenance	2,262,362	2,159,045	103,317	4.79%
Protective Services	12,076	22,607	(10,531)	-46.58%
General	1,595,792	1,787,523	(191,731)	-10.73%
Interest	-	50,398	(50,398)	-100.00%
Housing Assistance Payments	12,429,735	11,460,186	969,549	8.46%
Depreciation	1,216,689	1,170,907	45,782	3.91%
Total Expenses	23,603,989	22,226,943	1,377,046	6.20%
Net Position				
Change in Net Position	(2,693,435)	4,865,873	(7,559,308)	-155.35%
Special Item	-	(746,231)	746,231	-100.00%
Extraordinary maintenance	(25,822)	(405,456)	379,634	0.00%
Gain (Loss) on disposition of assets	601,499	(4,507,325)	5,108,824	-113.34%
Equity transfer	(6,048)	-	(6,048.00)	0.00%
Beginning Net Position	47,197,440	47,990,579	(793,139)	-1.65%
Ending Net Position	\$ 45,073,634	\$ 47,197,440	\$ (2,123,806)	-4.50%

The federal government continued to fund operating grants at a level below total eligibility for the period ended September 30, 2017. With no signs of improvement in federal funding or economic conditions in the foreseeable future, the Authority is using proactive measures to review staff responsibilities and implementing cost management strategies. The Authority continuously looks for new ways to improve operations, control costs, maximize effectiveness, and demonstrate accountability.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Analysis of Entity-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position)

During the year, total operating revenue decreased from \$27,092,816 to \$20,870,252 which represents a decrease of \$6,222,564, or 22.97%. This decrease was primarily a function of the RAD disposition transaction that occurred in 2016 and included the loss of rent from these properties, a decrease in Capital Funds received of \$2,822,132, of which \$1,866,374 was used to retire the CFFP debt, as well as other income of \$2,224,260 in the prior year related to the receipt of proceeds received from the sale of the RAD program communities.

Tenant revenue decreased by \$78,710 or 4.15% mainly due to fewer units available for lease as a result of the disposal of the RAD properties that occurred during 2016. Total grant revenue decreased by \$2,967,003 or 14.05% due primarily to the decreased Capital Fund Program funding of \$2,822,132 and lower Low Rent Public Housing funding of \$193,116 which were partially offset somewhat by an increase of \$1,244,433 in the Housing Choice Voucher Program with the additional RAD program increments received. Other revenue decreased \$3,138,673 or 76.98% from fiscal year 2016 due to the amounts were inflated by the aforementioned receipt of proceeds received from the sale of the RAD program communities.

Total expenses increased by \$1,377,046 or 6.20% from FY 2016 to FY 2017. Administrative costs increased by \$899,151 or 22.58%. This increase was primarily due to the \$932,033 increase in Administrative employee benefits from 2016 for the recognition of the increased unfunded pension liability offset by a \$163,049 reduction in administrative and bookkeeping fees. The unfunded pension liability increase is a non-cash item but increases the liability due to the Authority's participation in the plan. Utilities were relatively unchanged with a \$2,295 increase (0.22%). Tenant services decreased by \$390,388 or 73.13% due primarily to lower Youthbuild expenses to coincide with reduced funding of this program in the current year. Maintenance and operations increased by \$103,317 or 4.79% due to primarily to an increase in pension related costs offset by a reduction in lower maintenance costs for Public Housing of \$64,765 and lower extraordinary maintenance costs of \$339,634 as Public Housing and JC Bull had unusually high levels of activity for this line item in 2016. Protective services decreased by \$10,531 or 46.58% partially due to no longer using residents for these services. Housing assistance payments were \$969,549 higher (8.46%) due to higher utilization levels as a result of the new RAD communities now being on-line for the entire fiscal year. Depreciation expense increased by \$45,782, or 3.91%. General expenses were \$191,731 lower than last year (a 10.73% decrease) as expenses in 2016 were higher than normal due to the RAD transaction. Interest expense decreased by \$50,398 or 100%, as a result of lower debt levels in relation to fiscal year 2016.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017

Capital Assets

During FY 2017, the Authority had total capital asset additions of \$140,716, consisting of \$30,294 in additions from Capital Fund grants, and additions funded from operations of \$110,422. Additionally, net dispositions during FY 2017 totaled \$280,025 due to the disposition of a portion of Cammie Clagett Homes that was sold in 2017. Depreciation expense was \$1,216,689, a decrease of \$1,355,998 or 7.98% for FY 2017.

Spartanburg Housing Authority
Comparative Statement of Capital Assets
TABLE III

	2017	2016	Total Change	% Change
Land	\$ 5,158,843	\$ 5,424,146	\$ (265,303)	-4.89%
Buildings & improvements	34,481,498	36,411,305	(1,929,807)	-5.30%
Furniture & Equipment	1,338,096	1,302,127	35,969	2.76%
Construction in progress	90,300	60,006	30,294	100.00%
	41,068,737	43,197,584	(2,128,847)	-4.93%
Accumulated Depreciation	(25,424,060)	(26,196,909)	772,849	-2.95%
Total Capital Assets	\$ 15,644,677	\$ 17,000,675	\$ (1,355,998)	-7.98%

Reconciliation of Capital Assets

Balance as of October 1, 2015	\$ 17,000,675
Additions from Capital Funds	30,294
Additions from Operations	110,422
Current period dispositions	(280,025)
Depreciation expense	<u>(1,216,689)</u>
Balance as of September 30, 2016	<u>\$ 15,644,677</u>

Debt Outstanding

As of the year-end, the Authority had outstanding debt of \$385,771, which was a reduction of \$25,384 from last year's balance of \$411,155. There were no new note obligations during the year. Additional details regarding long-term debt can be found in the Notes to the Financial Statements accompanying this report.

**HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2017**

Economic Factors

Several significant economic factors are present that may impact the Authority in the future.

- Congressional funding of the Department of Housing and Urban Development, including any subsidy proration.
- 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.
- Health care and other insurance costs are expected to increase dramatically over the next several years especially due to the Affordable Care Act.

Financial Contact

Questions concerning any of the information provided in this Management's Discussion & Analysis should be addressed to:

Terril Bates, CEO
Housing Authority of the City of Spartanburg
2271 South Pine Street
Spartanburg, South Carolina 29302
(864) 598-6102

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF NET POSITION
September 30, 2017

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Current assets			
Cash and cash equivalents - unrestricted	\$ 4,703,638	\$ -	\$ 4,703,638
Cash and cash equivalents - restricted	2,537,728	-	2,537,728
Accounts receivables, net	437,842	-	437,842
Notes receivable, current	65,527	-	65,527
Prepaid expenses	114,204	-	114,204
Assets held for sale	59,800	-	59,800
Total current assets	7,918,739	-	7,918,739
Noncurrent assets			
Capital assets, net	15,644,677	-	15,644,677
Notes receivable, less current portion	22,376,181	-	22,376,181
Investment in joint ventures	2,186,865	-	2,186,865
Other assets	140,271	-	140,271
Total noncurrent assets	40,347,994	-	40,347,994
Total assets	48,266,733	-	48,266,733
Deferred outflows of resources			
Pension plan	2,757,515	-	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 51,024,248	\$ -	\$ 51,024,248

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF NET POSITION
September 30, 2017

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Current liabilities			
Accounts payable	\$ 743,960	\$ -	\$ 743,960
Accrued liabilities	129,134	-	129,134
Accrued compensated absences, current portion	20,224	-	20,224
Other current liabilities	50,456	-	50,456
Unearned revenue	9,197	-	9,197
Notes payable, current portion	6,462	-	6,462
Tenant security deposits	<u>129,752</u>	<u>-</u>	<u>129,752</u>
Total current liabilities	<u>1,089,185</u>	<u>-</u>	<u>1,089,185</u>
Noncurrent liabilities			
Notes payable, less current portion	379,309	-	379,309
Accrued compensated absences, less current portion	99,544	-	99,544
Trust deposits	101,501	-	101,501
Accrued pension liability	<u>4,063,315</u>	<u>-</u>	<u>4,063,315</u>
Total noncurrent liabilities	<u>4,643,669</u>	<u>-</u>	<u>4,643,669</u>
Total liabilities	<u>5,732,854</u>	<u>-</u>	<u>5,732,854</u>
Deferred inflows of resources			
Pension plan	<u>217,760</u>	<u>-</u>	<u>217,760</u>
Net position			
Net investment in capital assets	15,258,906	-	15,258,906
Restricted	24,614,974	-	24,614,974
Unrestricted	<u>5,199,754</u>	<u>-</u>	<u>5,199,754</u>
Total net position	<u>45,073,634</u>	<u>-</u>	<u>45,073,634</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 51,024,248</u>	<u>\$ -</u>	<u>\$ 51,024,248</u>

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended September 30, 2017

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Operating Revenues			
Dwelling rent	\$ 1,815,949	\$ -	\$ 1,815,949
Government grants & subsidy	18,115,785	-	18,115,785
Other income	938,518	-	938,518
Total operating revenues	<u>20,870,252</u>	<u>-</u>	<u>20,870,252</u>
Operating Expenses			
Administration	4,880,764	-	4,880,764
Tenant services	143,439	-	143,439
Utilities	1,063,132	-	1,063,132
Maintenance & operations	2,262,362	-	2,262,362
Protective services	12,076	-	12,076
General expense	1,595,792	6,048	1,601,840
Housing assistance payments	12,429,735	-	12,429,735
Depreciation expense	1,216,689	-	1,216,689
Total operating expenses	<u>23,603,989</u>	<u>6,048</u>	<u>23,610,037</u>
Operating loss	(2,733,737)	(6,048)	(2,739,785)
Non-operating revenues (expenses)			
Interest income	12,484	-	12,484
Extraordinary maintenance	(25,822)	-	(25,822)
Gain on sale of capital assets	601,499	2,779,281	3,380,780
Net non-operating revenues (expenses)	<u>588,161</u>	<u>2,779,281</u>	<u>3,367,442</u>
Net income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(2,145,576)</u>	<u>2,773,233</u>	<u>627,657</u>
HUD capital grants	27,818	-	27,818
Equity transfer to affiliated entity	(6,048)	6,048	-
Change in net position	(2,123,806)	2,779,281	655,475
Net position, beginning of year	<u>47,197,440</u>	<u>(2,779,281)</u>	<u>44,418,159</u>
Net position, end of year	<u>\$ 45,073,634</u>	<u>\$ -</u>	<u>\$ 45,073,634</u>

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENTS OF CASH FLOWS
Year ended September 30, 2017

	Primary Government	Discretely Presented Component Units	TOTAL (Memorandum Only)
Cash flows from operating activities			
Receipts from customers & users	\$ 1,587,742	\$ -	\$ 1,587,742
Governmental grants & subsidy - operations	18,115,785	-	18,115,785
Payments to suppliers	(4,127,053)	(2,011,413)	(6,138,466)
Payments to employees	(4,305,881)	-	(4,305,881)
Payments for housing assistance	(12,429,735)	-	(12,429,735)
Net cash flows used by operating activities	<u>(1,159,142)</u>	<u>(2,011,413)</u>	<u>(3,170,555)</u>
Cash flows from capital and related financing activities			
Grant revenue - Capital Fund grants	27,818	-	27,818
Acquisition of capital assets - Capital Fund grants	(140,896)	-	(140,896)
Gain from disposition of capital assets	696,553	4,677,291	5,373,844
Extraordinary maintenance	(25,822)	-	(25,822)
Payment on notes receivable	118,925	-	118,925
Payment of debt obligations	(25,384)	(2,678,376)	(2,703,760)
Net cash flows provided by capital and related financing activities	<u>651,194</u>	<u>1,998,915</u>	<u>2,650,109</u>
Cash flows from noncapital financing activities			
Transfer to affiliated entities	(6,048)	6,048	-
Cash flows from investing activities			
Change in investment in joint ventures	140,271	-	140,271
Interest received, net	12,484	-	12,484
Net cash flows provided by investing activities	<u>152,755</u>	<u>-</u>	<u>152,755</u>
NET DECREASE IN CASH	(361,241)	(6,450)	(367,691)
CASH AND CASH EQUIVALENTS, beginning of year	<u>7,602,607</u>	<u>6,450</u>	<u>7,609,057</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 7,241,366</u>	<u>\$ -</u>	<u>\$ 7,241,366</u>

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
STATEMENTS OF CASH FLOWS
Year ended September 30, 2017

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>TOTAL (Memorandum Only)</u>
Cash flows from operating activities			
Operating loss	\$ (2,733,737)	\$ (6,048)	\$ (2,739,785)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	1,216,689	-	1,216,689
Bad debt	185,151	-	185,151
Changes in operating assets and liabilities			
Decrease (increase) in accounts receivable	(208,293)	-	(208,293)
Decrease (increase) in prepaid expenses	19,538	-	19,538
Decrease (increase) in other assets	(957,092)	-	(957,092)
Increase (decrease) in accounts payable	(470,732)	(17,333)	(488,065)
Increase (decrease) in accrued liabilities	2,232	(630,934)	(628,702)
Increase (decrease) in unearned revenue	(1,340)	-	(1,340)
Increase (decrease) in other liabilities	<u>1,788,442</u>	<u>(1,357,098)</u>	<u>431,344</u>
Net cash used by operating activities	<u>\$ (1,159,142)</u>	<u>\$ (2,011,413)</u>	<u>\$ (3,170,555)</u>

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

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial statements of the Housing Authority of the City of Spartanburg (the "Authority") have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to local governmental units. The more significant accounting policies of the Authority are described below.

Organization

The Authority is a public body and a body corporate and politic organized under the laws of the State of South Carolina for the purpose of providing adequate housing for qualified low-income individuals. 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. Additionally, the Authority has entered into annual contribution contracts with the U. S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. 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 surpluses.

Reporting Entity

The accompanying basic financial statements include all accounts of all Authority operations and its blended component units. These statements do not include any City agencies, and the Authority is not a component unit of the City under the definitions of Government Accounting Standards Board (GASB) Statement Number 62.

Financial Accountability - The Authority is responsible for its debts, does not impose a financial burden on Spartanburg and is entitled to all surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

Appointment of a Voting Majority - The Authority is governed by a Board of Commissioners and has governance responsibilities over all activities related to all housing activities within Spartanburg. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the City; i.e., they can be removed only for cause. The Authority's Board elects its own chairperson.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Imposition of Will -The City has no influence over the management, budget, or policies of the Authority. The Authority's Board of Commissioners has the responsibility to significantly influence the Authority's operations. This includes, but is not limited to, adoption of the budget, personnel management, sole title to, and residual interest in all assets (including facilities and properties), signing contracts, issuing bonds, and deciding which programs are to be provided.

The Authority operated the following programs under its Annual Contributions Contracts with HUD:

Low Rent Public Housing Program- The objective of this program is to provide decent safe and sanitary housing and related facilities for eligible low-income families and the elderly. The Authority currently serves approximately 728 Public Housing units located in thirteen (13) communities throughout the City of Spartanburg.

Capital Fund Program - The objective of this program is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

Housing Choice Voucher Program - This program provides rental assistance to help low-income families afford decent, safe and sanitary rental housing. The Authority provides rental assistance in the form of a Housing Assistance Payment to a landlord on behalf of the tenant. SHA currently has an allocation of 1,827 vouchers.

Multifamily Housing Service Coordinators - This program provides funding for the employment of Service Coordinators in insured and assisted apartment housing that is designed for the elderly and persons with disabilities.

Youth Build Program - This program assists low-income young people ages 16-24 work toward their GEDs or high school diplomas while learning job skills by building affordable housing for homeless and low-income people and participating in leadership development activities in their communities.

Resident Opportunities and Supportive Services (ROSS) - This program provides public housing residents with supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 8 Moderate Rehabilitation Programs - The Section 8 Moderate Rehabilitation programs are funded by the U.S. Department of Housing and Urban Development. These programs aid very low income families in obtaining decent safe and sanitary housing by providing housing assistance payments to landlords on behalf of the tenant. SHA currently has an allocation of 285 vouchers.

Section 8 New Construction and Substantial Rehabilitation Programs - This program provide rental assistance in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing financed with any type of construction or permanent financing, including the applicable FHA Multifamily Mortgage Insurance Programs.

Blended Component Units - The Authority administers two blended component units as detailed below. Both blended component units' current year activity are consolidated and reported in the accompanying Financial Data Schedules in the 'Blended Component Unit' column and are part of the Primary Government in the basic financial statements. A copy of the financial statements of SHA Property Company for the year ended September 30, 2017, may be obtained by contacting the Housing Authority of the City of Spartanburg, 2271 S. Pine Street, Spartanburg, SC 29302.

SHA Property Company, Inc. (ShapCo) - This is a related not-for-profit South Carolina Corporation, which was created as an instrumentality of the Authority for the primary purpose of owning and managing non-dwelling rental property. During September 2015, the primary assets of ShapCo were seized by Wells Fargo and liquidated as part of the default on the Mary Wright Center Loan as discussed in Notes 10 and Note 16 and as a result, the entity had no material assets as of September 30, 2017.

Spartanburg Leased Housing Corporation (SLHC) - This entity is a member in Cedar Springs Place, LLC, and its primary purpose is to acquire, construct, own, finance, lease and operate 48 elderly low income housing tax credit units located in a building at 324 Cedar Springs Road, Spartanburg, SC. SLHC was created solely for the financial benefit and convenience of the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Discretely Presented Component Units - Two discrete component units, known as Mary Wright, LLC (MW, LLC) and Wright Center, LLC (WC, LLC) are presented in this report. MW, LLC was a South Carolina Limited Liability Company formed to acquire, finance, rehabilitate, own, and sell or otherwise dispose of a historic property located in Spartanburg known as the Wright Center. The Wright Center property was leased to WC, LLC. WC, LLC is a South Carolina limited liability company formed to lease the Wright Center and to hold, maintain, operate, and sell or otherwise dispose of its leasehold interest in the property. ShapCo was WC, LLC's managing member. WC, LLC subleased the Wright Center to the Authority and other tenants who utilized the property as administrative offices. Although SHA is not financially accountable for these entities, as of September 30, 2015 it was the primary tenant in that facility and this relationship was sufficient to require that these units be discretely presented in the Authority report. During January 2017, the Authority vacated the facility and the facility was foreclosed upon and the property sold, eliminating the Authority's leasehold interest and obligation.

