

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

**AUDIT REPORT**

For the Year Ended June 30, 2024

## TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| Independent Auditor's Report .....   | 1           |
| Management Discussion and Analysis (MD&A) .....  | 4           |
| BASIC FINANCIAL STATEMENTS   |             |
| Statement of Net Position - Proprietary Fund Type .....  | 9           |
| Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund Type.....  | 10          |
| Statement of Cash Flows - Proprietary Fund Type .....  | 11          |
| Notes to the Financial Statements .....  | 12          |
| REQUIRED SUPPLEMENTARY INFORMATION:  |             |
| Schedule of Changes in Net Pension Liability – Defined Benefit Pension Plan .....  | 30          |
| Schedule of Employer Contributions – Defined Benefit Pension Plan.....   | 31          |
| SUPPLEMENTARY INFORMATION:   |             |
| Schedule of Expenditures of Federal Awards .....   | 33          |
| SINGLE AUDIT SECTION   |             |
| Report on Internal Control over Financial Reporting and on Compliance and Other<br>Matters Based on an Audit of Financial Statements Performed in Accordance<br>with Government Auditing Standards ..... | 34          |
| Report on Compliance for Each Major Federal Program; Report on Internal Control<br>Over Compliance; and Report on Schedule of Expenditures of Federal Awards<br>Required by the Uniform Guidance .....   | 36          |
| Schedule of Findings and Questioned Costs .....  | 39          |
| Schedule of Prior Year Findings .....  | 40          |
| Schedule of Adjustments Made.....  | 41          |
| Financial Data Schedule .....  | 43          |

# *Kendall L. Davis, P.C.*

CERTIFIED PUBLIC ACCOUNTANT

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Housing Authority of the City of Conyers  
Conyers, Georgia

### **Report on the Audit of the Financial Statements Opinions**

I have audited the financial statements of the business-type activities of the Housing Authority of the City of Conyers, as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the Housing Authority of the City of Conyers's basic financial statements as listed in the table of contents. In my opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and unit of the Housing Authority of the City of Conyers as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the City of Conyers's ability to continue as a going concern for one year after the date that the financial statements are issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information

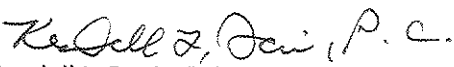
in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Conyers's basic financial statements. The financial data schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the financial data schedule and 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*, I have also issued my report dated November 15, 2024 on my consideration of the Housing Authority of the City of Conyers's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Conyers's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Conyers's internal control over financial reporting and compliance.

  
Kendall L. Davis, P.C.  
Certified Public Accountant  
Hazlehurst, Georgia

November 15, 2024

**Conyers Housing Authority**  
**Conyers, Georgia**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2024**

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As management of the Conyers Housing Authority ("the Authority"), we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements elsewhere in this report.

**Financial Highlights**

1. The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$7,285,354 (Net Position) as opposed to \$6,075,463 as reported in the prior fiscal year.
2. The Authority's unrestricted cash at June 30, 2024 was \$2,759,636 representing an increase of \$484,434 from the prior fiscal year.
3. The Authority had total revenues and capital contributions of \$3,565,422 and total expenses of \$2,385,535 for the year ended June 30, 2024.
4. The Authority's expenditures of federal awards amounted to \$1,841,190 for the fiscal year.

**Using the Annual Report**

1. Management Discussion and Analysis - The "Management's Discussion and Analysis" is intended to serve as an introduction to the basic financial statements. The Basic Financial Statements and Notes to Basic Financial Statements included in this Audit Report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types and in compliance with regulations set forth in GASB 34.
2. Basic Financial Statements - The Basic Financial Statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private - sector business. They consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows.
  - a. The Statement of Net Position presents information on all the Authority's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
  - b. The Statement of Revenues, Expenses, and Change in Net Position presents information showing how the Authority's net position changes during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of unrelated cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation and earned but unused vacation leave).
  - c. The Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities; non capital financing activities; from capital and related financing activities; and from investing activities.

**Conyers Housing Authority  
Conyers, Georgia**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2024**

3. Notes to Basic Financial Statements - The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to Basic Financial Statements can be found in the audit report.
4. Supplemental Information - The supplemental schedules including the Financial Data Schedule (FDS) are presented for purposes of additional analysis and are not a required part of the basic financial statements. HUD has established Uniform Financial Reporting Standards that require the Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2024.

**The Authority as a whole**

The largest portion of the Authority's net position reflects its investment in capital assets (e.g., land, buildings, equipment, and construction in progress). The Authority uses these capital assets to provide housing services to its tenants; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

**Comparative Statement of Net Position is as follows:**

|                               | <b>6/30/2024</b>  | <b>6/30/2023</b>  | <b>Increase<br/>(Decrease)</b> |
|-------------------------------|-------------------|-------------------|--------------------------------|
| <b>Assets:</b>                |                   |                   |                                |
| Current Assets                | \$ 3,686,137      | \$ 3,182,473      | \$ 503,664                     |
| Capital Assets - Net          | 7,388,180         | 6,830,147         | \$ 558,033                     |
| Non Current Assets            | 1                 | 1                 | \$ -                           |
| Deferred Outflow of Resources | 123,034           | 243,185           | \$ (120,151)                   |
| <b>Total Assets</b>           | <b>11,197,352</b> | <b>10,255,806</b> | <b>\$ 941,546</b>              |
| <b>Liabilities:</b>           |                   |                   |                                |
| Current Liabilities           | 451,045           | 344,813           | 106,232                        |
| Non - Current Liabilities     | 3,452,040         | 3,786,070         | (334,030)                      |
| Deferred Inflow of Resources  | 8,913             | 49,460            | (40,547)                       |
| <b>Total Liabilities</b>      | <b>3,911,998</b>  | <b>4,180,343</b>  | <b>(268,345)</b>               |
| <b>Net Position:</b>          |                   |                   |                                |
| Investment in Capital Assets  | 4,126,634         | 3,469,326         | 657,308                        |
| Unrestricted Net Position     | 3,158,720         | 2,606,137         | 552,583                        |
|                               | <b>7,285,354</b>  | <b>6,075,463</b>  | <b>1,209,891</b>               |

**Major Factors Affecting the Statement of Net Position:**

The Authority's net position increased by \$1,209,891 from last year as detailed in the Comparative Statement of Net position. Current assets increased by \$503,664. Total assets increased by \$941,546 and total liabilities decreased by \$268,345 from FYE 2023. The reason for these changes is that income exceeded expenses and capital funds drawn for CIP and the pay down of long term debt.