Board Information

The Board is made up of seven members with the following terms:

John Fairey	September 30, 2022
Matthew Myers	September 30, 2018
Andrew Poliakoff	September 30, 2020
Molly Talbot-Metz	September 30, 2019
Brenda Thomas	September 30, 2019
Charles White	September 30, 2020
Charmayne Brown	September 30, 2023

Basis of Presentation, Basis of Accounting, and Measurement Focus

The basic financial statements (i.e. the statements of net position, the statements of revenues, expenses, and changes in net position, and the statements of cash flows for the proprietary fund) report information on all of the activities of the Authority except for its discretely presented component units. Separate fund financial statements are provided for the component units.

Description of Funds

A Fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of its assets, deferred outflow of resources, liabilities, deferred inflow of resources, net position, revenues, and expenses. The funds maintained by the Authority allow compliance and financial accountability by separate functions and activities.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Authority's operating activities are maintained in accordance with the principles of enterprise fund accounting to ensure the observance of limitations and restrictions on the resources available. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, was issued to incorporate GASB and AICPA guidance into GASB authoritative literature. HABC has elected not to follow any FASB guidance not included in GASB 62.

HUD requires all Public Housing Agencies meeting certain criteria to account for financial activity by projects referred to as the asset management projects (AMPs) since fiscal year 2008. The Authority is required to report financial activity by AMPs as well as by fund through HUD's on-line reporting system.

Basis of Accounting and Measurement Focus

The basis of accounting for the funds used by the Authority is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the Authority's funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. All assets and liabilities associated with the operation of these funds are included on the Statements of Net Position.

Net position in enterprise fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, granters, or laws and regulations of other governments. The Authority's restricted net position consists of escrows held for debt service, investment in joint ventures, program income, reserve accounts, and excess housing assistance payments.

Separate statements are also included for the discretely presented component units as shown in the table of contents. The discretely presented component units are separate legal entities from the Authority.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses in the financial statements and in the disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets

The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its Governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD.

Cash, Cash Equivalents, and Investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments are stated at fair market value, except for U.S. Treasury Bills, which are reported at amortized cost. The Authority reports all money market investments having a remaining maturity at time of purchase of one year or less at amortized cost. Investment securities are normally held to mature at par value and adjustments are made to the investment portfolio to reflect increases/ (decreases) in gains made.

Accounts Receivable

Accounts receivable consists of payments due from HUD and related affiliates, rent payments from tenants and other miscellaneous receivables arising from the normal course of operations. A reserve for uncollectible accounts is established based on management's estimates. Collection losses on accounts receivable are expended, in the appropriate Fund, on the specific write-off method.

Inventories

Inventories are recorded at the lower of cost or market. The consumption method is used to account for inventories. Under the consumption method, inventories are charged to expense when consumed.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets and Depreciation

Capital assets are stated at historical cost, less accumulated depreciation. Donated capital assets are stated at their fair value on the date donated. This includes site acquisition and improvement, structures and equipment. All infrastructure assets were capitalized at the conclusion of development then dedicated to the County for maintenance and repairs. Depreciation of exhaustible capital assets used by proprietary funds is computed on the straight-line method and charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. Assets are capitalized if they have a useful life beyond one year and an original cost greater than \$5,000.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings & Improvements	20 years
Furniture, fixtures, & equipment	5 years

Proceeds from the disposal of capital assets are recognized in the period received. Proceeds from the sale of property acquired or significantly improved with HUD or other grant funds are refunded to HUD or the applicable grantor as required by contract, or retained and used for special purposes as approved by HUD or the grantor.

Notes Receivable

A significant portion of notes receivables represent loans to related party Owner-Entities and developers for Development Projects. The Authority subordinated these loans in conjunction with financing arrangements related to the development of mixed-income, multi-family rental communities. Such loans are interest-bearing and are payable from cash flow from the property owned by each respective Project. Such loans are typically funded from various programs and Capital Fund grants, representing a significant portion of the construction costs associated with the Authority assisted component of the mixed-income rental property. Interest and principal on these loans are subordinated and are contingent on cash flow from the property; however, interest income is accrued as it occurs. Based on the status of the previous mixed-financing projects and the contingent nature of the payments, management elected to establish an allowance based on the expected amount the Authority intends to collect.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leaves. In accordance with GASB Statement No.16, *Accounting for Compensated Absences*, the Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Vacation and sick pay is recorded as an expense and related liability in the year earned by employees.

Net Position

Net position is displayed in three components:

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 resources when constraints are placed on the resource by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. This also includes investments in joint ventures.

Unrestricted Net Position: This component of net position consists of resources that do not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position."

Certain assets including cash and investments may be classified in restricted net position on the Statements of Net Position because their use is restricted for specific purposes. It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Revenues and Expenses

Revenues and expenses are recognized on the accrual basis of accounting. Revenues relating to the Authority's operating activities include rental related income, interest income and other sources of revenues that are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenue

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position in the no operating revenue and expense. Pursuant to the Annual Contributions Contract HUD contributes an operating subsidy approved in the operating budget. For the year ended September 30, 2017, the subsidy paid was \$2,845,427.

Taxes

Under Federal, State and City laws, the Authority is exempt from income, property and excise taxes. Housing authorities are, however, required to make payments in lieu of taxes (PILOT) in accordance with the provisions of agreements with local taxing authorities.

Insurance

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. The Authority secures required insurance coverage through the competitive bid process. As of the date of the fieldwork, the Authority had the required coverage in force.

New Accounting Pronouncements

The Authority did not implement any new pronouncements during fiscal year 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2. CASH AND CASH EQUIVALENTS

All the deposits of the Authority are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority's agents in these units' names. The Authority has no policy regarding custodial credit risk for deposits.

At September 30, 2017, the Authority's Primary Government cash and cash equivalents had a carrying amount of \$7,241,366 and bank balances of \$7,391,563. Of the bank balances held in various financial institutions, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the dedicated method. Additionally, as of September 30, 2017, due to the sale of the property, there was no cash and cash equivalents in the Discretely Presented Component Units that are included in the agency-wide financial statements.

Inherent rate risk – The Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

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

Custodial credit risk – For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that in the possession of an outside party. 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.

Concentration of credit risk – The Authority placed no limit on the amount that it may invest in certificates of deposits. The Authority has no policy regarding credit risk.

Collateralization – In addition to the above mentioned FDIC insurance, BB&T Bank participates in public funds of pooled securities for the Authority. As of September 30, 2017, there was \$9,664,634 of specified pledged security for the Authority.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2. CASH AND CASH EQUIVALENTS (continued)

Restricted Cash and Cash Equivalents:

Primary Government

Restricted cash and cash equivalents were comprised of the following as of September 30, 2017:

Description	Amount
Tenant security deposits	\$ 129,752
Restricted deposits - Moderate Rehabilitation Program	133,209
Restricted deposits and funded reserves - JC Bull (new construction)	2,096,985
Housing Choice Voucher Program - Unexpended HAP equity	76,281
FSS participants' escrow accounts	101,501
	<u>\$ 2,537,728</u>

3. ACCOUNTS RECEIVABLE

Primary Government

Accounts receivable at September 30, 2017 consisted of the following:

Description	Amount
Accounts receivable - tenants - dwelling rents (net of allowance of \$8,332)	\$ 3,273
Accounts receivable - HUD	215,420
Accounts receivable - other government	207,318
Accounts receivable - miscellaneous (net of allowance of \$126,220)	11,831
	<u>\$ 437,842</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

4. PREPAID EXPENSES & OTHER CURRENT ASSETS

Primary Government

Prepaid charges and other assets at September 30, 2017 consisted of the following:

<u>Description</u>	<u>Amount</u>
Prepaid insurance expense	\$ 114,204
Assets held for sale	59,800
Total	<u>\$ 174,004</u>

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Primary Government

	Balance October 1, 2016	Additions	Transfers/ Disposals	Balance September 30, 2017
Land	\$ 5,424,146	\$ -	\$ (265,303)	\$ 5,158,843
Buildings	36,411,305	74,453	(2,004,440)	34,481,318
Furniture & Equipment	1,302,127	36,069	-	1,338,196
Construction-in-progress	60,006	30,374	-	90,380
	43,197,584	140,896	(2,269,743)	41,068,737
Less Accumulated Depreciation:	(26,196,909)	(1,216,689)	1,989,538	(25,424,060)
Total	<u>\$ 17,000,675</u>	<u>\$ (1,075,793)</u>	<u>\$ (280,205)</u>	<u>\$ 15,644,677</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

5. CAPITAL ASSETS (continued)

Discretely Presented Component Units

	Balance October 1, 2016	Additions	Transfers/ Writedowns	Balance September 30, 2017
Land	\$ 62,064	\$ -	\$ (62,064)	\$ -
Buildings	2,087,936	-	(2,087,936)	-
	2,150,000	-	(2,150,000)	-
Less Accumulated Depreciation:	251,990	-	(251,990)	-
Total	<u>\$ 2,401,990</u>	<u>\$ -</u>	<u>\$ (2,401,990)</u>	<u>\$ -</u>

6. NOTES RECEIVABLE

Primary Government

The Notes Receivable for the primary government at September 30, 2017 consisted of the following:

Entity/Partnership	Notes Receivable	Accrued Interest	Total Receivable	Allowance for Doubtful Accts	Net Receivable
Spartanburg Housing, LP	\$ 1,000,000	\$ 946,541	\$ 1,946,541	\$ (946,541)	\$ 1,000,000
Spartanburg Housing 2, LP	335,000	-	335,000	-	335,000
CS1, LLC	10,697,421	61,950	10,759,371	(61,950)	10,697,421
HC1, LLC	780,000	736,146	1,516,146	(736,146)	780,000
SHA 7	8,244,574	252,702	8,497,276	(252,702)	8,244,574
Highland Avenue LLC	350,000	11,314	361,314	(11,314)	350,000
Cedar Springs Place, LLC	914,375	286,647	1,201,022	(286,647)	914,375
Homeowners Notes Receivable	728,264	-	728,264	(607,926)	120,338
Total	<u>\$ 23,049,634</u>	<u>\$ 2,295,300</u>	<u>\$ 25,344,934</u>	<u>\$ (2,903,226)</u>	<u>\$ 22,441,708</u>
Less current portion					65,527
Non-current notes receivable					<u>\$ 22,376,181</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

Notes Receivable - Spartanburg Housing Limited Partnership, (affiliate) consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

Second mortgage note ("Hope VI Loan") in the amount of \$800,000. The note bears interest at the Applicable Federal Rate (AFR) applicable to long-term loans with annual compounding for December 2001, which equals 5.05 percent. The interest rate will remain stable throughout the life of the note. The loan is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable only from net available cash flow, net proceeds, or condemnation proceeds, as defined. The note matures on November 30, 2031. The balance of the note as of September 30, 2017, was \$800,000 and accrued interest receivable as of September 30, 2017 was \$761,444. An allowance for doubtful accounts of \$761,444 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Third mortgage note ("CFP Loan") in the amount of \$200,000. The note bears interest at the Applicable Federal Rate (AFR) applicable to long-term loans with annual compounding for December 2001, which equals 5.05 percent. The interest rate will remain stable throughout the life of the loan. The note is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable only from net available cash flow, net proceeds or condemnation proceeds, as defined. The note matures on November 30, 2031. The balance of the note as of September 30, 2017, was \$200,000. Accrued interest receivable as of September 30, 2017 was \$185,097. An allowance for doubtful accounts of \$185,097 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable - SHA 2 ("Stabilization Reserve") - the Authority has a note receivable from SHA2, LP for the stabilization reserve in the amount of \$335,000. The loan is non-interest bearing and payable from available cash flow beginning in 2021. The note has a final maturity of September 30, 2053 at which time all principal and other outstanding sums shall be due and payable in full. As of September 30, 2017, the balance is \$335,000.

Notes Receivable- CS1, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

CS1, LLC, has a permanent loan from the Housing Authority. The loan bears interest at a rate equal to the Bond Market Association Index (BMA) plus 198 basis points and is guaranteed by the Managing Member and its affiliate. This loan was used to fund construction of the Project. On March 9, 2011, this loan converted to a permanent loan under the same terms, after a principal pay down of \$635,021. Principal and interest payments are due monthly. This loan is secured by all property, security agreements and assignments of rents and matures in 2040.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

The balance of the loan as of September 30, 2017, was \$3,445,000. This loan is a conduit obligation in which proceeds will be used to repay the Spartanburg Multifamily Housing Revenue Bonds, Series 2007 and therefore it is not included in the financial statements of the Authority.

Cedar Springs 1, LLC, has 42-year non-recourse Hope VI loan from the Housing Authority. The loan does not bear interest and is subordinate to the bond loan. This loan was used to fund the construction of the Project. No payments are due until maturity. All principal is due on March 14, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$7,768,309.

Cedar Springs 1, LLC, has a 42-year non-recourse program income fund loan from the Housing Authority. The loan does not bear interest and is subordinate to the bond loan. This loan was used to fund the construction of the Project. No payments are due until maturity. All principal is due on February 28, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$2,308,443.

Cedar Springs 1, LLC, has a 42-year non-recourse state loan from the Housing Authority. The loan bears interest at 5.23% and is subordinate to the bond loan. This loan was used to fund construction costs. No payments are due until maturity. All principal is due on March 13, 2049. The loan is secured by the property. The balance of the loan as of September 30, 2017 was \$620,669. Accrued interest receivable as of September 30, 2017 was \$61,950. An allowance for doubtful accounts of \$65,808 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable- HC 1, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

HC1, LLC ("SHA Loan") - The Partnership and the Authority entered into a non-recourse construction and permanent loan in the amount of \$300,000. The note bears interest at 8.0% and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in July 2037. The balance of the note as of September 30, 2017 was \$300,000. Noncurrent interest payable as of September 30, 2017 was \$272,215. An allowance for doubtful accounts of \$272,215 has been recognized to fully reserve all accrued interest as of September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

HC1, LLC ("SHA Acquisition Loan") - The Partnership has a non-recourse construction and permanent loan entered into by the Partnership and the Authority in the amount of \$480,000. The note bears interest at 8.0% and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in July 2037. The balance of the note as of September 30, 2017 was \$480,000. Noncurrent interest payable as of September 30, 2017 was \$463,931. An allowance for doubtful accounts of \$463,931 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Notes Receivable – SHA 7, LLC, affiliate consists of the following loans made to the properties that transitioned to stand alone entities under the Rental Assistance Demonstration, a related party, by the Authority for the redevelopment of seven properties that were formerly ACC units under the Low Income Public Housing Program:

SHA 7, LLC ("Carryback Loan") - The Authority issued a \$7,244,574 note to assist in the acquisition funding of the RAD properties during January 2016. The note accrues interest at 2.65% and matures in January 2059 and interest payment are repayable from cash flow only. As of September 30, 2017, the outstanding balance was \$7,244,578. An allowance for doubtful accounts of \$184,618 representing accrued interest on the loan has been recorded as of September 30, 2017 and all amounts are considered non-current.

SHA 7, LLC ("Reserve Loan") - The Authority issued a \$1,000,000 note which represented cash loans to SHA7 to provide replacement reserves for these developments. The note accrues interest at 7.8% and matures in January 2059 and interest payment are repayable from cash flow only. As of September 30, 2017, the outstanding balance was \$1,000,000. An allowance for doubtful accounts of \$68,084 representing accrued interest on the loan has been recorded as of September 30, 2017 and all amounts are considered non-current.

Highland Avenue, LLC - The Partnership and the Authority entered into a non-recourse construction and permanent loan in the amount of \$350,000. The note bears interest at the applicable federal rate (AFR) (1.9% at September 30, 2017) and is secured by an investment in real property. The principal amount and any unpaid accrued interest will be payable from available cash flows after the repayment of the senior mortgage loans, junior mortgage loans, and all reserves required by the partnership agreement have been fully funded. The note matures in April, 2050. The balance of the note as of September 30, 2017 was \$350,000. Noncurrent interest payable as of September 30, 2017 was \$11,314. An allowance for doubtful accounts of \$11,314 has been recognized to fully reserve all accrued interest as of September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. NOTES RECEIVABLE (continued)

Notes Receivable - Cedar Springs Place, LLC, affiliate consists of the following loans made to the Partnership, a related party, by the Authority for the development of the project:

Cedar Springs Place, LLC entered into a fourth mortgage loan payable with the Authority on October 12, 2007 in the original amount of \$414,375. The note bears interest at the greatest of (a) 4.77% per annum or (b) an annual interest rate equal to the applicable Federal long-term rate (AFR) as defined in Section 1274(d) of the Internal Revenue Code of 1986. The note shall be repaid in a single payment including all unpaid principal and accrued interest with net available cash flow and at the end of the first mortgage on the property. The mortgage is collateralized by a fourth mortgage on the property. As of September 30, 2017, the loan balance was \$414,375 and accrued interest totaled \$164,383. An allowance for doubtful accounts of \$164,383 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Cedar Springs Place, LLC entered into a fifth mortgage loan payable with Spartanburg Leased Housing Corporation (a blended component unit of the Authority) on March 28, 2007 in the original amount of \$300,000. The note bears interest at the greater of (a) 4.7% per annum or (b) an annual interest rate equal to the applicable Federal long-term rate (AFR) as defined in Section 1274(d) of the Internal Revenue Code of 1986. The note shall be repaid in a single payment including all unpaid principal and accrued interest on the 30th anniversary of disbursement of the proceeds of the loan. The mortgage is collateralized by a fifth mortgage on the property. As of September 30, 2017, the loan balance was \$300,000 and accrued interest totaled \$122,264. An allowance for doubtful accounts of \$122,264 has been recognized to fully reserve all accrued interest as of September 30, 2017.