**Conyers Housing Authority  
Conyers, Georgia**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2024**

**Comparative Statement of Revenues, Expenses, and Changes in Net Position is as follows:**

|                                       | <u>6/30/2024</u>    | <u>6/30/2023</u>    | <u>Increase<br/>(Decrease)</u> |
|---------------------------------------|---------------------|---------------------|--------------------------------|
| Operating Revenues                    | \$ 3,037,520        | \$ 1,967,989        | \$ 1,069,531                   |
| Operating Expenses                    | <u>(2,385,535)</u>  | <u>(2,224,904)</u>  | <u>(160,631)</u>               |
| Operating Income/ (Loss)              | 651,985             | \$ (256,915)        | 908,900                        |
| Non Operating Revenues                | <u>48,589</u>       | <u>29,168</u>       | <u>19,421</u>                  |
| Income / (Loss) Before Capital Grants | 700,574             | (227,747)           | 928,321                        |
| Capital Grants                        | <u>479,313</u>      | <u>-</u>            | <u>479,313</u>                 |
| Change in Net Position                | <u>1,179,887</u>    | <u>(227,747)</u>    | <u>1,407,634</u>               |
| Prior Period, Equity Transfers        | <u>30,004</u>       | <u>(95,621)</u>     | <u>125,625</u>                 |
| Net Position - Beginning of Year      | <u>6,075,463</u>    | <u>6,398,831</u>    | <u>(323,368)</u>               |
| Net Position - End of Year            | <u>\$ 7,285,354</u> | <u>\$ 6,075,463</u> | <u>\$ 1,209,891</u>            |

**Major Factors Affecting the Statement of Revenue, Expenses, and Change in Net position:**

The Authority's net position increased by \$1,209,891 less prior year adjustments of \$30,004 during the fiscal year as detailed in the Comparative Statement of Revenues, Expenses and Changes in Net position. A significant increase in operating and capital grants as well as paydown of long term debt contributed to the increase.

**Budgetary Highlights**

For the year ended June 30, 2024 individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. The budgets were primarily used as a management tool and have no legal statue. Also, the Authority adopted a comprehensive budget for the proprietary fund. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.



**Conyers Housing Authority  
Conyers, Georgia**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2024**

**Capital Assets and Debt Administration**

1. Capital Assets - As of June 30, 2024, the Authority's investment in capital assets for its proprietary fund was \$7,388,180 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and construction in progress.

The following summarizes the change in capital assets between fiscal year ended June 30, 2024 and June 30, 2023.

|                                | <u>6/30/2024</u>    | <u>6/30/2023</u>    | <u>Increase<br/>(Decrease)</u> |
|--------------------------------|---------------------|---------------------|--------------------------------|
| Non - Depreciable:             |                     |                     |                                |
| Land                           | \$ 763,241          | \$ 763,241          | \$ -                           |
| Construction in Progress       | 318,628             | -                   | 318,628                        |
| Total Non - Depreciable Assets | <u>1,081,869</u>    | <u>763,241</u>      | <u>318,628</u>                 |
| Depreciable:                   |                     |                     |                                |
| Leasehold Improvements         | 1,614,170           | 1,058,174           | 555,996                        |
| Buildings                      | 11,411,303          | 11,411,303          | -                              |
| Equipment                      | 1,212,895           | 1,175,973           | 36,922                         |
| Total Depreciable Assets       | <u>14,238,368</u>   | <u>13,645,450</u>   | <u>592,918</u>                 |
| Accumulated Depreciation       | <u>7,932,057</u>    | <u>7,578,544</u>    | <u>353,513</u>                 |
| Net Depreciable Assets         | <u>6,306,311</u>    | <u>6,066,906</u>    | <u>239,405</u>                 |
| Capital Assets, Net            | <u>\$ 7,388,180</u> | <u>\$ 6,830,147</u> | <u>\$ 558,033</u>              |

Net capital assets increased by \$558,033. Depreciation expense of \$353,519 represents expiration of capitalized assets over their useful lives. Additions to construction in progress and leasehold improvements of \$874,624, plus equipment costs of \$36,992 contributed to the increase.

**Conyers Housing Authority  
Conyers, Georgia**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2024**

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Additional information on the Authority's capital assets can be found in the Notes to Basic Financial Statements, which is included in this report.

2. Long-term Debt - The Authority has long term debt of \$3,261,546 which is owed to a bank for the refinancing of Eastmont Townhouses.

**Economic Factors**

Significant economic factors affecting the Authority are as follows:

1. Federal funding of the Department of Housing and Urban Development
2. Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
3. The Authority has unrestricted net position of \$3,158,720 to fund any shortfalls arising from a possible economic downturn and reduced subsidies and grants. The Authority's unrestricted net position appears sufficient to cover any short-term shortfall.

**Contacting the Authority's Financial Management**

The financial report is designed to provide a general overview of the Authority's finances for all with an interest. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to Ms. Brooke Alessandrone, Executive Director, 1214 Summer Circle, Conyers, Georgia, 30012, or you may contact Ms. Alessandrone at telephone number (770)483-9301.

## **BASIC FINANCIAL STATEMENTS**

# HOUSING AUTHORITY OF THE CITY OF CONYERS

Conyers, Georgia

## STATEMENT OF NET POSITION – PROPRIETARY FUND TYPE

As of June 30, 2024

### ASSETS

#### Current Assets:

|                                    |                  |
|------------------------------------|------------------|
| Cash and cash equivalents          | \$ 2,759,636     |
| Cash - restricted                  | 152,622          |
| Investments                        | 624,407          |
| Due from HUD                       | 11,247           |
| Accounts receivable - tenants, net | 42,117           |
| Prepaid expenses                   | 82,053           |
| Inventories (net)                  | 14,055           |
| Total current assets               | <u>3,686,137</u> |

#### Noncurrent Assets:

##### Capital Assets:

|   |                  |
|---|------------------|
| Nondepreciable capital assets                       | 763,241          |
| Depreciable capital assets, net                     | 6,306,311        |
| Construction in progress                            | 318,628          |
| Notes receivable (net of allowance of \$10,226,669) | 1                |
| Total noncurrent assets                             | <u>7,388,181</u> |

Total assets 11,074,318

#### Deferred outflows of resources

123,034

Total assets and deferred outflows of resources \$ 11,197,352

### LIABILITIES

#### Current Liabilities:

|                                |                |
|--------------------------------|----------------|
| Accounts payable               | \$ 20,612      |
| Accrued liabilities            | 58,136         |
| Accrued interest payable       | 20,105         |
| Tenant security deposits       | 152,622        |
| Due to other governments       | 23,389         |
| Accrued compensated absences   | 3,064          |
| Notes payable, current portion | 173,117        |
| Total current liabilities      | <u>451,045</u> |

#### Noncurrent Liabilities:

|                                       |                  |
|---------------------------------------|------------------|
| Notes payable, net of current portion | 3,088,429        |
| Accrued pension liability             | 317,019          |
| Accrued compensated absences          | 46,592           |
| Total noncurrent liabilities          | <u>3,452,040</u> |

Total liabilities 3,903,085

#### Deferred inflows of resources

8,913

### NET POSITION

Net investment in capital assets 4,126,634

Unrestricted net position 3,158,720

Total net position 7,285,354

Total liabilities, deferred inflows of resources, and net position \$ 11,197,352

*See auditor's report.*

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

# HOUSING AUTHORITY OF THE CITY OF CONYERS

Conyers, Georgia

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUND TYPE

For the year ended June 30, 2024

|  |                     |
|--|---------------------|
| Operating revenues:                          |                     |
| Tenant rental revenue                        | \$ 1,675,641        |
| HUD operating grants                         | 1,361,879           |
| Other revenue                                | 47,061              |
| Total operating revenues                     | <u>3,084,581</u>    |
| Operating expenses:                          |                     |
| Administration                               | 485,498             |
| Utilities                                    | 299,640             |
| Ordinary maintenance                         | 671,759             |
| General expenses                             | 229,541             |
| Protective services                          | 7,994               |
| Depreciation                                 | 353,519             |
| Total operating expenses                     | <u>2,047,951</u>    |
| Operating income (loss)                      | <u>1,036,630</u>    |
| Nonoperating revenue (expenses):             |                     |
| Interest revenue                             | 1,528               |
| Interest expense                             | (337,584)           |
| Total nonoperating revenue (expenses)        | <u>(336,056)</u>    |
| Net Income (Loss) before contributions       | 700,574             |
| Contributions – capital grants               | <u>479,313</u>      |
| Increase (decrease) in net position          | 1,179,887           |
| Net position, beginning of year, as restated | <u>6,105,467</u>    |
| Net position, end of year                    | <u>\$ 7,285,354</u> |

*See auditor's report.*

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

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

**STATEMENT OF CASH FLOWS – PROPRIETARY FUND TYPE**  
For the year ended June 30, 2024

|   |                     |
|---|---------------------|
| <b>Cash flows provided from operating activities:</b>   |                     |
| Cash received from tenants  | \$ 1,656,295        |
| Cash paid for goods and services  | (1,308,739)         |
| Other receipts  | 47,061              |
| Cash paid to employees for services   | (389,625)           |
| HUD operating grants  | <u>1,387,627</u>    |
| Net cash flows provided from operating activities   | <u>1,392,619</u>    |
| <br>  |                     |
| Cash flows from noncapital financing activities   | <u>-</u>            |
| <br>  |                     |
| <b>Cash flows used by capital and related financing activities:</b>                                     |                     |
| Proceeds from capital grants  | 479,313             |
| Acquisition of capital assets   | (911,546)           |
| Principal payments on capital debts   | (99,275)            |
| Interest payments on capital debts  | <u>(368,131)</u>    |
| Net cash flows used by capital and related financing activities   | <u>(899,639)</u>    |
| <br>  |                     |
| <b>Cash flows provided from investing activities:</b>   |                     |
| Interest on investments   | 1,528               |
| Purchase of investments   | <u>(1,210)</u>      |
| Net cash flows provided from investing activities   | <u>318</u>          |
| <br>  |                     |
| Net increase (decrease) in cash and cash equivalents  | 493,298             |
| <br>  |                     |
| Cash and cash equivalents at beginning of year  | 2,418,960           |
| Cash and cash equivalents at end of year  | <u>\$ 2,912,258</u> |
| <br>  |                     |
| <b>Reconciliation of operating income (loss) to net cash provided from operating activities:</b>        |                     |
| <br>  |                     |
| Operating income (loss)   | <u>\$ 1,036,630</u> |
| <br>  |                     |
| <b>Adjustments to reconcile operating income (loss) to net cash provided from operating activities:</b> |                     |
| Depreciation  | 353,519             |
| (Increase) decrease in accounts receivable  | 6,402               |
| (Increase) decrease in prepaid insurance  | (16,043)            |
| (Increase) decrease in supplies inventory   | 485                 |
| (Increase) decrease in deferred outflows  | 120,151             |
| Increase (decrease) in accounts payable   | 14,118              |
| Increase (decrease) in accrued liabilities  | 46,757              |
| Increase (decrease) in compensated absences   | 3,064               |
| Increase (decrease) in due to other governments   | (4,289)             |
| Increase (decrease) in security deposits  | 8,864               |
| Increase (decrease) in pension liability  | (136,492)           |
| Increase (decrease) in deferred inflows   | <u>(40,547)</u>     |
| Total adjustments   | <u>355,989</u>      |
| Net cash provided from operating activities   | <u>\$ 1,392,619</u> |

*See auditor's report.*

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

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 1: Summary of Significant Accounting Policies:

The financial statements of the Housing Authority of the City of Conyers (the “Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority has previously implemented GASB Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Certain significant changes in the statements are as follows: The financial statements will include a Management’s Discussion and Analysis (MD&A) section providing an analysis of the Authority’s overall financial position and results of operations.

The Authority is a special-purpose government engaged only in business-type activities and therefore, presents only the financial statements required for enterprise funds, in accordance with GASB Statement 34, paragraph 138. For these governments, basic financial statements and required supplemental information consist of:

- Management Discussion and Analysis (MD&A)
- Enterprise fund financial statements consisting of –
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Fund Net Position
  - Statement of Cash Flows
- Notes to financial statements
- Required supplemental information other than MD&A

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the “enterprise fund” in the basic financial statements. Significant Authority policies are described below.

A. Reporting Entity

The Authority was established as a tax-exempt quasi-governmental entity under the United States Housing Act of 1937 for the purpose of providing affordable housing to low- and moderate-income families in Rockdale County, Georgia. The governing body of the Authority is composed of a 5-member appointed Board of Commissioners (the “Board”). The mayor appoints the Board, who in turn hires the Executive Director. The Authority is governed by its charter and by-laws, state and local laws and federal regulations. The Board is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Authority’s management.

For financial reporting purposes, the financial reporting entity consists of (1) the primary government (the “Authority”), (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationships with the primary government are such that exclusion would cause the primary government’s financial statements to be misleading or incomplete. The Authority is financially accountable if it appoints a voting majority of an organization’s governing body and (a) it is able to impose its will on the organization or, (b) there is potential for that organization to provide specific financial benefits to, or impose specific financial burdens on the Authority. The Authority may be financially accountable if an organization is fiscally dependent on the Authority. Based on these criteria, the following entity has been identified as a component unit of the Authority.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

A. Reporting Entity (Continued)

*Conyers Housing Corporation*

The Housing Authority has significant influence over the Conyers Housing Corporation (the "Corporation") which has significant financial relationships with the Housing Authority. The Corporation is a non-profit entity created for the purpose of providing decent, safe and sanitary housing for persons of low-income in the City of Conyers, Georgia. The Corporation is a tax-exempt entity under section 501(c)(4) of the Internal Revenue Code (IRC). The Corporation is an instrumentality of the Housing Authority and as such is a blended component unit of the Authority.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority's financial statements are accounted for on the flow of economic resources management focus using the accrual basis of accounting. The accounting objectives are a determination of net income, financial position, and changes in cash flow.