Pursuit to the Operating Agreement, Cedar Springs Place, and LLC was advanced \$200,000 for additional funds to be repaid from surplus cash. This amount has been treated as a notes receivable but is non-interest bearing.

Notes Receivable- Homebuyers- the Authority has issued primary loans to assist qualified residents in the purchase of homes. The Authority entered into a \$1,000,000 Loan Agreement with BB&T Bank to finance these primary loans. Mortgage loans held by the Authority are collateralized by single-family residences. As of September 30, 2017, the outstanding mortgage balances was \$728,264. An allowance for doubtful accounts of \$607,926 has been recorded as of September 30, 2017. Of the total outstanding amount, \$65,527 is considered current.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

7. OTHER NONCURRENT ASSETS

Primary Government

Other noncurrent assets consisted of the following as of September 30, 2017:

Description	Amount
Developer fees receivable - tax credit properties	93,125
Other assets	47,146
	<u>\$ 140,271</u>

The Tax Credit Properties included in the above are the CS1, LLC, HS1, LLC, SHA 7, LLC, Spartanburg Housing, LP and the Spartanburg Housing 2, LP.

8. ACCOUNTS PAYABLE AND CURRENT LIABILITIES

Accounts payable and current liabilities as September 30, 2017 consisted of the following:

Primary Government

Description	Amount
Vendors and contractors payable	\$ 610,751
Accrued wages/payroll taxes payable	58,808
Accrued compensated absences, current portion	20,224
Accounts payable - HUD	133,209
Unearned revenue	9,197
Notes payable, current portion	6,462
Security deposits	129,752
Accrued liabilities/utilities payable	<u>120,782</u>
	<u>\$ 1,089,185</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

9. NON-CURRENT LIABILITIES

Primary Government

Non-current liabilities at September 30, 2017 consisted of the following:

	Balance October 1, 2016	Additions	Reductions	Balance September 30, 2017	Due Within One Year
Long-term debt	\$ 411,155	\$ -	\$ (25,384)	\$ 385,771	\$ 6,462
Unfunded pension liability	2,468,536	1,594,779	-	4,063,315	-
Compensated absences	113,137	8,089	(1,458)	119,768	20,224
FSS escrow accounts	56,101	45,400	-	101,501	-
Total long-term debt	\$ 3,048,929	\$ 1,648,268	\$ (26,842)	\$ 4,670,355	\$ 26,686

Discretely Presented Component Units

Non-current liabilities at September 30, 2017 consisted of the following:

	Balance October 1, 2016	Additions	Reductions	Balance September 30, 2017	Due Within One Year
Long-term debt	\$ 2,678,376	\$ -	\$ (2,678,376)	\$ -	\$ -
Developer fee payable	1,222,505	-	(1,222,505)	-	-
Total long-term debt	\$ 3,900,881	\$ -	\$ (3,900,881)	\$ -	\$ -

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

10. LONG TERM DEBT OBLIGATIONS

Primary Government

Long term debt obligations as of September 30, 2017 consisted of the following:

In October of 2006, the Authority obtained a \$1,000,000 line of credit from Branch Banking and Trust Company to finance residential mortgage loans offered to qualified home buyers, from the Authority. The loan is collateralized by single-family residences. Interest is charged at the One Month LIBOR Rate plus 2.25%, and is payable monthly. The loan was fully paid off during fiscal year 2017.

In May of 2014, the Authority obtained a \$110,154 loan from Branch Banking and Trust Company to fund the development of three duplexes (six low income rental units). The loan is secured by the land and buildings. Interest is charged at the One Month LIBOR Rate, and is payable monthly. The outstanding balance as of September 30, 2017 was \$90,229.

	Principal	Interest	Total
2018	\$ 6,462	\$ 4,248	\$ 10,710
2019	83,767	2,717	86,484
Total	<u>\$ 90,229</u>	<u>\$ 6,965</u>	<u>\$ 97,194</u>

During fiscal year 2009, the Authority obtained a \$295,542 loan from the South Carolina State Housing Finance and Development Authority to fund the development of three duplexes (six low income rental units). The loan is secured by the land and buildings. The loan bears no interest, and is forgivable. The outstanding balance as of September 30, 2017 was \$295,542, with all amounts considered non-current.

Interest charges expensed on all debts during the year totaled (\$12,484) as the result of the Authority netting interest income and interest expense.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

10. LONG TERM DEBT OBLIGATIONS (continued)

Discretely Presented Component Units

Long-term debt obligations as of September 30, 2017 consisted of the following:

Senior Note Payable

On February 8, 2008, MW, LLC entered into a loan agreement with Wachovia Community Development Enterprises V, LLC for a loan in the amount of \$3,000,000. The Senior Loan was secured by a Mortgage, Assignment of Leases, and Security Agreement on the Wright Center property. The loan required monthly payments of interest only. The loan matured on February 9, 2015 but payment was not made at that time.

During fiscal year 2015, Wells Fargo attached the building at 325 South Church Street owned by Shapco and held a bank sale that netted sales proceeds of \$696,049 and applied \$375,944 of sinking fund and investments held by Mary Wright, LLC to reduce the outstanding loan balance at September 30, 2015 to \$1,928,376 and a balance of \$61,620 in accrued interest payable was also outstanding. During fiscal year 2017, the loan was reduced to zero as part of the upcoming dissolution of the entity.

Supplemental Note Payable

On February 8, 2008, MW, LLC entered into a loan agreement with Wachovia Community Development Enterprises V, LLC for a loan in the amount of \$750,000. The Supplemental Loan was secured by a Mortgage, Assignment of Leases, and Security Agreement on the Property. The loan is not eligible for prepayment at any time before the seventh anniversary of the loan. MW, LLC was not required to make any payments prior to the maturity date, February 8, 2048, when all unpaid principal and any accrued but interest were due. Interest accrued on the outstanding principal at 0.50% per annum. During fiscal year 2017, the loan was reduced to zero as part of the upcoming dissolution of the entity.

Furthermore, all development and servicing fees associated with the loans were similarly reduced to zero.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN

Plan Description

The Authority is a participant in the South Carolina Retirement System (SCRS), a cost-sharing multiple employer defined benefit pension plan, joining the plan effective October 1, 2015. The plan was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a class two member. An employee member of the system with an effective date of membership after July 1, 2012, is a class three member. SCRS is administered by the South Carolina Public Benefit Authority (PEBA).

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and the employer contribution rate that exceeds 2.9 percent of earnable compensation for the SCRS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plan, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year. For the year ended June 30, 2017, the employer contribution rates were 10.75% of member's compensation and .15% of member's compensation for incidental death benefits. Total contributions during the year ending June 30, 2017 were \$211,829.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the System's Pension Trust Funds. The CAFR is publically available through the Retirement Benefits link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC, 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial statement information is also included in the comprehensive annual financial report of the state.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions

Actuarial Assumptions involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The next experience study is scheduled to be conducted after the June 30, 2017 annual valuation is complete.

The total pension liability for the South Carolina Public Employee Benefit Authority was determined based on the most recent actuarial valuation, which was conducted using membership data as of July 1, 2016, projected forward to the end of the fiscal year, and financial information as of June 30, 2017, using generally accepted actuarial procedures.

The financial reporting actuarial valuation as of July 1, 2016, used the following actuarial methods and assumptions, applied to all periods included in this measurement:

Valuation Date	July 1, 2016
Experience Study	July 1, 2010
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Amortization Period	30 years, open
Asset Valuation Method	20% Difference Recognition
Inflation	2.75%
Salary Increase	3.50% plus step-rate increases for members with less than 25 years of service
Investment Rate of Return	7.25%

The rates of mortality for the period after service retirement are according to RP-2000 Mortality Table projected by the Society of Actuaries. The multipliers used in the table are adjusted according to plan experience.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

The long-term expected rate on return of pension plan investments is based upon the thirty year capital market outlook at the end of the fourth quarter of 2013. The long-term expected rate of return represents assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economics forecasts. The most recent experience study is outlined in the report and dated July 1, 2010. The expected returns, along with expected inflation rate, form the basis for the target asset allocation adopted for fiscal year 2015. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.50% real rate of return and a 2.75% inflation component.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the Systems fiduciary net position was projected to be available to make all the projected future benefit payments of 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.

The Schedule of Deferred Inflows and Outflows, and Pension Expense include only certain categories of deferred outflows of resources and deferred inflows of resources. These include differences between expected and actual experience, changes of assumptions and differences between projected and actual earnings on plan investments. The Schedule does not include deferred outflows/inflows of resources for changes in the employer's proportionate share of contribution or employer contributions made subsequent to the measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments and projected and actual experience are netted and amortized over a closed five year period.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Sensitivity Analysis

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the below table presents the Net Pension Liability calculated using the discount rate of 7.25%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.25%) or 1.00% higher (8.25%) than the current rate.

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
SHA's Net Pension Liability	\$5,241,444	\$4,063,315	\$3,343,935

Summary of Significant Accounting Policies

Employee, employer, and state-appropriated contributions are recognized in the period in which they are due, pursuant to formal commitments as well as statutory requirements. Substantially all contributions receivable are collected within thirty days of year end.

Basis of Accounting

All funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan.

Use of Estimates

The preparation of the Schedules in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. PEBA accrues employer contributions using estimates based on historical data. Actual results could differ from those estimates.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the South Carolina Retirement System (SCRS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

	Net Pension Liability as of 6/30/16	Net Pension Liability as of 6/30/17	Percent of Collective NPL
Employer Proportionate Share	\$2,468,536	\$4,063,315	0.017732%

At June 30, 2017, the employer recorded a liability of \$4,063,315 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of July 1, 2016. The employer's proportion of the Net Pension Liability was based on the employer's contributions received by SCRS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of SCRS' participating employers. At June 30, 2017, the employer's proportion was 0.017732%.

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective Net Pension Liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

Pension Expense

The Authority recognized \$1,088,040 in pension expense for its proportionate share of the SCRS' Pension Expense for the year ended September 30, 2017.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

Deferred Inflows and Outflows

For fiscal year 2017, the employer reported its proportionate share of SCRS' deferred outflows of resources and deferred inflows of resources related to SCRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Experience	\$ 18,433	\$ 2,212
Assumption Changes	240,466	-
Investment Experience	329,529	215,548
Changes in proportion differences between employer contributions and proportionate share of contributions	2,049,719	-
Contributions made subsequent to the measurement date	119,368	-
Total	\$ 2,757,515	\$ 217,760

Amounts reported as deferred outflows of resources related to pensions resulting from employers' contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Year Ended June 30:	Recognition of Existing Deferred Outflow (Inflow) of Resources, Net
2018	\$ 819,220
2019	\$ 999,430
2020	\$ 488,973
2021	\$ (6,604)

Other than the above mentioned pension plan, the Authority does not participate in Other Post-Employment Benefits.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

11. DEFINED BENEFIT PENSION PLAN (continued)

In addition to the above plan, the Authority provides pension benefits for employees that did not elect to participate in the state plan through a defined contribution plan. The plan is administered by Mutual of America. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 5% of the employees' covered salaries, while the employees are not required to contribute to the plan. During fiscal year 2017, the Authority made the required contributions in the amount of \$21,209 based upon total payroll wage coverage of \$416,965.

12. RELATED PARTY TRANSACTIONS

In March of 2007, the Authority issued \$13,900,000 of Multi-Family Tax Exempt Bonds to finance a portion of the construction and rehabilitation of the Spartanburg Southside Project, consisting of four low income housing rental unit projects located in the Spartanburg area, and owned by CS1, LLC, and an affiliated limited liability company. Other financing sources of the Southside Project mixed financing arrangement consisted primarily of CSI, LLC tax credit equity, state and local grants, and HOPE VI funds. Upon issuance, the \$13,900,000 bond funds were loaned to CS1, LLC, and secured by the Southside Project property.

According to the loan agreement, \$10,295,000 has been repaid from Investor Member contributions and a balance exists on the Bonds of \$3,445,000. Neither the notes receivable from CS1, LLC or the Bonds payable is recorded on the Housing Authority books. This is considered to be a conduit debt obligation. The mortgage note receivable is explained in Note 6 to the financial statements.

As stated in Note 6, Notes Receivable, and Note 7, Other Noncurrent Assets, there exist amounts invested in and loaned to affiliated tax credit properties. The transactions have been stated in these notes to the financial statements and are not restated in the note for related parties. Additionally, that has been surplus cash funds in the amount of \$138,369 received during the year from excess cash from certain tax credit properties. Each of the tax credit properties are managed by private management companies and not the Housing Authority.

13. ECONOMIC DEPENDENCY

The PHA Owned Housing Program is economically dependent on annual contributions and grants from HUD. The program operates at a loss prior to receiving the contributions and grants.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

14. COMMITMENTS & CONTINGENCIES

The Authority is exposed to various risks of losses related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims & liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the fiscal year.

Legal

The Authority was named in a class action lawsuit related to the existence of bed bugs in one of the properties. The status of the claim is such that no outcome is determinable at this time. Management believes the potential adverse impact of this claim would not be material to the financial statements of the Authority.

Grants and Contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of September 30, 2017.

Capital fund

The Authority receives capital funding each year for ongoing capital improvements and repairs and maintenance.

Operating Leases

During November 2015, SHA entered into an operating lease agreement effective January 1, 2016. Future minimum lease payments under the operating lease are as follows:

2018	\$	139,875
2019		139,875
2020		139,875
2021		34,969
	\$	<u>454,594</u>

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

14. COMMITMENTS & CONTINGENCIES (continued)

Property Taxes

In addition to the above, the Authority is responsible for property taxes to be reimbursed to the landlord in December each year.

15. RESTRICTED NET POSITION

Primary Government

Restricted Net Position (equity) as of September 30, 2017, consisted of the following:

<u>Description</u>	<u>Amount</u>
Restricted deposits and funded reserves - JC Bull (new construction)	\$ 2,096,985
Housing Choice Voucher Program - Unexpended HAP equity	76,281
Notes Receivable	<u>22,441,708</u>
	<u><u>\$ 24,614,974</u></u>

17. SUBSEQUENT EVENTS

Rental Assistance Demonstration (RAD)

The Authority is participating in HUD's Rental Assistance Demonstration Program (RAD) whereby the Authority is converting certain public housing sites to a form of project-based assistance under Section 8 of the Housing Act of 1937. This program is taking place in multiple phases based on property sites administered by the Authority and includes the transfer of ownership of these sites to private developers.

Proceeds of the settlements will be recognized by the Authority and the related capital assets removed from the financial statements. Transactions related to RAD are reflected in these financial statements for the fiscal year ending September 30, 2017.

Additional settlements on other sites are expected to take place in fiscal year 2018.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

18. FUTURE ACCOUNTING PRONOUNCEMENTS

GASB routinely issues standards that are effective for future years. Management is currently evaluating the potential impact of those standards issued by GASB on the Authority for future years.

DRAFT

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
September 30, 2017

	<u>South Carolina Retirement System</u>		<u>Police Officers Retirement System</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net pension liability	0.017732%	0.011327%	0.00261%	0.00194%
Authority's proportionate share of the net pension liability	\$ 3,991,758	\$ 2,419,430	\$ 71,557	\$ 49,106
Authority's covered-employee payroll	\$ 1,824,268	\$ 1,133,744	\$ 35,179	\$ 25,424
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	218.8%	213.4%	203.4%	193.1%
Plan fiduciary net position as a percentage of the total pension liability	53.3%	52.9%	60.9%	60.4%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available as the Authority did not join the plans until October 1, 2015.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
September 30, 2017

	<u>South Carolina Retirement System</u>		<u>Police Officers Retirement System</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 206,819	\$ 121,311	\$ 5,010	\$ 3,392
Contributions in relation to the contractually required contribution	\$ 206,819	\$ 121,311	\$ 5,010	\$ 3,392
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered-employee payroll	\$ 1,824,268	\$ 1,133,744	\$ 35,179	\$ 25,424
Contributions as a percentage of covered-employee payroll	11.3%	10.7%	14.2%	13.3%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available as the

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	3,724,649	317,857	-	-	-
Cash - Restricted- Modernization and Development	-	-	-	-	-
Cash - Other Restricted	16,100	161,682	-	-	-
Cash - Tenant Security Deposits	92,240	-	-	-	-
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	3,832,989	479,539	-	-	-
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	83,128	-	-	60,538	-
Accounts Receivable- Other Government	2,050	-	-	-	28,861
Accounts Receivable - Miscellaneous	8,592	5,518	-	-	-
Accounts Receivable - Tenants	6,228	-	-	-	-
Allowance for Doubtful Accounts -Tenants	(3,935)	-	-	-	-
Allowance for Doubtful Accounts - Other	(2,279)	-	-	-	-
Notes, Loans, & Mortgages Receivable - Current	-	-	65,527	-	-
Fraud Recovery	-	47,492	-	-	-
Allowance for Doubtful Accounts - Fraud	-	(47,492)	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	93,784	5,518	65,527	60,538	28,861
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	-	-
Assets Held for Sale	-	-	59,800	-	-
TOTAL CURRENT ASSETS	3,926,773	485,057	125,327	60,538	28,861
NONCURRENT ASSETS:					
Capital Assets:					
Land	2,629,333	-	593,781	-	-
Buildings	27,559,707	-	675,684	-	-
Furniture, Equipment & Machinery - Dwellings	454,258	-	-	-	-
Furniture, Equipment & Machinery - Administration	-	133,977	-	-	-
Accumulated Depreciation	(20,044,264)	(133,977)	(252,198)	-	-
Construction in Progress	90,380	-	-	-	-
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	10,689,414	-	1,017,267	-	-
Notes, Loans and Mortgages Receivable - Non-Current	8,244,574	-	13,831,607	-	-
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	47,146	-	-	-	-
Investments in Joint Ventures	-	-	2,186,865	-	-
TOTAL NONCURRENT ASSETS	18,981,134	-	17,035,739	-	-
DEFERRED OUTFLOW OF RESOURCES	722,592	366,477	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	23,630,499	851,534	17,161,066	60,538	28,861