All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with a proprietary fund's activities are included on the Statement of Net Position. Proprietary fund net position is segregated into Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. Revenues are recognized when they are earned, and expenses are recognized when incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items.

Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations:

The principal operating revenues of the proprietary funds are rental charges to tenants and operating subsidy grants from HUD. Operating expenses for proprietary funds include the cost of administrative expenses, maintenance expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The Authority applies restricted resources to fund restricted costs and unrestricted resources to fund unrestricted costs. All material inter-program accounts and transactions are eliminated in the preparation of the basic financial statements.

The Authority has previously adopted GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. In accordance with this statement, the Authority accounted for all grants that qualify as non-exchange transactions, recognizing receivables and revenues when all applicable eligibility requirements are met. In addition, capital contributions are recorded on the Statement of Revenues, Expenses, and Changes in Fund Net Position after income before contributions and before changes in net position.



HOUSING AUTHORITY OF THE CITY OF CONYERS  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net position categories:

- *Net investment in capital assets* – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component on net position.

C. Revenue Recognition

The significant revenue recognition policies and practices related to these revenues are as follows:

Charges to tenants, participants, or applicants – These revenues consist primarily of dwelling rental charges and related fees and charges. Such revenues are recognized when due. Rental charges are typically recorded and recognized at the beginning of the rental term while tenant charges and fees are recognized when the underlying transaction occurred. The revenues associated with installment repayment agreements are recorded when collected.

Operating grants and contributions – The Authority receives various grants from other governments and entities. In general, for cost reimbursement-type grants, the revenues are recognized when the underlying expenses are incurred and as soon as all eligibility requirements imposed by the provider have been met. For formula-based operating subsidies, the revenues are recognized during the period for which the subsidy was approved and authorized by the grantor agency. For fee-based grants, the revenues are recognized when the services are performed and delivered. When both restricted and unrestricted reserves are available for use it is the Authority's policy to use restricted resources first, and the unrestricted resources as they are needed.

D. Budgetary Data

The Authority maintains budgetary controls over its fund. An annual budget is adopted for the enterprise fund. It was determined that all revenues and expenses were in accordance with the program budgets. Expenses may not legally exceed appropriations at the departmental level for the enterprise fund. All increases in appropriation must be approved by the Board. The budget was prepared on the modified accrual basis of accounting

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Deposits and Investments

All deposits of the Authority are made in board-designated official depositories and are secured as required by HUD regulations. The Authority may designate as an official depository any bank or savings and loan association whose principal office is located in Georgia. Also, the Authority may establish time deposit accounts such as NOW and Super NOW accounts, money accounts and certificates of deposit. Section 401(e) of the annual contribution contract authorizes the Authority to invest in the following types of securities:

1. Obligations of the Federal Government which are backed by the full faith and credit of the Federal Government.
2. Obligations of any agency or instrumentality of the Federal Government if the payment of interest and principal on such obligations is fully guaranteed by the Federal Government.
3. Obligations of the Federal Intermediate Credit Banks, the Federal Home Loan Banks, the Federal National Mortgage Association, the Banks for Cooperatives, and the Federal Land Banks which mature no later than 18 months after the date of purchase.

Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. Money market investments that have a maturity at the time of purchase of one year or less are carried at amortized cost. As required by the annual contributions contract, the Authority prepares cash forecasts for each program to determine the amount of funds available for investment and to maximize investment earnings. During the fiscal year and at year-end, all cash was held in the form of interest-bearing accounts. The deposits and the above-described investments with an original maturity of ninety days or less are considered cash and cash equivalents for the Statement of Cash Flows.

Disclosure About Fair Value of Assets and Liabilities

Fair value is defined as the price that would be received to sale an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Authority also follows a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard's three level of inputs that may be used to measure fair value:

Level 1: Observable prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

The Authority currently recognizes all assets and liabilities at Level 1 of the valuation hierarchy unless stated otherwise.

Accounts Receivable – Tenants

Charges to tenants are recorded as revenue at the first of each month. Balances in this account represent amounts that have been charged to tenants for which the Authority has not received payment. The Authority estimates that some of the carrying balance of this account will not be collected. The Authority uses the Balance Sheet approach to estimate the allowance for uncollectible accounts.

Due from the United States Department of Housing and Urban Development

The amount due from HUD as of June 30, 2024 consisted of amounts due from HUD for costs incurred but not yet received as of June 30, 2024.

Prepaid Items

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

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenses when consumed rather than when purchased. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority establishes an allowance for obsolete inventory.

Capital Assets

Donated capital assets received prior to September 30, 2016 are stated at their estimated fair value on the date donated. This included site acquisition and improvement, structures, and equipment. Donated capital assets received after October 1, 2016 are recorded at amortized cost, the price is adjusted for transportation costs, but would not otherwise be adjusted for transaction costs. Other capital assets are recorded at historical cost at the date of acquisition. This includes site acquisition and improvement, structures, and equipment. Assets are depreciated on a straight-line basis over the following years:

|                                     |             |
|-------------------------------------|-------------|
| Dwelling structures                 | 10-50 years |
| Non-dwelling structures             | 10-50 years |
| Dwelling structure improvements     | 10-50 years |
| Non-dwelling structure improvements | 10-20 years |
| Office furniture and equipment      | 3-10 years  |
| Maintenance equipment               | 3-10 years  |
| Automobiles and vehicles            | 3-10 years  |

The Authority capitalizes purchases of items with an initial cost that exceeds \$1,000 and a useful life greater than one year. Maintenance and repairs expenditures are charged to operations when incurred.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Unearned Revenue

An amount received in advance of the period in which it is earned is recorded as a liability under unearned revenue. Unearned revenues consist of rental payments made by tenants in advance of their due date.

Compensated Absences

The Authority's policy allows each employee to accumulate up to 360 vacation hours and be paid for them upon separation. Employees can accumulate up to 720 sick leave hours but can only be paid for them upon separation if the employee has reached retirement age. Time accrued beyond that is forfeited unless exception is granted by the Board of Commissioners. The majority of employees utilize their accrual of vacation and sick leave during the year accrued. The Authority records compensated absences in the period they are earned and uses a systematic allowance process to allocate between short-term and long-term liability classification.

Net Position

*Net Investment in Capital Assets*

Net investment in capital assets represents funds received for development and modernization of the Authority's dwelling units. In addition, this amount represents capital assets purchased through operations and grant programs less accumulated depreciation and related debt.

*Unrestricted Net Position*

Net position includes assets and deferred outflows of current resources remaining after deducting liabilities and deferred inflows of resources and provides a basis of assessing the liquidity and financial flexibility of the Authority.

Operating Revenues

Housing Assistance Payments received from the Department of Housing and Urban Development or other grantor agencies for operating purposes, are recorded as operating revenues.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position will sometimes report separate sections for deferred outflows/inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that apply to future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) or an inflow of resources (revenue) until then.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1: Summary of Significant Accounting Policies: (Continued)

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Pensions

The Georgia Municipal Employees Benefit System Retirement Trust (the “Trust”) financial statements are prepared using the accrual basis of accounting. Member contributions are recognized as revenues in the period in which the contributions are received. Investment income is recognized as earned by the Trust. The net appreciation (depreciation) in the fair value of investments held by the Trust is recorded as an increase (decrease) to investment income based on the valuation of investments as the date of the statement of trust net position.

Plan contributions, refunds, transfers, and benefits to participants are recorded as they are received or paid. Other expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board (GASB). The Trust is a fund of the Georgia Municipal Employees Benefit System which, under these requirements, is a component unit of the Georgia Municipal Association.

Recent Accounting Pronouncements

The Authority has adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (“AROs”). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The adoption of GASB Statement No. 83 had no material effect on the Authority’s June 30, 2024 financial statements.

The Authority has adopted GASB Statement No. 87, *Leases*. This statement requires that the Authority: recognize the following: (a) a lease liability and (b) an intangible asset representing the lessee’s right to use the leased asset; and report in its financial statements: (a) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (b) interest expense on the lease liability and (c) note disclosures about the lease. This statement also requires that government lessors: recognize: (a) a lease receivable and (b) a deferred inflow or resources and continue to report the leased asset in its financial statements; and report in its financial statements: (a) lease revenue, recognized over the term of the lease, corresponding with the reduction of the deferred inflow, (b) interest income on the receivable; and (c) note disclosures about the lease. The adoption of GASB Statement No. 87 had no material effect on the Authority’s June 30, 2024 financial statements.

The Authority has adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The adoption of GASB Statement No. 88 had no material effect on the Authority’s June 30, 2024 financial statements.

NOTE 2: Stewardship, Compliance, and Accountability

The Authority appeared to have met its responsibilities regarding stewardship, compliance, and accountability for its fund.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: Detail Notes on All Programs

A. Assets

Deposits and Investments

The Authority's funds are maintained in bank deposits or in investments in certificates of deposit. The Authority is permitted to invest funds in deposit accounts at federally insured financial institutions; in obligations of the U.S. Treasury or U.S. Government agencies; Local or State Government Investment Pools; and Repurchase Agreements with financial institutions (as long as the entire balance is collateralized by specifically identified securities of the U.S. Government or its agencies). Investments in debt securities that have a remaining maturity at the time of purchase of more than one year and that have a determinable market value are valued at market value as of year-end. The market values are based on quoted market prices at year-end. Certificates of deposit are stated at cost as they are not traded in any market and are held for longer terms. Securities with a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

Bank Deposits

Deposits include amounts held in accounts that qualify for federal depository insurance and include demand deposits such as checking accounts, saving accounts and NOW accounts, as well as time deposits such as nonnegotiable certificates of deposit. In the financial statements, amounts held in demand deposits accounts and in time deposits with initial maturities of 90 days or less are classified as cash and cash equivalents.

Deposits are required to be either covered by federal depository insurance or be collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name. It is the Authority's policy that all funds on deposit are collateralized in accordance with HUD requirements. At June 30, 2024, the Authority's deposits with financial institutions for all fund types had a carrying amount of \$3,536,665 and bank balances of \$3,636,209.

*Interest rate risk*—The Housing Authority of the City of Conyers has no specific policy regarding interest rate risk.

*Credit risk* – The Authority has no policy regarding credit risk. Credit risk is generally evaluated based on the credit ratings issued by nationally recognized statistical rating organizations.

*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 investment or collateral securities that are in the possession of an outside party. All investments in repurchase agreements are collateralized by the securities held by the counterparty, or by its trust department. The Authority has no policy on custodial credit risk.

*Concentration of credit risk*—The Authority places no limit on the amount that the Authority may invest in any one issuer.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 3: Detail Notes on All Programs(Continued)

A. Assets (Continued)

Capital Assets

The capital assets (at cost) of the Housing Authority of the City of Conyers at June 30, 2024 consisted of the following:

|   | Balance at<br>June 30, 2023 | Additions         | Retirements | Reclassifications | Balance at<br>June 30, 2024 |
|---|-----------------------------|-------------------|-------------|-------------------|-----------------------------|
| <b>Nondepreciable Capital Assets:</b>     |                             |                   |             |                   |                             |
| Land (nondepreciable)                     | \$ 763,241                  | \$ -              | \$ -        | \$ -              | \$ 763,241                  |
| Construction in progress                  | -                           | 318,628           | -           | -                 | 318,628                     |
| Total Nondepreciable Assets               | <u>763,241</u>              | <u>318,628</u>    | <u>-</u>    | <u>-</u>          | <u>1,081,869</u>            |
| <b>Depreciable capital assets:</b>        |                             |                   |             |                   |                             |
| Buildings and improvements                | 12,469,477                  | 555,996           | -           | -                 | 13,025,473                  |
| Furniture, equip., vehicles               | 1,175,973                   | 36,922            | -           | -                 | 1,212,895                   |
| Total Depreciable Assets                  | <u>13,645,450</u>           | <u>592,918</u>    | <u>-</u>    | <u>-</u>          | <u>14,238,368</u>           |
| <b>Less accumulated depreciation for:</b> |                             |                   |             |                   |                             |
| Buildings and improvements                | (6,445,390)                 | (328,751)         | -           | -                 | (6,774,141)                 |
| Furniture, equip., vehicles               | (1,133,154)                 | (24,768)          | 6           | -                 | (1,157,916)                 |
| Total Accumulated Depreciation            | <u>(7,578,544)</u>          | <u>(353,519)</u>  | <u>6</u>    | <u>-</u>          | <u>(7,932,057)</u>          |
| Total Depreciable Assets, net             | <u>6,066,906</u>            | <u>239,399</u>    | <u>6</u>    | <u>-</u>          | <u>6,306,311</u>            |
| Total Capital Assets, Net                 | <u>\$ 6,830,147</u>         | <u>\$ 558,027</u> | <u>\$ 6</u> | <u>\$ -</u>       | <u>\$ 7,388,180</u>         |