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	-	-	92,709	-	-
Cash - Restricted- Modernization and Development	-	-	163,334	-	-
Cash - Other Restricted	-	133,209	1,933,651	-	-
Cash - Tenant Security Deposits	-	-	22,267	-	-
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	-	133,209	2,211,961	-	-
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	70,107	-	-	1,647	-
Accounts Receivable- Other Government	-	-	-	-	-
Accounts Receivable - Miscellaneous	-	-	-	-	-
Accounts Receivable - Tenants	-	4,772	605	-	-
Allowance for Doubtful Accounts - Tenants	-	(4,040)	(357)	-	-
Allowance for Doubtful Accounts - Other	-	-	-	-	-
Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Allowance for Doubtful Accounts - Fraud	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	70,107	732	248	1,647	-
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-
TOTAL CURRENT ASSETS	70,107	133,941	2,212,209	1,647	-
NONCURRENT ASSETS:					
Capital Assets:					
Land	-	-	408,618	-	-
Buildings	-	-	3,110,009	-	-
Furniture, Equipment & Machinery - Dwellings	-	-	94,314	-	-
Furniture, Equipment & Machinery - Administration	-	-	47,268	-	-
Accumulated Depreciation	-	-	(3,251,591)	-	-
Construction in Progress	-	-	-	-	-
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	-	-	408,618	-	-
Notes, Loans and Mortgages Receivable - Non-Current	-	-	190,541	-	-
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	-	-	-	-	-
Investments in Joint Ventures	-	-	-	-	-
TOTAL NONCURRENT ASSETS	-	-	599,159	-	-
DEFERRED OUTFLOW OF RESOURCES					
	-	-	46,392	-	-
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	70,107	133,941	2,857,760	1,647	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
ASSETS AND DEFERRED OUTFLOW OF RESOURCES					
CURRENT ASSETS:					
Cash:					
Cash - Unrestricted	-	567,370	-	1,053	4,703,638
Cash - Restricted- Modernization and Development	-	-	-	-	163,334
Cash - Other Restricted	-	-	-	-	2,244,642
Cash - Tenant Security Deposits	-	7,034	8,211	-	129,752
Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
Total Cash	-	574,404	8,211	1,053	7,241,366
Accounts and notes receivables:					
Accounts Receivable - PHA Projects	-	-	-	-	-
Accounts Receivable - HUD Other Projects	-	-	-	-	215,420
Accounts Receivable- Other Government	-	139,510	-	36,897	207,318
Accounts Receivable - Miscellaneous	-	-	123,940	-	138,050
Accounts Receivable - Tenants	-	-	-	-	11,605
Allowance for Doubtful Accounts -Tenants	-	-	-	-	(8,332)
Allowance for Doubtful Accounts - Other	-	-	(123,940)	-	(126,219)
Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	65,527
Fraud Recovery	-	-	-	-	47,492
Allowance for Doubtful Accounts - Fraud	-	-	-	-	(47,492)
Accrued Interest Receivable	-	-	-	-	-
Total Receivables, Net	-	139,510	-	36,897	503,369
Other Current Assets:					
Investments - Unrestricted	-	-	-	-	-
Investments - Restricted	-	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	16,222	97,982	114,204
Inventories	-	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-	-
Inter Program Due From	-	-	-	1,073,678	1,073,678
Assets Held for Sale	-	-	-	-	59,800
TOTAL CURRENT ASSETS	-	713,914	24,433	1,209,610	8,992,417
NONCURRENT ASSETS:					
Capital Assets:					
Land	-	1,283,790	243,321	-	5,158,843
Buildings	-	1,199,498	1,933,374	3,226	34,481,498
Furniture, Equipment & Machinery - Dwellings	-	32,992	-	-	581,564
Furniture, Equipment & Machinery - Administration	-	-	47,211	527,996	756,452
Accumulated Depreciation	-	(52,491)	(1,168,113)	(521,426)	(25,424,060)
Construction in Progress	-	-	-	-	90,380
Infrastructure	-	-	-	-	-
Total Capital Assets, Net	-	2,463,789	1,055,793	9,796	15,644,677
Notes, Loans and Mortgages Receivable - Non-Current	-	-	300,000	-	22,566,722
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-
Grants Receivable- Non Current	-	-	-	-	-
Other Assets	-	-	93,125	-	140,271
Investments in Joint Ventures	-	-	-	-	2,186,865
TOTAL NONCURRENT ASSETS	-	2,463,789	1,448,918	9,796	40,538,535
DEFERRED OUTFLOW OF RESOURCES	-	-	-	1,622,054	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	-	3,177,703	1,473,351	2,841,460	52,288,467

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
CURRENT ASSETS:				
Cash:				
Cash - Unrestricted	-	4,703,638	-	4,703,638
Cash - Restricted- Modernization and Development	-	163,334	-	163,334
Cash - Other Restricted	-	2,244,642	-	2,244,642
Cash - Tenant Security Deposits	-	129,752	-	129,752
Cash - Restricted for Payment of Current Liabilities	-	-	-	-
Total Cash	-	7,241,366	-	7,241,366
Accounts and notes receivables:				
Accounts Receivable - PHA Projects	-	-	-	-
Accounts Receivable - HUD Other Projects	-	215,420	-	215,420
Accounts Receivable- Other Government	-	207,318	-	207,318
Accounts Receivable - Miscellaneous	-	138,050	-	138,050
Accounts Receivable - Tenants	-	11,605	-	11,605
Allowance for Doubtful Accounts -Tenants	-	(8,332)	-	(8,332)
Allowance for Doubtful Accounts - Other	-	(126,219)	-	(126,219)
Notes, Loans, & Mortgages Receivable - Current	-	65,527	-	65,527
Fraud Recovery	-	47,492	-	47,492
Allowance for Doubtful Accounts - Fraud	-	(47,492)	-	(47,492)
Accrued Interest Receivable	-	-	-	-
Total Receivables, Net	-	503,369	-	503,369
Other Current Assets:				
Investments - Unrestricted	-	-	-	-
Investments - Restricted	-	-	-	-
Investments- Restricted for Payment of Current Liability	-	-	-	-
Prepaid Expenses and Other Assets	-	114,204	-	114,204
Inventories	-	-	-	-
Allowance for Obsolete Inventories	-	-	-	-
Inter Program Due From	(1,073,678)	-	-	-
Assets Held for Sale	-	59,800	-	59,800
TOTAL CURRENT ASSETS	(1,073,678)	7,918,739	-	7,918,739
NONCURRENT ASSETS:				
Capital Assets:				
Land	-	5,158,843	-	5,158,843
Buildings	-	34,481,498	-	34,481,498
Furniture, Equipment & Machinery - Dwellings	-	581,564	-	581,564
Furniture, Equipment & Machinery - Administration	-	756,452	-	756,452
Accumulated Depreciation	-	(25,424,060)	-	(25,424,060)
Construction in Progress	-	90,380	-	90,380
Infrastructure	-	-	-	-
Total Capital Assets, Net	-	15,644,677	-	15,644,677
Notes, Loans and Mortgages Receivable - Non-Current	(190,541)	22,376,181	-	22,376,181
Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-
Grants Receivable- Non Current	-	-	-	-
Other Assets	-	140,271	-	140,271
Investments in Joint Ventures	-	2,186,865	-	2,186,865
TOTAL NONCURRENT ASSETS	(190,541)	40,347,994	-	40,347,994
DEFERRED OUTFLOW OF RESOURCES	-	2,757,515	-	2,757,515
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	(1,264,219)	51,024,248	-	51,024,248

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Low-Rent Public Housing 14.850	Housing Choice Vouchers 14.871	Business Activities	Multifamily Housing Service Coordinators 14.191	Youth Build Program 17.274
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	300,508	105,986	82	2,002	3,023
Accounts Payable >90 Days Past Due	-	-	-	-	-
Accrued Wage/Payroll Taxes Payable	23,100	11,498	-	-	3,106
Accrued Compensated Absences - Current Portion	2,847	3,806	-	468	118
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	-	-	-	-
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	92,240	-	-	-	-
Unearned Revenue	8,547	-	-	-	-
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	6,462	-	-
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	26,949	-	-	-	-
Accrued Liabilities - Other	26,285	5,021	19,433	-	-
Inter Program - Due To	-	-	493,169	57,985	21,948
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	480,476	126,311	519,146	60,455	28,195
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	379,309	-	-
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	16,100	85,401	-	-	-
Accrued Compensated Absences - Non Current	16,123	21,571	-	83	666
Loan Liability - Non Current	-	-	190,541	-	-
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	1,064,768	540,020	-	-	-
TOTAL NONCURRENT LIABILITIES	1,096,991	646,992	569,850	83	666
TOTAL LIABILITIES	1,577,467	773,303	1,088,996	60,538	28,861
DEFERRED INFLOW OF RESOURCES	57,062	28,941	-	-	-
NET POSITION :					
Net Investment in Capital Assets	10,689,414	-	631,496	-	-
Restricted Net Position	8,244,574	76,281	13,897,134	-	-
Unrestricted Net Position	3,061,982	(26,991)	1,543,440	-	-
TOTAL NET POSITION	21,995,970	49,290	16,072,070	-	-
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	23,630,499	851,534	17,161,066	60,538	28,861

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	-	184	93,624	-	-
Accounts Payable >90 Days Past Due	-	548	-	-	-
Accrued Wage/Payroll Taxes Payable	3,604	-	3,277	-	-
Accrued Compensated Absences - Current Portion	2,274	-	1,117	-	-
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	133,209	-	-	-
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	-	-	22,267	-	-
Unearned Revenue	-	-	582	-	-
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-
Accrued Liabilities - Other	-	-	-	-	-
Inter Program - Due To	63,827	-	-	1,647	-
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	69,705	133,941	120,867	1,647	-
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	-	-	-	-	-
Accrued Compensated Absences - Non Current	402	-	6,330	-	-
Loan Liability - Non Current	-	-	-	-	-
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	-	-	68,361	-	-
TOTAL NONCURRENT LIABILITIES	402	-	74,691	-	-
TOTAL LIABILITIES	70,107	133,941	195,558	1,647	-
DEFERRED INFLOW OF RESOURCES					
		-	3,664	-	-
NET POSITION :					
Net Investment in Capital Assets	-	-	408,618	-	-
Restricted Net Position	-	-	2,096,985	-	-
Unrestricted Net Position	-	-	152,935	-	-
TOTAL NET POSITION	-	-	2,658,538	-	-
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
	70,107	133,941	2,857,760	1,647	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
LIABILITIES:					
CURRENT LIABILITIES:					
Bank Overdraft	-	-	-	-	-
Accounts Payable <= 90 Days	-	4,403	23,409	76,982	610,203
Accounts Payable >90 Days Past Due	-	-	-	-	548
Accrued Wage/Payroll Taxes Payable	-	1,231	158	12,834	58,808
Accrued Compensated Absences - Current Portion	-	-	-	9,594	20,224
Accrued Contingency Liability	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Accounts Payable - HUD PHA Programs	-	-	-	-	133,209
Account Payable - PHA Projects	-	-	-	-	-
Accounts Payable - Other Government	-	-	-	-	-
Tenant Security Deposits	-	7,034	8,211	-	129,752
Unearned Revenue	-	19	49	-	9,197
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	6,462
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-	-
Other Current Liabilities	-	23,507	-	-	50,456
Accrued Liabilities - Other	-	2,077	-	17,510	70,326
Inter Program - Due To	-	-	435,102	-	1,073,678
Loan Liability - Current	-	-	-	-	-
TOTAL CURRENT LIABILITIES	-	38,271	466,929	116,920	2,162,863
NONCURRENT LIABILITIES:					
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	379,309
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
Non-current Liabilities - Other	-	-	-	-	101,501
Accrued Compensated Absences - Non Current	-	-	-	54,369	99,544
Loan Liability - Non Current	-	-	-	-	190,541
FASB 5 Liabilities	-	-	-	-	-
Accrued Pension and OPEB Liabilities	-	-	-	2,390,166	4,063,315
TOTAL NONCURRENT LIABILITIES	-	-	-	2,444,535	4,834,210
TOTAL LIABILITIES	-	38,271	466,929	2,561,455	6,997,073
DEFERRED INFLOW OF RESOURCES					
	-	-	-	128,093	217,760
NET POSITION :					
Net Investment in Capital Assets	-	2,463,789	1,055,793	9,796	15,258,906
Restricted Net Position	-	-	300,000	-	24,614,974
Unrestricted Net Position	-	675,643	(349,371)	142,116	5,199,754
TOTAL NET POSITION	-	3,139,432	1,006,422	151,912	45,073,634
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION					
	-	3,177,703	1,473,351	2,841,460	52,288,467

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
BALANCE SHEET SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION				
LIABILITIES:				
CURRENT LIABILITIES:				
Bank Overdraft	-	-	-	-
Accounts Payable <= 90 Days	-	610,203	-	610,203
Accounts Payable >90 Days Past Due	-	548	-	548
Accrued Wage/Payroll Taxes Payable	-	58,808	-	58,808
Accrued Compensated Absences - Current Portion	-	20,224	-	20,224
Accrued Contingency Liability	-	-	-	-
Accrued Interest Payable	-	-	-	-
Accounts Payable - HUD PHA Programs	-	133,209	-	133,209
Account Payable - PHA Projects	-	-	-	-
Accounts Payable - Other Government	-	-	-	-
Tenant Security Deposits	-	129,752	-	129,752
Unearned Revenue	-	9,197	-	9,197
Current Portion of Long Term Debt - Capital Projects/Mortgage Revenue	-	6,462	-	6,462
Current Portion of Long Term Debt-Operating Borrowings	-	-	-	-
Other Current Liabilities	-	50,456	-	50,456
Accrued Liabilities - Other	-	70,326	-	70,326
Inter Program - Due To	(1,073,678)	-	-	-
Loan Liability - Current	-	-	-	-
TOTAL CURRENT LIABILITIES	(1,073,678)	1,089,185	-	1,089,185
NONCURRENT LIABILITIES:				
Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	379,309	-	379,309
Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-
Non-current Liabilities - Other	-	101,501	-	101,501
Accrued Compensated Absences - Non Current	-	99,544	-	99,544
Loan Liability - Non Current	(190,541)	-	-	-
FASB 5 Liabilities	-	-	-	-
Accrued Pension and OPEB Liabilities	-	4,063,315	-	4,063,315
TOTAL NONCURRENT LIABILITIES	(190,541)	4,643,669	-	4,643,669
TOTAL LIABILITIES	(1,264,219)	5,732,854	-	5,732,854
DEFERRED INFLOW OF RESOURCES				
	-	217,760	-	217,760
NET POSITION :				
Net Investment in Capital Assets	-	15,258,906	-	15,258,906
Restricted Net Position	-	24,614,974	-	24,614,974
Unrestricted Net Position	-	5,199,754	-	5,199,754
TOTAL NET POSITION	-	45,073,634	-	45,073,634
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	(1,264,219)	51,024,248	-	51,024,248

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
REVENUES:					
Net Tenant Rental Revenue	1,219,205	-	-	-	-
Tenant Revenue - Other	131,402	-	-	-	-
Total Tenant Revenue	1,350,607	-	-	-	-
HUD PHA Operating Grants	3,516,444	11,712,040	-	72,760	-
Capital Grants	27,818	-	-	-	-
Management Fee	-	-	-	-	-
Asset Management Fee	-	-	-	-	-
Book Keeping Fee	-	-	-	-	-
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	-	-
Other Government Grants	-	-	-	-	450,798
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	21,552	-	-	-
Other Revenue	52,637	283,464	-	10	-
Gain or Loss on Sale of Capital Assets	549,124	-	62,550	-	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	5,496,630	12,017,056	62,550	72,770	450,798
EXPENSES:					
Administrative					
Administrative Salaries	599,406	368,969	-	46,674	112,120
Auditing Fees	20,104	5,395	-	-	-
Management Fee	330,896	305,916	-	-	105,056
Book-keeping Fee	43,045	191,198	-	-	792
Advertising and Marketing	222	811	-	-	197
Employee Benefit contributions - Administrative	361,424	245,031	-	21,311	52,899
Office Expenses	62,586	80,741	3,173	1,383	-
Legal Expense	13,489	2,554	5	-	-
Travel Expense	3,090	-	-	513	7,427
Allocated Overhead	-	-	-	-	-
Other	442,367	47,342	-	-	20,666
Total Administrative Expense	1,876,629	1,247,957	3,178	69,881	299,157
Asset Management Fee	58,840	-	-	-	-
Tenant Services					
Tenant Services - Salaries	-	-	-	-	-
Relocation Costs	2,014	-	-	-	-
Employee Benefit Contributions - Tenant Services	3,438	2,508	-	-	-
Tenant Services - Other	29,012	-	-	245	44,071
Total Tenant Services	34,464	2,508	-	245	44,071
Utilities					
Water	142,975	-	721	-	872
Electricity	349,092	-	646	-	13
Gas	135,182	-	-	-	115
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	213,359	-	944	-	514
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	840,608	-	2,311	-	1,514
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	288,598	-	-	-	-
Ordinary Maintenance and Operations - Materials and Other	244,245	5,162	329	-	53,215
Ordinary Maintenance and Operations Contracts	718,186	51,114	34,651	-	31,899
Employee Benefit Contributions - Ordinary Maintenance	142,689	21,053	-	-	-
Total Maintenance	1,393,718	77,329	34,980	-	85,114