Notes Receivable

The Authority provided Spivey Family, LP (SF) a seller loan in lieu of cash proceeds from the sale of certain building improvements to SF. This loan is evidenced by a promissory note issued by SF on behalf of the Authority dated March 31, 2020 in the amount of \$9,384,462. This loan is a third priority loan from U.S. Bank National Association, the first priority lender, and a second priority loan from Georgia Housing and Finance Authority, the second priority lenders. The loan is considered a construction loan with the option to convert the loan to a permanent loan on the permanent phase conversion date, which is the date on which SF submits evidence satisfactory to the Authority that each of the permanent phase conversion requirements has been satisfied; provided, that the permanent phase conversion date must occur (if it occurs at all) on or before the date that is twenty-four months following the date of the promissory note. The date of maturity is thirty-five years from the permanent phase conversion date. The construction loan bears interest at 2.32% per annum, compounding annually, computed on the daily outstanding principal balance. Interest shall be calculated on a 360-day year basis.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

A. Assets (Continued)

Notes Receivable (Continued)

The Authority also provided SF an additional loan to assist SF with financing affordable housing construction and development costs. This loan is evidenced by a promissory note issued by SF on behalf of the Authority dated March 31, 2020 in the amount of \$842,207. This loan is a fourth priority loan after a first priority loan from U.S. Bank National Association, the first priority lender, a second priority loan from Georgia Housing and Finance Authority, the second priority lenders, and a third priority loan from the Authority, the third priority lender. The loan is considered a construction loan with the option to convert the loan to a permanent loan on the permanent phase conversion date, which is the date on which SF submits evidence satisfactory to the Authority that each of the permanent phase conversion requirements has been satisfied; provided, that the permanent phase conversion date must occur (if it occurs at all) on or before the date that is twenty-four months following the date of the promissory note. The date of maturity is thirty-five years from the permanent phase conversion date. The construction loan bears interest at 0.00%, per annum, compounding annually, computed on the daily outstanding principal balance.

B. Liabilities

Notes Payable

In January, 2017, the Authority financed \$4,300,000 with Heritage Bank for Eastmont Townhouses. The units were collateral for the property. The interest rate was 5% with a maturity of 2037. On March 1, 2022, the loan balance was refinanced of \$3,609,066 at a rate of 9.5% with The First Bank. The maturity is 2037. The loan was placed in the Conyer Housing Corporation's name. The units are collateral for the loan. The outstanding balance at June 30, 2024 was \$3,261,546. Monthly payments are \$37,187. Interest paid during the year amounted to \$337,584.

Debt Service Requirements

The following are the debt service requirements to maturity on the note payable:

| For the year ending: | Principal           | Interest            | Total               |
|----------------------|---------------------|---------------------|---------------------|
| 2025                 | \$ 173,117          | \$ 273,127          | \$ 446,244          |
| 2026                 | 160,806             | 285,438             | 446,244             |
| 2027                 | 175,225             | 271,019             | 446,244             |
| 2028                 | 190,303             | 255,941             | 446,244             |
| 2029                 | 208,001             | 238,243             | 446,244             |
| 2030-2034            | 1,355,077           | 876,143             | 2,231,220           |
| 2035-2037            | 999,017             | 173,946             | 1,172,963           |
|                      | <u>\$ 3,261,546</u> | <u>\$ 2,373,857</u> | <u>\$ 5,635,403</u> |



**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Noncurrent Liabilities

Noncurrent liabilities at June 30, 2024, consisted of the following:

|                           | Beginning<br>Balance | Additions        | Deletions/<br>Adjustments | Ending Balance      | Due Within<br>One Year |
|---------------------------|----------------------|------------------|---------------------------|---------------------|------------------------|
| Compensated absences      | \$ 46,592            | \$ 11,304        | \$ (8,240)                | \$ 49,656           | \$ 3,064               |
| Notes payable             | 3,360,821            | -                | (99,275)                  | 3,261,546           | 173,117                |
| Accrued pension liability | 453,511              | -                | (136,492)                 | 317,019             | -                      |
|                           | <u>\$ 3,860,924</u>  | <u>\$ 11,304</u> | <u>\$ (244,007)</u>       | <u>\$ 3,628,221</u> | <u>\$ 176,181</u>      |

Pension Plan Obligation

The Authority's defined benefit pension plan, Conyers Housing Authority Retirement Plan (the Plan), provides retirement, disability, and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by the Board of Commissioners. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. GMEBS assigns the authority to establish and amend the benefit provisions of the plan that participate to the respective employer entities; for the Authority's Plan, the authority rests with the Authority's Board of Commissioners as well as the City of Conyers due to the fact that the Authority subscribes to the City of Conyers' plan. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to:

Georgia Municipal Association  
201 Pryor Street, SW  
Atlanta, Georgia 30303  
Or by calling (404) 688-0472

**Employees Covered Under the Plan**

At June 30, 2024, the following number of employees were covered by the benefit terms:

|  |           |
|--|-----------|
| Pensioners as of the valuation date  | 5         |
| Participants inactive during year ended December 31, 2023 with vested rights | 9         |
| Participants active during year ended December 31, 2023                      | <u>5</u>  |
| Total covered employees  | <u>19</u> |

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Pension Plan Obligation (Continued)

**Funding Policy**

Employees are not required to contribute to the Plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the Authority contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding requirements.

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

At June 30, 2024, the Authority reported a liability (asset) of \$317,019 as its net pension liability (asset). The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The City's net pension liability was based on the projection of the City's long-term contribution to the pension plan, actuarially determined at January 1, 2024.

The following is a schedule reconciles the differences between the beginning and ending net pension liability (asset) for the year ended June 30, 2024:

Changes in the Net Pension Liability (Asset)

|   | Total        | Fiduciary Net Position | Net Pension<br>Liability |
|---|--------------|------------------------|--------------------------|
| Balances at September 30, 2022*                               | \$ 1,614,141 | \$ 1,160,630           | \$ 453,511               |
| Changes for the year:   |              |                        |                          |
| Service Cost  | 26,742       | -                      | 26,742                   |
| Interest  | 118,341      | -                      | 118,341                  |
| Differences between expected and actual experience            | (17,825)     | -                      | (17,825)                 |
| Contributions - employer                                      | -            | 112,007                | (112,007)                |
| Contributions - employee                                      | -            | -                      | -                        |
| Net investment income   | -            | 157,443                | (157,443)                |
| Benefit payments, including refunds of employee contributions | (72,532)     | (72,532)               | -                        |
| Administrative expense  | -            | (5,700)                | 5,700                    |
| Net Changes   | 54,726       | 191,218                | (136,492)                |
| Balance at September 30, 2023**                               | \$ 1,668,867 | \$ 1,351,848           | \$ 317,019               |

HOUSING AUTHORITY OF THE CITY OF CONYERS  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Pension Plan Obligation (Continued)

*\*Entry Age Normal liabilities calculated using and service amounts as of January 1, 2023, are used to measure TPL as of September 30, 2022. The balances as of September 30, 2022, constitute measurements of the NPL for the fiscal year ending June 30, 2023.*

*\*\* Entry Age Normal liabilities calculated using age and service amounts as of January 1, 2024, are used to measure TPL as of September 30, 2023. The balances as of September 30, 2022, constitute of the NPL for the fiscal year ending June 30, 2024.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report.