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
REVENUES:					
Net Tenant Rental Revenue	-	-	316,748	-	-
Tenant Revenue - Other	-	-	1,250	-	-
Total Tenant Revenue	-	-	317,998	-	-
HUD PHA Operating Grants	291,797	1,460,679	494,015	2,396	-
Capital Grants	-	-	-	-	-
Management Fee	-	-	-	-	-
Asset Management Fee	-	-	-	-	-
Book Keeping Fee	-	-	-	-	-
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	-	-
Other Government Grants	-	-	-	-	-
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Other Revenue	60	-	164,796	-	-
Gain or Loss on Sale of Capital Assets	-	-	-	-	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	291,857	1,460,679	976,809	2,396	-
EXPENSES:					
Administrative					
Administrative Salaries	170,169	66,677	102,375	-	-
Auditing Fees	-	1,974	4,486	-	-
Management Fee	-	28,584	62,102	-	-
Book-keeping Fee	-	17,865	8,595	-	-
Advertising and Marketing	-	16	216	-	-
Employee Benefit contributions - Administrative	43,892	24,461	39,292	-	-
Office Expenses	-	9,102	10,938	-	-
Legal Expense	-	2,699	-	-	-
Travel Expense	-	-	403	-	-
Allocated Overhead	-	-	-	-	-
Other	19,365	17,147	18,038	94	-
Total Administrative Expense	233,426	168,525	246,445	94	-
Asset Management Fee	-	-	12,000	-	-
Tenant Services					
Tenant Services - Salaries	40,859	-	-	-	-
Relocation Costs	-	-	-	-	-
Employee Benefit Contributions - Tenant Services	3,533	-	319	-	-
Tenant Services - Other	26	-	7,137	2,302	-
Total Tenant Services	44,418	-	7,456	2,302	-
Utilities					
Water	-	-	17,848	-	-
Electricity	-	-	58,356	-	-
Gas	-	-	35,195	-	-
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	-	-	23,771	-	-
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	-	-	135,170	-	-
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	-	-	51,214	-	-
Ordinary Maintenance and Operations - Materials and Other	-	-	20,796	-	-
Ordinary Maintenance and Operations Contracts	-	-	154,625	-	-
Employee Benefit Contributions - Ordinary Maintenance	-	-	14,437	-	-
Total Maintenance	-	-	241,072	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
REVENUES:					
Net Tenant Rental Revenue	-	36,608	109,003	-	1,681,564
Tenant Revenue - Other	-	-	1,733	-	134,385
Total Tenant Revenue	-	36,608	110,736	-	1,815,949
HUD PHA Operating Grants	114,856	-	-	-	17,664,987
Capital Grants	-	-	-	-	27,818
Management Fee	-	-	-	837,269	837,269
Asset Management Fee	-	-	-	77,640	77,640
Book Keeping Fee	-	-	-	264,998	264,998
Front Line Service Fee	-	-	-	-	-
Other Fees	-	-	-	-	-
Total Fees Revenue	-	-	-	1,179,907	1,179,907
Other Government Grants	-	-	-	-	450,798
Investment Income - Unrestricted	-	-	-	-	-
Mortgage Interest Income	-	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
Cost of Sale of Assets	-	-	-	-	-
Fraud Recovery	-	-	-	-	-
Other Revenue	-	63,006	13,379	339,614	-
Gain or Loss on Sale of Capital Assets	-	-	(14,200)	4,025	-
Investment Income - Restricted	-	-	-	-	-
TOTAL REVENUES	114,856	99,614	109,915	1,523,546	21,139,459
EXPENSES:					
Administrative					
Administrative Salaries	-	76,664	17,474	581,991	2,142,519
Auditing Fees	-	290	1,164	8,877	42,290
Management Fee	-	4,715	-	-	837,269
Book-keeping Fee	-	653	2,850	-	264,998
Advertising and Marketing	-	-	20,592	1,316	23,370
Employee Benefit contributions - Administrative	-	18,156	4,439	699,478	1,510,383
Office Expenses	-	38,471	13,155	192,136	411,685
Legal Expense	-	33,197	7,446	2,778	62,168
Travel Expense	-	34,444	-	2,191	48,068
Allocated Overhead	-	-	-	-	-
Other	-	15,535	-	59,727	640,281
Total Administrative Expense	-	222,125	67,120	1,548,494	5,983,031
Asset Management Fee	-	960	3,840	-	75,640
Tenant Services					
Tenant Services - Salaries	-	-	-	-	40,859
Relocation Costs	-	242	-	-	2,256
Employee Benefit Contributions - Tenant Services	-	-	-	8,432	18,230
Tenant Services - Other	-	-	1,301	-	84,094
Total Tenant Services	-	242	1,301	8,432	145,439
Utilities					
Water	-	12,601	6,348	1,507	182,872
Electricity	-	485	19,484	17,549	445,625
Gas	-	997	12,529	3,290	187,308
Fuel	-	-	-	-	-
Labor	-	-	-	-	-
Sewer	-	822	7,623	294	247,327
Employee Benefit Contributions - Utilities	-	-	-	-	-
Other Utilities Expense	-	-	-	-	-
Total Utilities	-	14,905	45,984	22,640	1,063,132
Ordinary Maintenance & Operations					
Ordinary Maintenance and Operations - Labor	-	452	1,881	949	343,094
Ordinary Maintenance and Operations - Materials and Other	-	8,692	33,716	38,057	404,212
Ordinary Maintenance and Operations Contracts	-	39,576	31,522	202,687	1,264,260
Employee Benefit Contributions - Ordinary Maintenance	-	32	1,782	70,803	250,796
Total Maintenance	-	48,752	68,901	312,496	2,262,362

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
REVENUES:				
Net Tenant Rental Revenue	-	1,681,564	-	1,681,564
Tenant Revenue - Other	-	134,385	-	134,385
Total Tenant Revenue	-	1,815,949	-	1,815,949
HUD PHA Operating Grants	-	17,664,987	-	17,664,987
Capital Grants	-	27,818	-	27,818
Management Fee	(837,269)	-	-	-
Asset Management Fee	(77,640)	-	-	-
Book Keeping Fee	(264,998)	-	-	-
Front Line Service Fee	-	-	-	-
Other Fees	-	-	-	-
Total Fees Revenue	(1,179,907)	-	-	-
Other Government Grants	-	450,798	-	450,798
Investment Income - Unrestricted	-	-	-	-
Mortgage Interest Income	-	-	-	-
Proceeds from Disposition of Assets Held for Sale	-	-	-	-
Cost of Sale of Assets	-	-	-	-
Fraud Recovery	-	-	-	-
Other Revenue	-	-	-	-
Gain or Loss on Sale of Capital Assets	-	-	2,779,281	2,779,281
Investment Income - Restricted	-	-	-	-
TOTAL REVENUES	(1,179,907)	19,959,552	2,779,281	22,738,833
EXPENSES:				
Administrative				
Administrative Salaries	-	2,142,519	-	2,142,519
Auditing Fees	-	42,290	-	42,290
Management Fee	(837,269)	-	-	-
Book-keeping Fee	(264,998)	-	-	-
Advertising and Marketing	-	23,370	-	23,370
Employee Benefit contributions - Administrative	-	1,510,383	-	1,510,383
Office Expenses	-	411,685	-	411,685
Legal Expense	-	62,168	-	62,168
Travel Expense	-	48,068	-	48,068
Allocated Overhead	-	-	-	-
Other	-	640,281	-	640,281
Total Administrative Expense	(1,102,267)	4,880,764	-	4,880,764
Asset Management Fee	(77,640)	(2,000)	-	(2,000)
Tenant Services				
Tenant Services - Salaries	-	40,859	-	40,859
Relocation Costs	-	2,256	-	2,256
Employee Benefit Contributions - Tenant Services	-	18,230	-	18,230
Tenant Services - Other	-	84,094	-	84,094
Total Tenant Services	-	145,439	-	145,439
Utilities				
Water	-	182,872	-	182,872
Electricity	-	445,625	-	445,625
Gas	-	187,308	-	187,308
Fuel	-	-	-	-
Labor	-	-	-	-
Sewer	-	247,327	-	247,327
Employee Benefit Contributions - Utilities	-	-	-	-
Other Utilities Expense	-	-	-	-
Total Utilities	-	1,063,132	-	1,063,132
Ordinary Maintenance & Operations				
Ordinary Maintenance and Operations - Labor	-	343,094	-	343,094
Ordinary Maintenance and Operations - Materials and Other	-	404,212	-	404,212
Ordinary Maintenance and Operations Contracts	-	1,264,260	-	1,264,260
Employee Benefit Contributions - Ordinary Maintenance	-	250,796	-	250,796
Total Maintenance	-	2,262,362	-	2,262,362

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Low-Rent Public Housing 14,850	Housing Choice Vouchers 14,871	Business Activities	Multifamily Housing Service Coordinators 14,191	Youth Build Program 17,274
EXPENSES (continued):					
Protective Services					
Protective Services- Labor	-	-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	12,076	-	-	-	-
Employee Benefit Contributions- Protective Services	-	-	-	-	-
Total Protective Services	12,076	-	-	-	-
Insurance Premiums					
Property Insurance	19,544	-	-	-	-
Liability Insurance	26,744	16,001	2,014	1,665	8,249
Workmen's Compensation	19,249	9,895	-	979	5,179
All Other Insurance	-	-	-	-	-
Total insurance Premiums	65,537	25,896	2,014	2,644	13,428
General Expenses					
Other General Expenses	164,485	9,238	-	-	7,514
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	19,080	-	6,079	-	-
Bad debt - Tenant Rents	45,840	-	-	-	-
Bad debt - Other	-	-	116,849	-	-
Severance Expense	-	-	-	-	-
Total Other General Expenses	229,405	9,238	122,928	-	7,514
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	(12,484)	-	-
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	(12,484)	-	-
TOTAL OPERATING EXPENSES	4,511,277	1,362,928	152,927	72,770	450,798
EXCESS OPERATING REVENUE	985,353	10,654,128	(90,377)	-	-
Other Expenses					
Extraordinary Maintenance	-	-	-	-	-
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	11,137,523	-	-	-
HAP Portability-In	-	-	-	-	-
Depreciation Expense	1,042,764	8,055	33,784	-	-
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	885,172	-	-	-	-
Total Other Expenses	1,927,936	11,145,578	33,784	-	-
TOTAL EXPENSES	6,439,213	12,508,506	186,711	72,770	450,798
EXCESS OF REVENUE OVER EXPENSES	(942,583)	(491,450)	(124,161)	-	-
Prior period adjustment, equity transfers, and correction of errors	(166,736)	-	-	-	-
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	27,818	-	-	-	-
Transfers between program and project - out	(27,818)	-	-	-	-
Beginning Net Position	23,105,289	540,740	16,196,231	-	-
Ending Net Position	21,995,970	49,290	16,072,070	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ROSS 14.870	Section 8 Moderate Housing Assistance 14.856	New Construction Section 8 Programs 14.182	CDBG	HOME
EXPENSES (continued):					
Protective Services					
Protective Services- Labor		-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	-	-	-	-	-
Employee Benefit Contributions- Protective Services	-	-	-	-	-
Total Protective Services	-	-	-	-	-
Insurance Premiums					
Property Insurance	-	-	-	-	-
Liability Insurance	8,645	3,549	5,318	-	-
Workmen's Compensation	5,368	2,195	3,375	-	-
All Other Insurance	-	-	-	-	-
Total insurance Premiums	14,013	5,744	8,693	-	-
General Expenses					
Other General Expenses	-	-	161	-	-
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	-	-	2,310	-	-
Bad debt - Tenant Rents	-	-	-	-	-
Bad debt - Other	-	-	-	-	-
Severance Expense	-	-	-	-	-
Total Other General Expenses	-	-	2,471	-	-
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	-	-	-
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	-	-	-
TOTAL OPERATING EXPENSES	291,857	174,269	653,307	2,396	-
EXCESS OPERATING REVENUE	-	1,286,410	323,502	-	-
Other Expenses					
Extraordinary Maintenance	-	-	25,822	-	-
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	1,292,212	-	-	-
HAP Portability-In	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	-	-	-	-	-
Total Other Expenses	-	1,292,212	25,822	-	-
TOTAL EXPENSES	291,857	1,466,481	679,129	2,396	-
EXCESS OF REVENUE OVER EXPENSES	-	(5,802)	297,680	-	-
Prior period adjustment, equity transfers, and correction of errors	-	5,802	-	-	166,736
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	-	-	-	-	-
Transfers between program and project - out	-	-	-	-	-
Beginning Net Position	-	-	2,360,858	-	(166,736)
Ending Net Position	-	-	2,658,538	-	-

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	Section 8 Special Allocations 14.195	State/Local	Blended Component Unit	COCC	Subtotal
EXPENSES (continued):					
Protective Services					
Protective Services- Labor			-	-	-
Protective Services - Other Contract Costs	-	-	-	-	-
Protective Services - Other	-	-	-	-	12,076
Employee Benefit Contributions- Protective Services			-	-	-
Total Protective Services	-	-	-	-	12,076
Insurance Premiums					
Property Insurance	-	-	-	-	19,544
Liability Insurance	-	22,442	26,128	43,487	164,242
Workmen's Compensation	-	3,135	2,378	20,650	72,403
All Other Insurance	-	-	-	-	-
Total insurance Premiums	-	25,577	28,506	64,137	256,189
General Expenses					
Other General Expenses	-	18,132	-	4,146	203,676
Compensated Absences	-	-	-	-	-
Payments in Lieu of Taxes	-	-	15,683	22,452	65,604
Bad debt - Tenant Rents	-	-	-	-	45,840
Bad debt - Other	-	-	22,462	-	139,311
Severance Expense	-	-	-	-	-
Total Other General Expenses	-	18,132	38,145	26,598	454,431
Financial Expenses					
Interest of Mortgage (or Bonds) Payable	-	-	-	-	(12,484)
Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-	-
Total Financial Expenses	-	-	-	-	(12,484)
TOTAL OPERATING EXPENSES	-	330,693	253,797	1,982,797	10,239,816
EXCESS OPERATING REVENUE	114,856	(231,079)	(143,882)	(459,251)	10,899,643
Other Expenses					
Extraordinary Maintenance	-	-	-	-	25,822
Casualty Losses- Non-capitalized	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	12,429,735
HAP Portability-In	-	-	-	-	-
Depreciation Expense	-	52,491	77,357	2,238	1,216,689
Fraud Losses	-	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-	-
Dwelling Units Rent Expense	-	-	-	-	885,172
Total Other Expenses	-	52,491	77,357	2,238	14,557,418
TOTAL EXPENSES	-	383,184	331,154	1,985,035	24,797,234
EXCESS OF REVENUE OVER EXPENSES	114,856	(283,570)	(221,239)	(461,489)	(3,657,775)
Prior period adjustment, equity transfers, and correction of errors	-	-	-	(11,850)	(6,048)
Operating transfer in/out	-	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-	-
Operating transfers from/to Component Unit	(114,856)	-	114,856	-	-
Extraordinary items, net gain/loss	-	-	-	-	-
Special items (net gain/loss)	-	-	-	-	-
Transfers between program and project - in	-	-	-	-	27,818
Transfers between program and project - out	-	-	-	-	(27,818)
Beginning Net Position	-	3,423,002	1,112,805	625,251	47,197,440
Ending Net Position	-	3,139,432	1,006,422	151,912	45,073,634

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
September 30, 2017

	ELIM	Total	Discretely Presented Component Unit	Grand Total
EXPENSES (continued):				
Protective Services				
Protective Services- Labor	-	-	-	-
Protective Services - Other Contract Costs	-	-	-	-
Protective Services - Other	-	12,076	-	12,076
Employee Benefit Contributions- Protective Services	-	-	-	-
Total Protective Services	-	12,076	-	12,076
Insurance Premiums				
Property Insurance	-	19,544	-	19,544
Liability Insurance	-	164,242	4,960	169,202
Workmen's Compensation	-	72,403	-	72,403
All Other Insurance	-	-	-	-
Total insurance Premiums	-	256,189	4,960	261,149
General Expenses				
Other General Expenses	-	203,676	1,088	204,764
Compensated Absences	-	-	-	-
Payments in Lieu of Taxes	-	65,604	-	65,604
Bad debt - Tenant Rents	-	45,840	-	45,840
Bad debt - Other	-	139,311	-	139,311
Severance Expense	-	-	-	-
Total Other General Expenses	-	454,431	1,088	455,519
Financial Expenses				
Interest of Mortgage (or Bonds) Payable	-	(12,484)	-	(12,484)
Interest on Notes Payable (Short and Long Term)	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	-
Total Financial Expenses	-	(12,484)	-	(12,484)
TOTAL OPERATING EXPENSES	(1,179,907)	9,059,909	6,048	9,065,957
EXCESS OPERATING REVENUE	-	10,899,643	2,773,233	13,672,876
Other Expenses				
Extraordinary Maintenance	-	25,822	-	-
Casualty Losses- Non-capitalized	-	-	-	-
Housing Assistance Payments	-	12,429,735	-	12,429,735
HAP Portability-In	-	-	-	-
Depreciation Expense	-	1,216,689	-	1,216,689
Fraud Losses	-	-	-	-
Capital Outlays- Governmental Funds	-	-	-	-
Debt Principal Payment- Governmental Funds	-	-	-	-
Dwelling Units Rent Expense	-	885,172	-	-
Total Other Expenses	-	14,557,418	-	13,646,424
TOTAL EXPENSES	(1,179,907)	23,617,327	6,048	22,712,381
EXCESS OF REVENUE OVER EXPENSES	-	(3,657,775)	2,773,233	(884,542)
Prior period adjustment, equity transfers, and correction of errors	-	(6,048)	6,048	-
Operating transfer in/out	-	-	-	-
Operating transfers from/to Primary Government	-	-	-	-
Operating transfers from/to Component Unit	-	-	-	-
Extraordinary items, net gain/loss	-	-	-	-
Special items (net gain/loss)	-	-	-	-
Transfers between program and project - in	-	27,818	-	27,818
Transfers between program and project - out	-	(27,818)	-	(27,818)
Beginning Net Position	-	47,197,440	(2,779,281)	44,418,159
Ending Net Position	-	45,073,634	-	45,073,634

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
Spartanburg, South Carolina
Year ended September 30, 2017

Statement and Certification of Actual Capital Fund Program Costs

Grant Year SC16P003501-15

- 1 The actual program costs of Grant SC16P003501-15 are as follows:

Funds Approved	\$ 1,293,304
Funds Expended	<u>1,293,304</u>

Excess/(Deficiency) of Funds	<u><u>\$ -</u></u>
------------------------------	--------------------

Funds Advanced	\$ 1,293,304
Funds Expended	<u>1,293,304</u>

Excess/(Deficiency) of Funds Advanced	<u><u>\$ -</u></u>
---------------------------------------	--------------------

- 2 No additions during the audit period.
- 3 The total program costs as stated on the Annual Statement/Performance and Evaluation Report is in agreement with the Actual Modernization Cost Certificate as submitted to HUD for approval is in agreement with the PHA's records.
- 4 All Capital Fund Program costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
Spartanburg, South Carolina
Year ended September 30, 2017

Statement and Certification of Actual HOPE VI Program Costs

Grant Number SC16URD003I103

- 1 The actual program costs of Grant SC16URD003I103 are as follows:

Funds Approved	\$ 20,000,000
Funds Expended	<u>20,000,000</u>

Excess/(Deficiency) of Funds	<u><u>\$ -</u></u>
------------------------------	--------------------

Funds Advanced	\$ 20,000,000
Funds Expended	<u>20,000,000</u>

Excess/(Deficiency) of Funds Advanced	<u><u>\$ -</u></u>
---------------------------------------	--------------------

- 2 No additions during the audit period.
- 3 The total program costs as stated on the Annual Statement/Performance and Evaluation Report is in agreement with the Actual Modernization Cost Certificate as submitted to HUD for approval is in agreement with the PHA's records.
- 4 All HOPE VI Program costs have been paid and all related liabilities have been discharged through payment.



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

To the Board of Commissioners of the
Housing Authority of the City of Spartanburg
Spartanburg, South 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 business-type activities and the discretely presented component units of the Housing Authority of the City of Spartanburg (the Authority) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April __, 2018.

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) to determine the 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bethesda, Maryland
April __, 2018

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

To the Board of Commissioners of the
Housing Authority of the City of Spartanburg
Spartanburg, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Spartanburg's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2017. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

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 each of its major federal programs for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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.

Bethesda, Maryland
April __, 2018

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HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2017

Federal Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Identifying Number	Total Federal Expenditures
Department of Housing and Urban Development Programs			
Low Income Public Housing	14.850	N/A	\$ 2,845,427
Capital Fund Program	14.872	N/A	698,835
Section 8 Project-Based Cluster:			
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	494,015
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	N/A	1,460,679
Section 8 Housing Assistance Payments Program	14.195	N/A	<u>114,856</u>
			2,069,550
Housing Voucher Cluster:			
Housing Choice Voucher Program	14.871	N/A	11,712,040
Resident Opportunities and Supportive Services	14.870	N/A	291,797
Multifamily Housing Elderly Service Coordinators	14.191	N/A	<u>72,760</u>
Total Direct Expenditures			17,690,409
Pass through from the City of Spartanburg: Community Development Block Grant	14.258	B-16-MC-45-0001	<u>2,396</u>
TOTAL HUD EXPENDITURES			17,692,805
Department of Labor Program			
Youthbuild	17.274	N/A	<u>450,798</u>
TOTAL LABOR EXPENDITURES			<u>450,798</u>
TOTAL FEDERAL EXPENDITURES			<u><u>\$18,143,603</u></u>

See Notes to the Schedule

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2017

1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SIGNIFICANT ACCOUNTING POLICY

The Authority recognizes grant revenue when earned on an accrual basis; that is, activities prerequisite to obtaining benefit have been completed, such as, complying with the terms and conditions of the grant agreement.

3. SUBRECIPIENTS

The Housing Authority of the City of Spartanburg provided no federal awards to subrecipients during the fiscal year ending September 30, 2017.

4. FINDINGS AND QUESTIONED COSTS

Any findings and questioned costs identified in connection with the 2017 Single Audit would be disclosed in Schedule I and status of prior year findings and questioned costs would be disclosed in Schedule II.

HUD has conducted several reviews of the Authority and has issued their reports on the results of some of these reviews. The Authority has responded to the reviews for which reports have been issued.

5. COST RATES

The Authority has not elected to use the 10% de minimis cost rate.

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | No |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 4. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | No |
| 5. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 7. Identification of Major Programs: | |

Federal Grantor/Program Title

CFDA No.

U.S. Department of Housing and Urban Development (HUD):

Housing Choice Voucher Program	14.871	\$	11,712,040
Public Housing Capital Fund Program	14.872	\$	698,835
Project Based Cluster	Various	\$	2,069,550

- | | |
|---|------------|
| 8. Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 |
| 9. Auditee qualified as low-risk auditee? | Yes |

HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

DRAFT

**HOUSING AUTHORITY OF THE CITY OF SPARTANBURG
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
September 30, 2017**

SECTION I – PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

SECTION II – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

DRAFT

Housing Authority of the City of Spartanburg

FY 2017 Independent Audit Board Presentation
April 30, 2018



Rubino & Company, Chartered
6903 Rockledge Drive
Suite 1200
Bethesda, MD 20817
301.564.3636
www.Rubino.com

Your Engagement Team

- J. Michael Stephens, Shareholder
- Ben Karlin, Sr. Associate
- Vidur Bhalla, Sr. Associate
- Robert Friscia, Associate

Engagement Scope

- Audit of the Housing Authority of the City of Spartanburg (SHA)
- Single Audit in Accordance with Uniform Guidance
- Audit of Discretely Presented Component Units (Closing activity)
- Additional procedures on closed grants as required by HUD

Audit Status

- Presentation of draft financial statements today which include Authority and component units. Will finalize upon Board approval.
- Presentation of management letter
- All audit work is complete
- Submission to HUD through REAC and Federal Audit Clearing House due by June 30, 2017 but process will begin immediately

Review of Financial Statements and Related Reports

- Financial Statements
 - An Unmodified opinion on the financial statements.
 - Assets decreased \$830.6 Thousand primarily due to decreases in cash and capital assets (RAD and property sales) offset by increases in deferred outflows related to pension plan.
 - Liabilities increased \$1.3 Million primarily due to increases in the pension liability offset by decreases in accounts payable.
 - Net position decrease of \$2.1 Million overall with decrease in invested in capital assets of \$1.3 Million; increase in restricted of \$159.9 Thousand to \$24.6 Million primarily for change in notes receivable; and decrease in unrestricted of \$953.1 thousand to \$5.2 Million due to pension liability.

Review of Financial Statements and Related Reports (continued)

- Total revenues decreased \$6.0 Million primarily due to decreases in subsidy as result of RAD, decrease in CFP grant funding, and decrease in proceeds from sales of properties in prior years.
- Total expenses increased \$1.2 Million primarily due to increases in administration (due to pension) and HAP payments offset by decreases in tenant services, and general expenses.
- Retirement Plan disclosure continues to be extensive and ongoing updates.
- Most other disclosures comparable to prior year.

Review of Financial Statements and Related Reports (continued)

Audit Opinion

- Unmodified opinion on financial statements and on compliance

Report On Internal Control

- No findings reported in current year

Report on Compliance

- No findings in current year

Review of Financial Statements and Related Reports (continued)

Single Audit Report

- Programs tested included Housing Choice Voucher Program, Project Based Cluster, and Capital Fund Program.
- No findings identified in any of the programs.

Required Communications to The Board

Communication required under Auditing Standards (SAS 114)

- Auditor's responsibilities under generally accepted auditing standards
- Scope and Timing of the Audit
- Significant Findings from the Audit
- Qualitative aspects of significant accounting policies
- No significant difficulties encountered during the audit
- Corrected and uncorrected misstatements
 - Audit adjustments related to remaining balances from foreclosure and property sales, FDS reclassifications, and pension.
 - No passed adjustments

Required Communications to the Board (continued)

- There were no disagreements with Management
- There were no management consultations with other accountants
- Significant issues discussed with Management
 - Impact of pension plan adjustments (approx. \$900K)
 - Status of RAD
- Independence
- Management Representation

Open Items and Closing Comments

Open Items

- Issue financial statements and submit to HUD through REAC
- Submit reports to Federal Audit Clearinghouse

Closing Comments

- Continued impact of participation in state pension plan

Questions?

Rubino & Company contacts

J. Michael Stephens, CPA

mstephens@Rubino.com



HONORABLE MEMBERS IN SESSION:

SUBJECT:
AUDIT FY2017
Resolution #2018-23

RECOMMENDATION:

Staff recommends that the Board of Commissioners accept and approve **Resolution 2018-23** for the audit of FY2017 as presented.

CONTACT PERSON:

Terril Bates
CEO
864-598-6010

POLICY CONSIDERATIONS:

Pursuant to the Code of Federal Regulations (CFR), Title 2, Subtitle A, Chapter II, Part 200, Subpart F; Audit Requirements, non-Federal entities that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year. Reporting is done in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). All PHAs report the results of their audits electronically through HUD's FASS-PH system.

Respectfully Submitted, _____
Terril Bates, CEO
The Housing Authority of the City of Spartanburg



WWW.SHASC.ORG

**RESOLUTION NO. 2018-23
ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY
April 30, 2018**

RESOLUTION

WHEREAS, the Commissioners of the Housing Authority of the City of Spartanburg have received and reviewed the audit for the period of 10/01/2016 through 09/30/2017.

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners of The Housing Authority of Spartanburg, Spartanburg, South Carolina, accept and approve the audit as presented.

RECORDING OFFICER'S CERTIFICATION

I, Charles White, the duly appointed Chairman of The Housing Authority of the City of Spartanburg, do hereby certify that this resolution was properly adopted at a regular meeting of The Spartanburg Housing Authority held on April 30, 2018

ATTEST:

Charles White, CHAIR

SECRETARY,
FOR CLERK USE ONLY
RESOLUTION NO. 2018-23
DATE ADOPTED: April 30, 2018



WWW.SHASC.ORG

RESOLUTION NO. 2018-23

**ADOPTED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

April 30, 2018

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF
THE SPARTANBURG HOUSING AUTHORITY**

Staff recommends adoption of Resolution No. 2018-23. The Board of Commissioners accepts and approves the audit as presented by Rubino and Company.

Charles White, Chairman

ATTEST:

SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. _____ 2018-23

DATE ADOPTED: _____



Monthly Reports:

CEO

Terril Bates

Board of Commissioners Meeting

Monday, April 30, 2018



Monthly Reports:

FINANCE

Angela Leopard

Board of Commissioners Meeting

Monday, April 30, 2018



ANNUAL AND 5 YEAR PLAN PRESENTATION

Board of Commissioners Meeting

Monday, April 30, 2018



Resident Advisory Board

Thursday, April 26, 2018

12:00 P.M. – 3:30 P.M.

2271 S. Pine Street • Spartanburg, SC 29302

CALL MEETING TO ORDER

I. Roll Call

II. Lunch

III. Annual and Five Year Plan

I. Introduction: Terril Bates

II. Definition:

III. Timeline:

IV. Review of Format: **Departmental Presentations**

V. Finance: Angela Leopard

VI. Capital Funds: Joseph Jackson

VII. Development: Joseph Jackson

VIII. Public Housing: Jill O'Connell

IX. HCV: Tiffany Askew

X. Resident Services: Natalie Smith

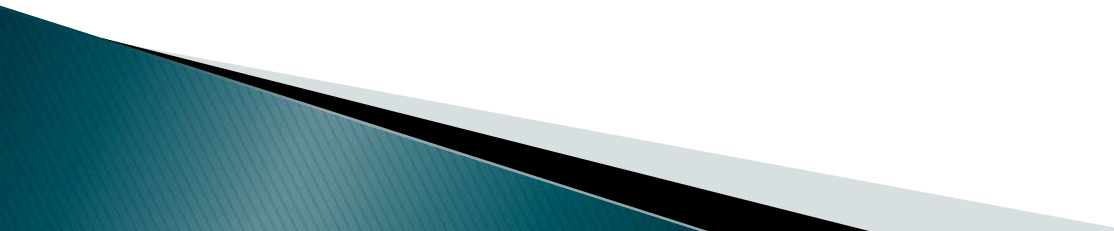
XI. Initiatives: Terril Bates

IV. RAB Recommendations and Comments

V. Adjournment

Agenda

What is the PHA Plan?

- ▶ The PHA Plan is a comprehensive guide to public housing agency (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the 5-Year Plan, which may be submitted and updated annually or once every 5th PHA fiscal year, and the Annual Plan, which is submitted to HUD every year.
- 

Background

- ▶ The PHA Plan process was established by section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.). Section 5A(b) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c-1(b)) was amended by the 2008 Housing and Economic Recovery Act (HERA), Sections 2701 and 2702, Small Public Housing Authorities Paperwork Reduction Act.

Schedule for Annual and 5-Year Plan

Date	Day	Time	Item
1/4/2018	Thursday	4:00 PM	Begin preparation for developing Annual and Five Year Plan
2/15/2018	Thursday	COB	HCV Submit 1st review with tracked changes
2/16/2018	Friday	COB	Finance, Resident Services, PH, Development Submit 1st review with tracked changes
2/16/2018	Friday	1-4p	Review Draft as Group
4/10/2018	Tuesday	COB	Power point due
4/26/2018	Thursday	12:00 PM	Lunch Meeting with Resident Advisory Board
4/30/2018	Monday	4:00 PM	Develop DRAFT and have discussion with Commissioners
5/1/2018	Tuesday	2:00 PM	Run Public Notice in paper 45 days in advance of Public Hearing
6/15/2018	Friday	4:00 PM	Public Hearing
6/19/2018	Tuesday	9:00 AM	Incorporate comments from Public Hearing and finalize Annual and 5-Year Plan
6/19/2018	Tuesday	10:00 AM	Board package is distributed to SHA Board of Commissioners
6/26/2018	Tuesday	4:00 PM	Approval of Annual and 5-Year Plan, ACOP, and Admin Plan by Board of Commissioners
7/17/2018	Tuesday	12:00 Midnight	HUD Deadline for submission



Review of Document Format: Current

Part A – PHA Information

A1 – Demographics

- Standard PHA
- PHA Plan Fiscal Year – 10/2017
- Public Housing Units – 721
- Housing Choice Vouchers (HCVs) – 1952
- Total Combined Units – 2516
- PHA Plan Type – Annual Submission

A.	PHA Information.																				
A.1	<p>PHA Name: <u>The City of Spartanburg Housing Authority</u> PHA Code: <u>SC003</u> Authority</p> <p>PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>10/2017</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>721</u> Number of Housing Choice Vouchers (HCVs) <u>1,952</u> Total Combined Units/Vouchers <u>2,516</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p>PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)</p> <table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th><th rowspan="2">PHA Code</th><th rowspan="2">Program(s) in the Consortia</th><th rowspan="2">Program(s) not in the Consortia</th><th colspan="2">No. of Units in Each Program</th></tr> <tr> <th>PH</th><th>HCV</th></tr> </thead> <tbody> <tr> <td>Lead PHA:</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:											
Participating PHAs	PHA Code					Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program													
		PH	HCV																		
Lead PHA:																					

Review of Document Format: New

Part B – Annual Plan Elements

- B1 – Revision of PHA Plan Elements

- B2 – New Activities

- B3 – Civil Rights Certification

B	Annual Plan Elements
B	Revision of PHA Plan Elements.
	(a) Have the following PHA Plan elements been revised by the PHA?
Y	N
<input type="checkbox"/>	<input type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs
<input type="checkbox"/>	<input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
<input type="checkbox"/>	<input type="checkbox"/> Financial Resources.
<input type="checkbox"/>	<input type="checkbox"/> Rent Determination.
<input type="checkbox"/>	<input type="checkbox"/> Operation and Management.
<input type="checkbox"/>	<input type="checkbox"/> Grievance Procedures.
<input type="checkbox"/>	<input type="checkbox"/> Homeownership Programs.
<input type="checkbox"/>	<input type="checkbox"/> Community Service and Self-Sufficiency Programs.
<input type="checkbox"/>	<input type="checkbox"/> Safety and Crime Prevention.
<input type="checkbox"/>	<input type="checkbox"/> Pet Policy.
<input type="checkbox"/>	<input type="checkbox"/> Asset Management.
<input type="checkbox"/>	<input type="checkbox"/> Substantial Deviation.
<input type="checkbox"/>	<input type="checkbox"/> Significant Amendment/Modification
	(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):
	(c) The PHA must submit its Deconcentration Policy for Field Office review.
B	New Activities.
2	(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?
Y	N
<input type="checkbox"/>	<input type="checkbox"/> Hope VI or Choice Neighborhoods.
<input type="checkbox"/>	<input type="checkbox"/> Mixed Finance Modernization or Development.
<input type="checkbox"/>	<input type="checkbox"/> Demolition and/or Disposition.
<input type="checkbox"/>	<input type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.
<input type="checkbox"/>	<input type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance.
<input type="checkbox"/>	<input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD.
<input type="checkbox"/>	<input type="checkbox"/> Occupancy by Over-Income Families.
<input type="checkbox"/>	<input type="checkbox"/> Occupancy by Police Officers.
<input type="checkbox"/>	<input type="checkbox"/> Non-Smoking Policies.
<input type="checkbox"/>	<input type="checkbox"/> Project-Based Vouchers.
<input type="checkbox"/>	<input type="checkbox"/> Units with Approved Vacancies for Modernization.
<input type="checkbox"/>	<input type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).
	(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.
B	Civil Rights Certification.
3	Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.