For the year ended June 30, 2024, the Authority recognized pension expense of \$112,007. Pension expense represents the change in the net pension liability during the measurement period, adjusted contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or methods, and plan benefits. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                                  | \$ -                                 | \$ (8,913)                          |
| Changes in assumptions  | -                                    | -                                   |
| Net difference between projected and actual earnings<br>on pension plan investments | 64,662                               | -                                   |
| Authority's contributions subsequent to the measurement date                        | 58,372                               | -                                   |
| Total   | \$ 123,034                           | \$ (8,913)                          |

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changed to the net pension liability (asset) to be recognized in future periods in a systematic and rational manner, as detailed on the next page.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Pension Plan Obligation (Continued)

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

| Year Ended June 30: | Deferred Outflows/(Inflows)<br>of Resources |
|---------------------|---|
| 2025                | \$ 2,366                                    |
| 2026                | 15,711                                      |
| 2027                | 51,792                                      |
| 2028                | (14,120)                                    |

**Actuarial Assumptions**

The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Method   |
| Amortization Method           | Closed level dollar for remaining unfunded liability   |
| Remaining Amortization Period | Varies for the basis, with net effective amortization period of 10 years   |
| Asset Valuation Method        | Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value. |

**Actuarial Assumptions:**

|                               |  |
|-------------------------------|--|
| Inflation                     | 2.25%                                    |
| Net Investment Rate of Return | 7.375%                                   |
| Projected Salary Increases    | 2.25% plus service-based merit increases |
| Cost of Living adjustments    | 2.10%                                    |
| Retirement Age:               |  |
| <i>Normal</i>                 | 65 with 5 years of service               |
| <i>Early</i>                  | 55 with 10 years of service              |

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Pension Plan Obligation (Continued)

**Mortality:**

|   |  |
|---|--|
| <i>Healthy</i>                            | RP-2000 Combined Healthy Table with sex-distinct rates, set forward two years for males and one year for females |
| <i>Disabled</i>                           | RP-2000 Disabled Retiree Mortality Table with sex- distinct rates  |
| <i>Plan termination basis (all lives)</i> | 1994 Group Annuity Reserving Unisex Table  |

The mortality and economic actuarial assumptions used in the January 1, 2024, valuations were based on the results of an actuarial experience study for the period January 1, 2016, to June 30, 2020.

The 7.37% long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target allocation are summarized in the following table:

| Asset Class           | Target Allocation | Long-Term Expected<br>Real Rate of Return |
|-----------------------|-------------------|---|
| Domestic equity       | 45%               | 6.91%                                     |
| International equity  | 20%               | 7.21%                                     |
| Global fixed income   | 5%                | 1.61%                                     |
| Domestic fixed income | 20%               | 1.61%                                     |
| Real estate           | 10%               | 3.61%                                     |
| Cash                  | -                 | -   |
| Total                 | 100%              |   |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.375%, which is the same as the long-term expected rate of return. The projection of cash flows used to determine the discount rate assumed that contributions from the Authority will be made as recommended rates each year, actuarially determined. Based on that assumption, the pension fund’s fiduciary net position was projected to be available to make all projected future benefit payments. In theory, the discount rate may differ from long-term expected rate of return discussed previously. However, based on the projected availability of the pension fund’s fiduciary net position, the discount rate is equal to the long-term expected rate of return on the pension plan investments, and it was applied to all periods of projected benefit payments to determine the total pension liability.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 3: Detail Notes on All Programs (Continued)

B. Liabilities (Continued)

Pension Plan Obligation (Continued)

The following presents the Authority's net pension liability calculated using the current discount rate, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

|                               | 1% Decrease<br>6.375% | Current Discount<br>7.375% | 1% Increase<br>8.375% |
|-------------------------------|-----------------------|----------------------------|-----------------------|
| Net pension liability (asset) | \$ 557,587            | \$ 317,019                 | \$ 119,624            |

NOTE 4: Restatement to Net Position

|                                   | Net Investment<br>in Capital Assets | Unrestricted<br>Net Position | Total        |
|-----------------------------------|-------------------------------------|------------------------------|--------------|
| Balance at June 30, 2023          | \$ 3,469,326                        | \$ 2,606,137                 | \$ 6,075,463 |
| Adjustments                       | -                                   | 30,004                       | 30,004       |
| Restated balance at June 30, 2023 | 3,469,326                           | 2,636,141                    | 6,105,467    |
| Increase in net position          | -                                   | 1,179,887                    | 1,179,887    |
| Change in capital assets          | 657,308                             | (657,308)                    | -            |
| Balance at June 30, 2024          | \$ 4,126,634                        | \$ 3,158,720                 | \$ 7,285,354 |

The effect of these adjustments is to increase net position at June 30, 2023.

NOTE 5: Related Party Transactions

There were no related party transactions for the year ended June 30, 2024.

NOTE 6: Claims and Judgments

At June 30, 2024, the Authority can be involved in litigation but any losses are expected to be covered by its insurance company. The Authority vigorously defends any litigation, claims, or assessments. No provision was made in the audited financial statements for any contingent liabilities. There is no legal matter that will have a materially adverse effect on the Authority's financial position.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**

Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

**NOTE 7: Risk Management**

The Authority is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, error and omission; injuries to employees; and natural disasters. The Authority has mitigated this risk by obtaining insurance coverage from commercial insurance companies. Premiums paid for insurance coverage are recorded as expenses of the funds affected. The various insurance policies are subject to deductible amounts and maximum coverages. If the deductibles and maximums are exceeded, this could cause the Authority to suffer losses if a loss is incurred from any such incidents. The ultimate outcome of uninsured losses cannot presently be determined, and no provision for any liability that may result, if any, has been made in the financial statements. During the current year and the prior three years, settled claims have not exceeded coverage levels, and insurance coverage, by major categories of risk, is consistent with prior year.