Review of Document Format: New

Part B – Annual Plan Elements

Continued

- B4 – Most Recent Fiscal Year Audit
- B5 – Progress Report
- B6 – Resident Advisory Board (RAB) Comments
- B7 – Certification by State or Local Officials
- B8 – Troubled PHA – N/A

Part C – Statement of Capital Improvements

- C1 – Capital Investments

B	Most Recent Fiscal Year Audit.
4	(a) Were there any findings in the most recent FY Audit? Y N <input type="checkbox"/> <input type="checkbox"/> (b) If yes, please describe:
B	Progress Report.
5	Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.
B	Resident Advisory Board (RAB) Comments.
6	(a) Did the RAB(s) provide comments to the PHA Plan? Y N <input type="checkbox"/> <input type="checkbox"/> (c) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
B	Certification by State or Local Officials.
7	Form HUD 50077-SL , <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
B	Troubled PHA.
8	(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> (b) If yes, please describe:
C	Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).
C	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.
1	

FINANCE: Proposed

- **Operate Programs** – Efficiently in a manner compliant with HUD and PHA regulations and policies. Continue to maintain audits reflecting compliance. It should be noted that RAD transitions may impact Asset Management program performance. HUD has advised that there may be waivers that may assist in these instances.
- **Improve Financial Standing of the Agency** - Seek means which may permit increasing operating reserves. Continue efforts to maximize HUD scoring. Position agency for financial solidity and improvement of credit standing.
- **Implement Operational Improvements** - Implement Key Bank Debit Pay Card System. Improve staff capacity through the implementation of Procure to Pay module in Yardi 7S.
- **Improve Financial Reporting** – Continue to develop streamlined reports that are more user-friendly to improve transparency and aid in decision making.

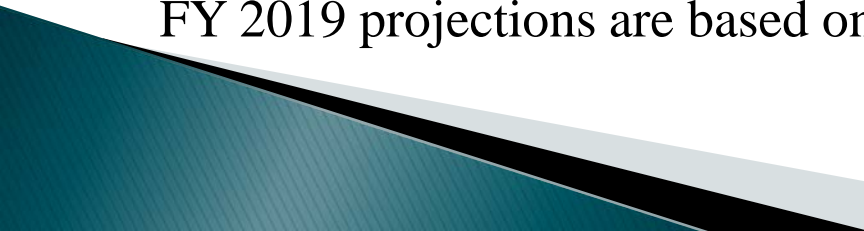
FINANCE: Proposed

FEDERAL FUNDS	2019
Low Rent Asset Management Operating fund	1,471,200
Capital Fund Program	2,126,205
Resident Opportunities and Self Sufficiency	188,431
Housing Choice Voucher– (HAP & Admin)	12,534,925
New Construction S/R HCV Programs (Cluster)	487,000
Moderate Rehabilitation Program (HAP–Admin)	1,601,712
Multifamily Housing Elderly Service Coordinators	74,260
YouthBuild Program	114,000
Total Federal Grants	18,597,733
OTHER INCOME	
Dwelling Rents	1,712,285
Late Charges, Court Fees, Maintenance	143,669
Gain on disposition of assets	N/A
Other income	650,000
TOTAL RESOURCES	21,103,687

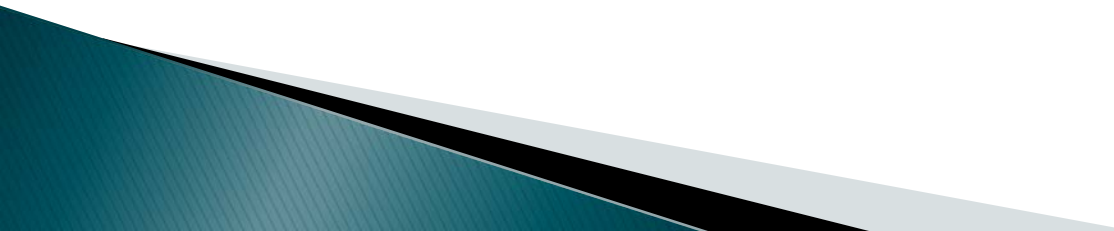
FINANCE: Proposed

- **Operating Subsidy:** Every PHA is given an annual operating subsidy, per asset management property (AMP), to assist with the annual operating expenses of the property. The Capital Fund Program (CFP) has historically provided funds for large capital improvements such as roof repair, new windows, HVAC replacement, etc. It is projected that the Capital Fund Program will no longer be funded in the 2019 federal budget. Due to the anticipation of the CFP cut, HUD has released guidance (PIH 2018-03) that allows PHA's to utilize 20% of the PHA-wide operating subsidy to fund CFP for FY 2019. The projections for the FY 2019 operating subsidy are based on previous years subsidy calculations, less 20%, which SHA intends to use for the CFP program.
- **Capital Fund Program:** Includes \$1,758,405 of current CFP funds available for use in CY2019. SHA intends to utilize \$367,693, which equals 20% of the estimated operating subsidy. (PIH 2018-03) authorizes this in anticipation of CFP funds in CY19 federal budget.

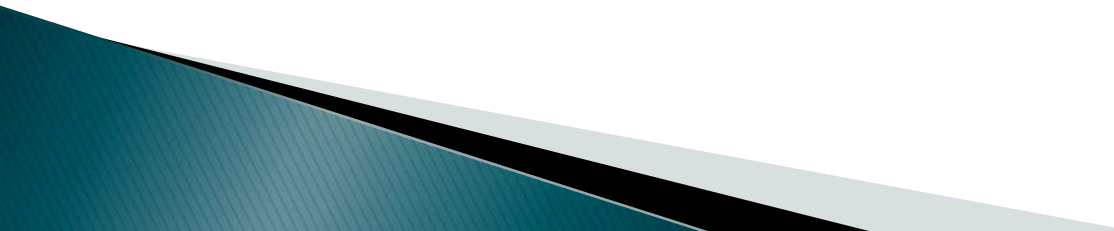
FINANCE: Proposed

- ROSS Grants: Includes two FSS Coordinators and a Connections Coordinator. The FSS grant pays for salary and benefits only. It does not provide for training or other administrative costs. (The Public Housing Homeownership Coordinator grant ended in September 2017.)
 - HCV includes both HAP and Administrative funds. Projections provided are based on 24 month tool and previous year funding and proration.
 - New Construction (JC Bull 100 Units): Includes State HAP for JC Bull 100 units.
 - ModRehab: Includes both HAP and Administrative funds. Projections based on required occupancy of 98%.
 - Multi-Family Elderly Service Coordinator: Grant funded position primarily serving J C Bull. SHA may elect to withdraw participation with this grant due to continual late funding from Multi-Family.
 - YouthBuild: Amount reflects the remaining amounts of funds for follow-up period through March 2019.
 - Dwelling Rents: All tenant rents including JC Bull, Liberty and Page Lakes. FY 2019 projections are based on anticipated occupancy and rent collection.
- 

FINANCE: Proposed

- Late Charges, Court Fees, Maintenance: Projections based on previous year actuals.
 - We anticipate a disposition of Archibald through a RAD transaction. SHA is unable to attribute a dollar value to the transaction as we are at the inception of this project.
 - SHA anticipates donating the Cammie Clagett office building which has a value of \$30k to the City of Spartanburg upon approval by HUD as a part of concluding the Cammie Clagett project. All other property there has been disposed of.
 - . Includes fraud income, mortgage payments, mortgage interest, discrete component unit, and other miscellaneous income. SHA does not anticipate any developer fees in 2019.
- 

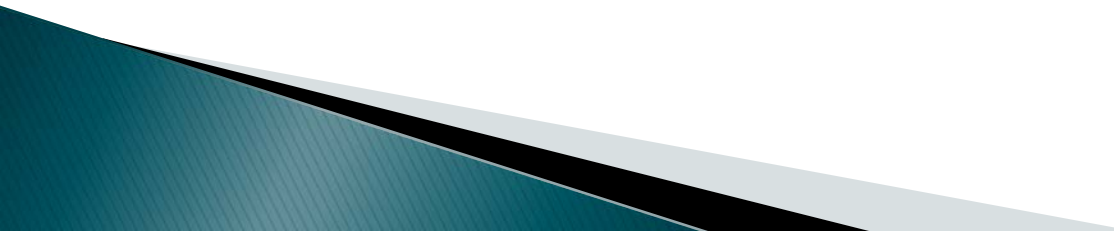
Capital Funds: Current

- Received \$926,447 in 2017 Capital Funds
 - Received \$162,926 in 2017 RHF Funds
 - Completed Strategic Plan with Weathers Group, Inc. as a management improvement project.
- 

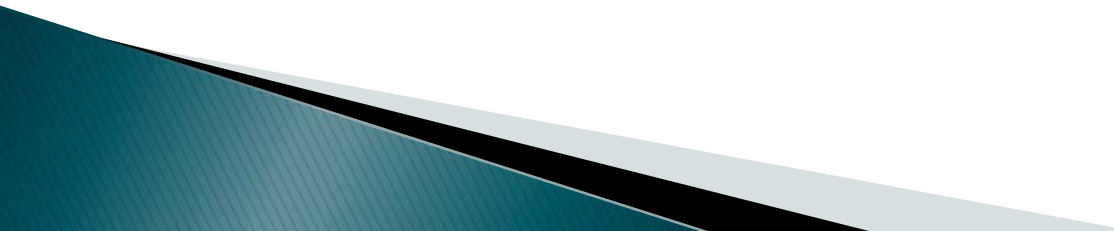
Capital Funds: Proposed

- Assess roof conditions and replace as necessary
 - Victoria Gardens
 - Camp Croft
 - Prince Hall
- Environmental assessments and remediation as required
- Archibald Rutledge Hi-rise (If no approved tax credit application)
 - Review Water distribution systems
 - Review Electrical distribution systems
 - Replace Elevator (Not dependent on tax credit application)
 - Replace Roof at Hi-rise and senior center


Capital Funds: Proposed

- If Tax Credit Application not approved, seek alternate transition plans.
 - Vehicle replacement at either of the following properties:
Archibald Hi-Rise, Victoria Gardens, or Prince Hall
 - Staff development
 - Support RAD activities – legal fees
relocation/consulting/architect/appraisals/environmental
studies and requisite associated financial commitments
- 


Development: Current

- RAD – negotiated with City of Spartanburg resulting in sale of 110 residential units. Demolition being conducted by the City of Spartanburg utilizing NIP Funds.
 - RAD – Fee Developer submitted a 9% tax credit application for Archibald Hi-rise. Once approved a 4% application will be submitted. SHA is co-developer
 - RAD – reviewing RAD application for Scattered Sites – 18 houses, utilizing deminimis criteria. If approved, these units will be sold at appraised value.
- 

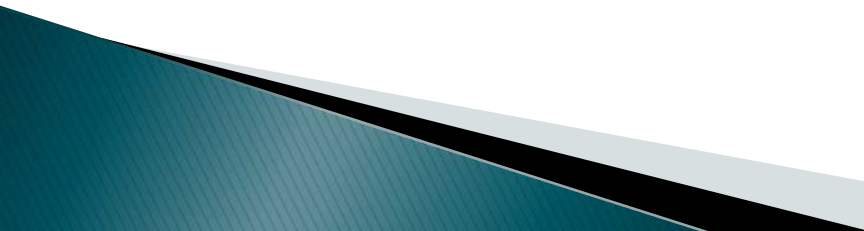
Development: Current

- ▶ Negotiated with Northside Development Group for placement of 78 RAD units (initially intended for Highland)
 - ▶ Single family home under construction by YouthBuild. Two others have been completed.
 - ▶ Issued RFQ for proposed Solar Project at Page Lake
 - ▶ Issued RFP for development and financing partners and selected developers for repositioning of Camp Croft, Prince Hall, Archibald Rutledge, Victoria Gardens, and Page Lake property
- 

Development: Proposed

- Convey Cammie Clagett office to City of Spartanburg for the use of the Highland Community
 - Continue to explore development of 130 acres at Page Lake and vacant land at JC Anderson, Collins Park, and Caulder Avenue.
 - Apply for South Carolina Mental Health grant to assist with the rehab of scattered sites units, development, and housing of mental health clients.
 - Collaborating with City of Spartanburg to possibly obtain NIP funds for the potential demolition of Camp Croft.
- 

Development: Proposed

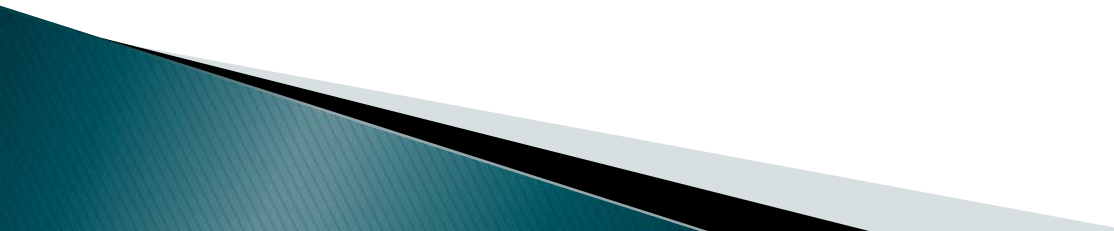
- Contribute to construction of 78 units in the Northside with RHF funds of \$541,000 and \$200,000 from sale of Cammie Clagett units
 - Seek opportunities for partnerships to build or rehabilitate rental units with remaining RHF funds (approximately \$200,000)
 - Review opportunities for increasing affordable housing stock in Highland and the Southside
 - Will seek to relocate the Central Call Office Center (COCC)
- 

Development: Proposed


▶ RAD

- Continue to convene community information and education sessions to explain RAD and its impact.
 - Continue to convene employee information and education sessions to explain RAD and its impact.
 - Continue to convene stake holder information and education sessions to explain RAD and its impact.
- ▶ Develop and train a community panel to work with SHA during property repositioning

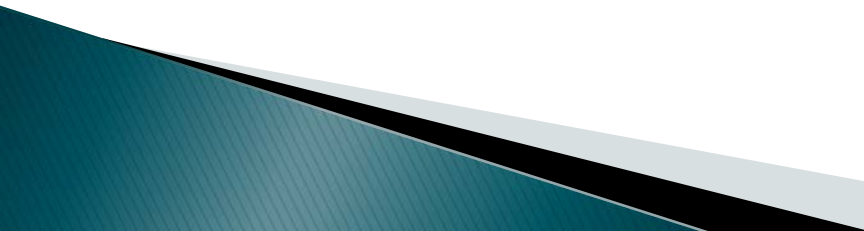
Public Housing: Current

- ▶ Maintain a minimum 98% Occupancy Rate
 - ▶ Maintain a vacant unit turnover time at or below 20 days.
 - ▶ Improve housing management monitoring and internal reporting tools to maintain a high level of accountability, implementing timely tracking, scheduling and follow up to rent collection, vacancy turn over management, and new leases.
- 

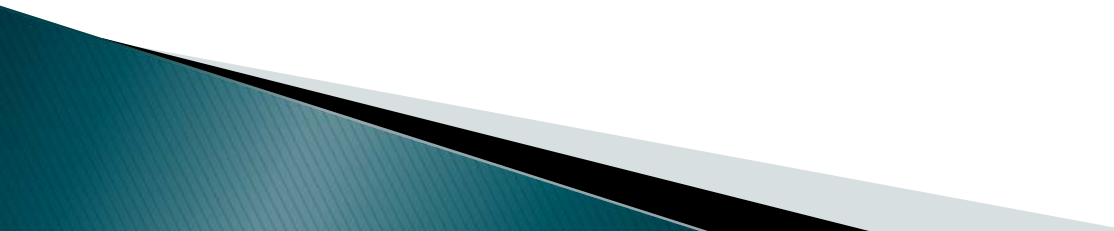
Public Housing: Goals Met

- ▶ Provide a series of resident education sessions
 - No Smoking Initiative
 - Compliance Exchange
 - Resident Relations
 - ▶ Introduced Yardi Screening System
 - ▶ Introduced WIPS (Yardi Rent Payment Card)
 - ▶ Introduced electronic application system
 - ▶ Revise the Public Housing Lease (Community Rules and Tenant Charges)
 - ▶ Implement an applied time management system for monitoring of maintenance efficiency.
- 

Public Housing: Proposed

- ▶ Maintain Standard Performer Status
 - ▶ Maintain a minimum 98% Occupancy Rate
 - ▶ Maintain a vacant unit turnover time at or below 20 days
 - ▶ Improve housing management monitoring and internal reporting tools to maintain a high level of accountability, implementing timely tracking, scheduling and follow up to rent collection, vacancy turn over management, and new leases.
 - ▶ Introduce Pay Card for utility allowances.
 - ▶ Introduce an electronic method for residents to recertify.
 - ▶ Allow a panel to conduct informal hearings.
 - ▶ Update ACOP, lease, and smoking policy.
- 

ACOP: THE ADMISSIONS AND CONTINUED OCCUPANCY POLICIES

- ▶ The ACOP is the PHA's written statement of policies used to carry out the housing program in accordance with federal law and regulations, and HUD requirements. The ACOP is required by HUD and it must be available for public review [CFR 24 Part 903]. The ACOP also contains policies that support the objectives contained in the PHA's Agency Plan.
- 

Major Changes To The ACOP

(A copy of all proposed changes can be found on the SHA website on the About Us Page)

- ▶ The terms SHA and PHA shall be synonymous within this policy and shall be used interchangeably as being applicable to the Spartanburg Housing Authority. However, PHA will be listed for all guided policies from Nan McKay and SHA will be listed for SHA specific policies.
- ▶ Change in FR Notice, CFR, and PIH Numbers
- ▶ Addition of Chapter 17 to reflect the SHA Section 32 Board Approved Homeownership Policy
- ▶ Change in required VAWA Language to reflect New HUD Policy
- ▶ Addition of HUD required No Smoking Policy

Changes To The ACOP

- ▶ Chapter 1: Overview of the Program and Plan
 - Minor revisions and updates to reflect change from ED to CEO
 - Updated Mission
 - Addition of Contents of the Policy and New Approach to Policy Development

- ▶ Chapter 2: Fair Housing and Equal Opportunity
 - Revision to Discrimination Complaints
 - Change in PIH Notice Numbers


Changes To The ACOP

- ▶ Chapter 3: Eligibility
 - Revision to definition of Family
 - Change in FR Notice, CFR, and PIH Numbers
 - Family Breakup Addition
 - Addition of Using Income Limits for Targeting
 - Revision of Social Security Numbers
 - A record of arrest(s) will not be used as the basis for the denial or proof that the applicant engaged in disqualifying criminal activity.
 - Addition of *Obtaining Information from Drug Treatment Facilities* [24 CFR 960.205]
 - Addition of *Resources Used to Check Applicant Suitability* [PH Occ GB, pp. 47-56]
 - Revision of **Consideration of Circumstances** [24 CFR 960.203(c)(3) and (d)]
 - Revision of VAWA

Changes To The ACOP

- ▶ Chapter 4: Applications, Waiting List and Tenant Selection
 - Site Specific Wait List: Removal of units no longer owned by SHA
 - Closing the Waiting List: Change from closing once the wait list reaches 24 months long to no more than 150 applicants per bedroom size
 - Addition of resident portals language to reporting changes in family circumstances
 - Addition of electronic wait list purge and electronic notification of selection
 - Definition of Income Targeting Requirement

Changes To The ACOP

- ▶ Chapter 5: Occupancy Standards and Unit Offers
 - Addition of examples of Types of Occupancy Exceptions
 - ▶ Chapter 6: Income and Rent Determinations
 - Addition of EIV Usage Requirement
 - Addition of Known Changes in Income and Projecting Income
 - Addition of EID Streamlining Final Rule
 - Revision of Imputing Income from Assets and Equity in Real Property or Other Capital Investments
 - Revision to Alimony and Child Support
 - Revision to Additional Exclusions from Annual Income
 - Revision to Phasing in Flat Rents
- 

Changes To The ACOP

▶ Chapter 7: Verification

- Addition of UIV Verification Policy
- Addition of the use of the Work Number
- Revision to Written Third-Party Verification
- Revision of Self-Certification
- Revision of Social Security Numbers

▶ Chapter 8: Leasing and Inspections

- Revisions to Orientation Agenda
 - Additions of VAWA Protections Revision and Smoke Free Policies
- Revision to Annual Inspections

Changes To The ACOP

▶ Chapter 9: Reexaminations

- Addition of Streamlined Annual Reexaminations

▶ Chapter 10: Pets

- Addition of Service Animals and Assistance Animals
- Change of NTE animal of 30 pounds to 25 pounds
- Addition of exclusion of pit bull, Rottweiler, chow, or boxer breeds.
- Addition of maximum of 1 dog per unit
- Separation of Pet Deposits and Fees in Elderly/Disabled Developments and General Occupancy Developments
- Definition of Pet fee Charges
- Addition of Pet Waste Removal Charge Policy

Changes To The ACOP

- ▶ Chapter 11: Community Service
 - Revision of Requirements
 - Revision of definitions and eligible activities
 - Revision of *Economic Self-Sufficiency Program*
 - Revision of Notification Requirements
 - Revision of Compliance and Noncompliance
 - Update to all Required Forms
- ▶ Chapter 12: Transfer Policy
 - Revision of Emergency Transfer Examples

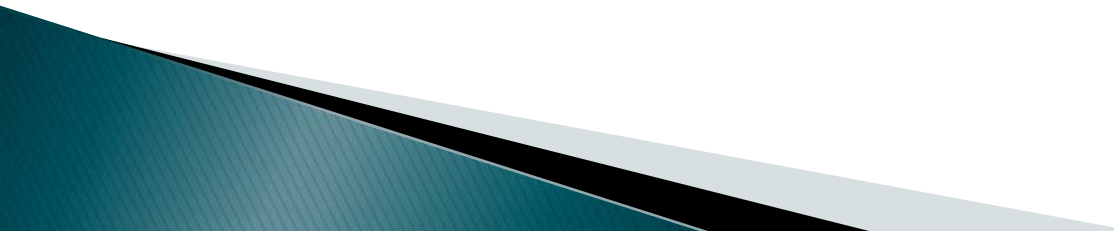
Changes To The ACOP

- ▶ Chapter 13: Lease Terminations
 - Revision of Terminations related to SSN disclosure
 - Addition of Lifetime Registered Sex Offenders
 - Addition of Death of a Sole Family Member
 - Addition of “A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.”
 - Revision of VAWA clauses
- ▶ Chapter 14: Grievances and Appeals
 - Revision of VAWA Clause
 - Change of calendar days to business days
 - Addition of “The SHA may choose to utilize a panel of distinguished community leaders to also conduct hearings.”
 - Addition of definition of Expedited Grievance

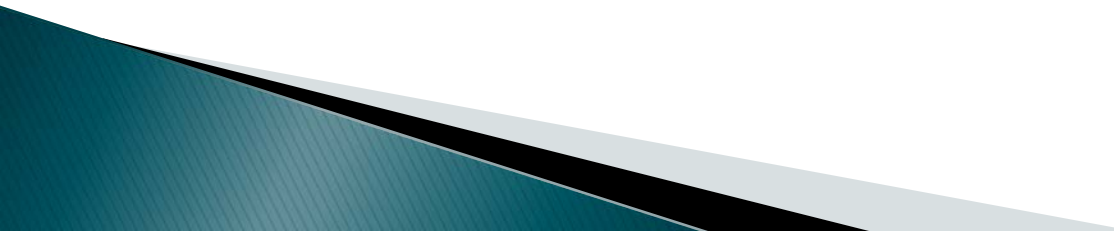
Changes To The ACOP

- ▶ Chapter 15: Program Integrity
 - Addition of Definition of Preventing Errors and Program Abuse
- ▶ Chapter 16: Program Administration
 - Revision of Flat Rent Policy
 - Removal of Public Housing Maximum Rent Policy
 - Revision of Payment Thresholds
 - Addition of Repayment Agreements Involving Improper Payments
 - Revision of PHAS Requirements and Scoring
 - Revision of VAWA
- ▶ Chapter 17 (NEW): Homeownership
 - This addition is of the April 27, 2003 RAB approved and approved SHA Board of Commissioners Resolution 2003-07 Single Family Homeownership Plan. Revisions were made to reflect the current households/numbers in our inventory.

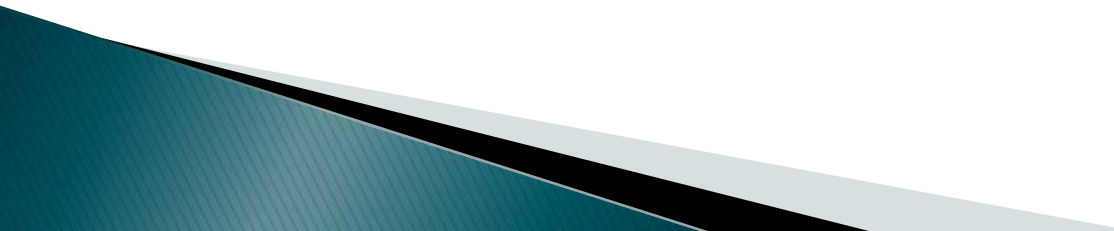
LEASE

- ▶ Correction to SHA Address to reflect PO Box
 - ▶ Removal of Patio Furnisher
 - ▶ Addition of “To adhere to the SHA Smoke Free Policy” under Tenant Obligations.
 - ▶ Revision to VAWA statement
 - ▶ Addition of Attachments: Smoke Free Policy and HUD Form 5382
 - ▶ Removal of Campus of Learners Contract
- 

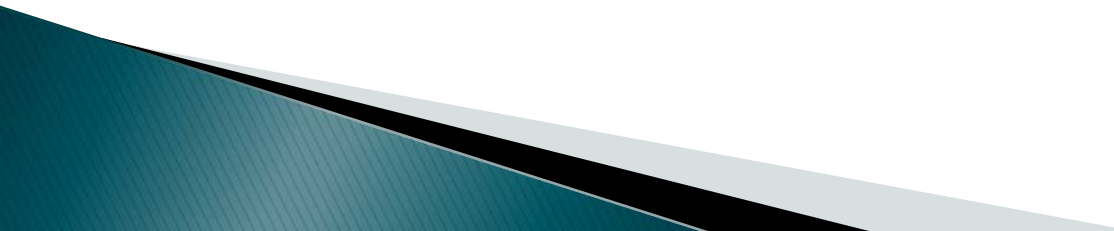
SMOKE FREE POLICY

- ▶ In accordance with HUD regulations, the Housing Authority of City of Spartanburg (SHA) has adopted these smoke-free policies. The policies are effective as of July 30, 2018.
 - ▶ This policy applies to all employees, residents, household members, guests, and service persons. Residents are responsible for ensuring that household members and guests comply with this rule.
- 

SMOKE FREE POLICY

- ▶ Due to the increased risk of fire, increased maintenance costs, and the known health effects of secondhand smoke, smoking is prohibited in all living units and interior areas, including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. Smoking is also prohibited in outdoor areas within 25 feet from public housing and administrative office buildings.
- 


SMOKE FREE POLICY

- ▶ The term “smoking” means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.
 - ▶ Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. Consequences of lease violations include termination of tenancy.
- 


SMOKE FREE POLICY

- ▶ Violation 1: Upon issuance of a written warning from the property manager and/or a documented complaint, the SHA will increase the frequency of unit inspections for a suspected policy violator. The SHA may enter the unit, with reasonable advance notification to perform inspections. A written statement specifying the purpose of the SHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification
- ▶ Violation 2: The SHA will provide information and resources on smoking cessations, including: Information may be provided from the American Lung Association, The Forrester Center, DHEC, etc.
- ▶ Violation 3: The SHA will provide a mandatory referral to The Forrester Center or other agency that provides information or resources on smoking cessations.
- ▶ Violation 4: Repeated violations of four or more of the smoke-free policy may rise to the level of other good cause for termination of tenancy.

If the resident does not have any new violations for 6 months, the resident will be considered to have a clear record, and no further enforcement action will be taken.



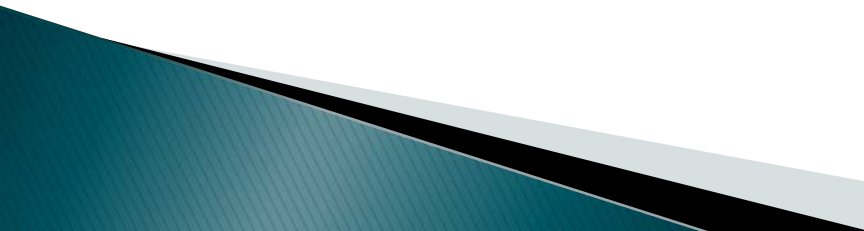
Housing Choice Voucher: Current

- ▶ Maintain SEMAP High Performer Status
 - ▶ Effectively monitor leasing and funding utilization.
 - ▶ Administer vouchers associated with RAD transition.
 - ▶ Administering \$200,000 TBRA grant from County of Spartanburg serving veterans
- 

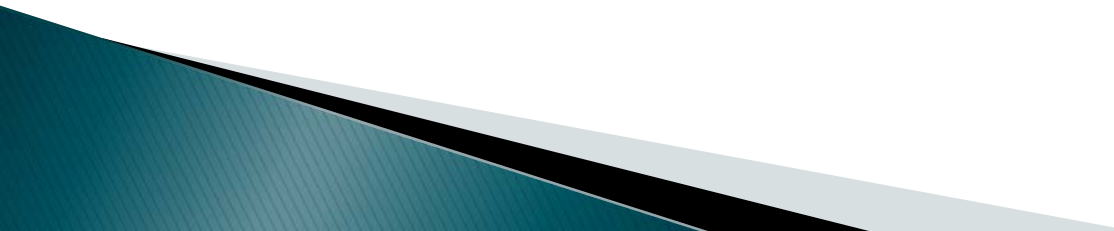
Housing Choice Voucher: Current

- ▶ Obtain SEMAP High Performer Status
- ▶ Effectively monitor leasing and funding utilization
 - As of April 2018 SHA has:
 - Leased 91.7% of vouchers
 - Used 99.7% of funds


Housing Choice Voucher: Proposed

- ▶ Maintain High Performer status
 - ▶ Maintain 98% Voucher utilization or 98% expenditure
 - ▶ Update the Housing Choice Voucher Administrative Plan as needed
 - ▶ Allow up to 150 vouchers for Homeownership.
- 

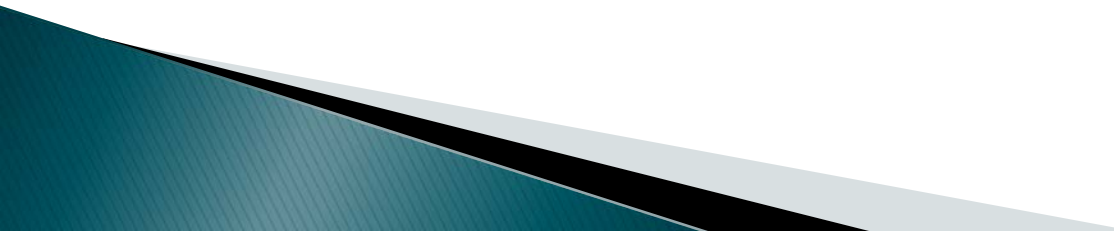
Housing Choice Voucher: Proposed

- ▶ Utilize RENTCafe to complete Annual and Interim Recertifications.
 - ▶ Streamline HCV processes to comply with HUD cost saving measures which includes change to our inspection process and office procedures.
 - ▶ Develop a panel to conduct Informal Hearings
 - ▶ Review Notices of Funding Availability (NOFA) as published.
- 


Resident Services: Current

- ▶ Enhance Resident and Community Development Initiatives.
 - ▶ Provide services through grant funded positions and community partners designed to increase the number and percentage of employed persons in assisted housing programs.
 - ▶ Seek to provide or attract supportive services to increase the independence of the elderly.
 - ▶ Administering FSS (family self-sufficiency) program
 - ▶ Computer Resource Centers/After School Program
- 

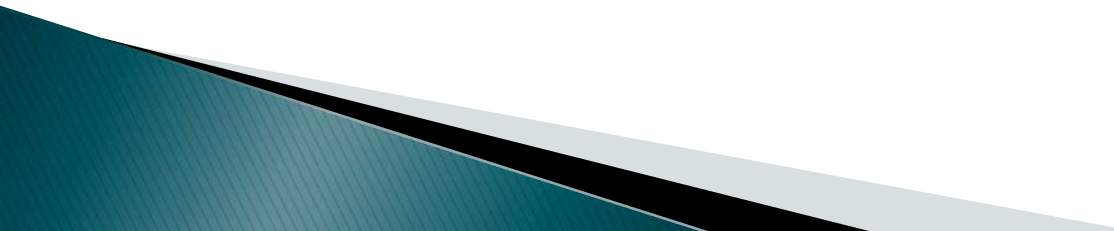
Resident Services: Current

- ▶ Launched Born Learning Center at Prince Hall and Victoria Gardens in partnership with United Way, Emerge, USC Upstate and other partners.
 - ▶ Laundry, play room activities and improvement of aesthetics provided by the City of Spartanburg at Camp Croft and Victoria Gardens.
 - ▶ Administer private and grant funds
 - ▶ Administer funds managed by Spartanburg County Foundation
- 

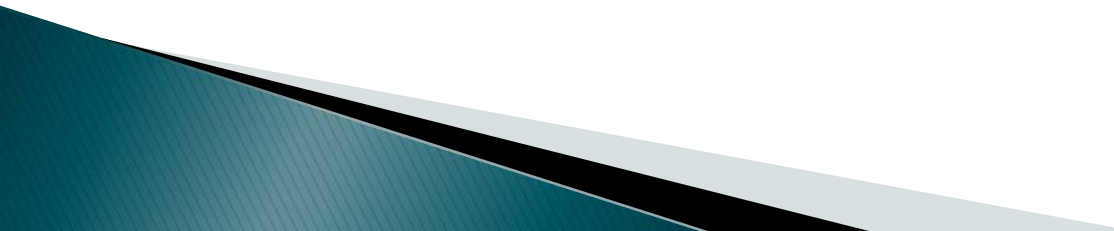
Resident Services: Current

- ▶ Ongoing staff development and for service coordinators including Family Metrics training, American Association of Service Coordinators (AASC) training, Nan McKay Family Self-Sufficiency training, Resident Initiative Council (RIC) Meetings quarterly and Carolina Council of Housing, Redevelopment, and Codes of Officials (CCHRCO) retreat
 - ▶ Regular Resident Council meetings, training and council development. Support of council activities.
 - ▶ Assigned two AmeriCorp Vistas from United Way
 - ▶ Department supervised by a Business Manager
- 

Resident Services: Proposed

- ▶ Seek opportunities to fund additional services
 - ▶ Apply for renewal grants or other funding
 - FSS
 - ROSS
 - Multi-Family Elderly and Disabled
 - Literacy Program
 - Other grants for staffing or service opportunities
 - ▶ Continue staff development
 - ▶ Continue Resident Council development
- 

Resident Services: Proposed

- ▶ Administer Special Grant Programs
 - Marche Gault
 - Spartanburg County Foundation
 - ▶ Support Faith Based and Community Based Partners and Services
 - ▶ Seek resources to support After School and PH Community Centers
- 

Resident Services: Proposed

- Administer Special Programs
 - Summer Food Service Program (SFSP)
 - Child and Adult Care Food Program (CACFP)
- Increase positive outcomes for program participants by leveraging services, expertise, and inclusion of resources in Spartanburg.

Initiatives: Proposed

- ▶ Although no longer required by HUD, SHA is a partner in a MOU with City of Spartanburg and County of Spartanburg to have the AFFH plan delivered by a third party vendor.
- ▶ Develop an updated Strategic Plan
- ▶ Continue staff development
- ▶ Board of Commissioners Retreat
- ▶ Continue to support the RAD Communities Committee and site based RAD information groups.



RAB Q & A