**NOTE 8: Compliance Audits of Federal and State Assisted Programs:**

The Authority participates in a number of federal and state programs which are subject to audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), or review by the granting agencies in accordance with annual contribution contracts or grant award contracts. The Authority expects such expenditures, if any, which may be disallowed by the granting agencies to be immaterial.

**NOTE 9: Concentrations**

The Authority receives most of its funding from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

**NOTE 10: Commitments and Contingencies**

**A. Grants**

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

**B. Litigation**

The Authority may have litigation arising from matters relating to its normal operations. The Authority vigorously defends any claims against the Authority. The Authority's potential liability in any potential matters at this time cannot be reasonably determined; however, it is expected that the Authority's insurance coverage will be adequate to cover any losses.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 11: Ground Lease:**

On March 31, 2020, a ground lease was executed between the Authority (the “Lessor”) and Spivey Family, LP, a discreetly presented component unit of the Authority (the “Lessee”). The lease term is for a period of seventy-five years. The ground lease terms include ground rent as follows: (i) on the commencement date of the lease (March 31, 2020), an amount equal to \$225,000, and (ii) within ninety days following the end of each calendar year during the term, an amount equal to \$65,400 (the “Annual Rent”). The Annual Rent shall be payable by Lessee to Lessor from Net Cash Flow (as defined in the Partnership Agreement), and any portion of Annual Rent has not been paid by Lessee when such Annual Rent is due and payable shall accrue interest at the rate of 2.15% per annum, compounding annually. Any such interest shall be calculated on a 360-day year basis and all amounts received shall be applied first to pay accrued interest, and then to pay outstanding Annual Rent. Lessee’s obligation with respect to the Annual Rent shall be a non-recourse obligation and Lessee’s partners shall not be personally liable for the repayment of any accrued Annual Rent or interest accrued thereon. As of June, 30, 2021, the Authority has recognized and received the initial ground rent of \$225,000. The first Annual Rent was due March 31, 2021. There were no payments on the ground lease as of June 30, 2024.

**NOTE 12: Subsequent Events:**

Events that occur after the balance sheet date before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about the conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. In preparing financial statements, management evaluated subsequent events through the date the financial statements were issued (or the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.



## REQUIRED SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY - DEFINED BENEFIT PENSION PLAN**  
For the year ended June 30, 2024

|  | 2024       | 2023       | 2022       | 2021       | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014 | 2013 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------|------|
| <b>Total pension liability</b>   |            |            |            |            |            |            |            |            |            |            |      |      |
| Service cost   | \$ 26,742  | \$ 38,723  | \$ 48,410  | \$ 30,813  | \$ 26,452  | \$ 21,924  | \$ 30,902  | \$ 27,863  | \$ 32,907  | \$ 31,993  | \$ - | \$ - |
| Interest   | 118,341    | 120,263    | 143,034    | 104,974    | 94,051     | 85,564     | 93,491     | 77,167     | 82,636     | 75,732     | -    | -    |
| Differences between expected and actual experience                                   | (17,825)   | (98,920)   | (414,930)  | 47,592     | 39,932     | 85,105     | (161,921)  | 62,943     | (116,699)  | 40,354     | -    | -    |
| Changes in assumptions   | -          | -          | -          | -          | 87,874     | -          | 24,091     | -          | -          | 8,937      | -    | -    |
| Changes of benefit terms   | (72,532)   | (75,764)   | (75,416)   | 393,097    | -          | -          | -          | 111,329    | -          | -          | -    | -    |
| Benefit payments, including refunds of employee contributions                        | -          | -          | -          | (80,594)   | (86,033)   | (81,870)   | (66,086)   | (71,251)   | (67,562)   | (68,300)   | -    | -    |
| <b>Net change in total pension liability</b>   | 54,726     | (15,698)   | (298,902)  | 495,882    | 162,276    | 110,723    | (79,523)   | 208,051    | (68,718)   | 88,716     | -    | -    |
| <b>Total pension liability, beginning</b>  | 1,614,141  | 1,629,839  | 1,928,741  | 1,432,859  | 1,270,583  | 1,159,860  | 1,239,383  | 1,031,332  | 1,100,050  | 1,011,334  | -    | -    |
| <b>Total pension liability, ending (a)</b>   | 1,668,867  | 1,614,141  | 1,629,839  | 1,928,741  | 1,432,859  | 1,270,583  | 1,159,860  | 1,239,383  | 1,031,332  | 1,100,050  | -    | -    |
| <b>Plan fiduciary net position</b>   |            |            |            |            |            |            |            |            |            |            |      |      |
| Contributions - employer   | \$ 112,007 | \$ 146,832 | \$ 74,135  | \$ 71,901  | \$ 61,060  | \$ 74,418  | \$ 60,861  | \$ 67,775  | \$ 67,892  | \$ 62,471  | \$ - | \$ - |
| Contributions - employee   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -    | -    |
| Net investment income  | 157,443    | (229,444)  | 259,272    | 94,845     | 28,433     | 91,135     | 120,831    | 82,207     | 8,345      | 75,498     | -    | -    |
| Benefit payments, including refunds of employee contributions                        | (72,532)   | (75,764)   | (75,416)   | (80,594)   | (86,033)   | (81,870)   | (66,086)   | (71,251)   | (67,562)   | (68,300)   | -    | -    |
| Administrative expense   | (5,700)    | (5,954)    | (6,100)    | (5,929)    | (7,640)    | (6,107)    | (6,547)    | (3,500)    | (3,821)    | (3,094)    | -    | -    |
| Other  | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -    | -    |
| <b>Net change in plan fiduciary net position</b>                                     | 191,218    | (164,330)  | 251,891    | 80,223     | (4,180)    | 77,576     | 109,059    | 75,231     | 4,854      | 66,575     | -    | -    |
| <b>Plan fiduciary net position, beginning</b>  | 1,160,630  | 1,324,960  | 1,073,069  | 992,846    | 997,026    | 919,450    | 810,391    | 735,160    | 730,306    | 663,731    | -    | -    |
| <b>Plan fiduciary net position, ending (b)</b>                                       | 1,351,848  | 1,160,630  | 1,324,960  | 1,073,069  | 992,846    | 997,026    | 919,450    | 810,391    | 735,160    | 730,306    | -    | -    |
| <b>Authority's net pension liability, ending (a)-(b)</b>                             | \$ 317,019 | \$ 453,511 | \$ 304,879 | \$ 855,672 | \$ 440,013 | \$ 273,557 | \$ 240,410 | \$ 428,992 | \$ 296,172 | \$ 369,744 | \$ - | \$ - |
| <b>Plan fiduciary net position as a percentage of the total pension</b>              | 81.00%     | 71.90%     | 81.29%     | 55.64%     | 69.29%     | 78.47%     | 79.27%     | 65.39%     | 71.28%     | 66.39%     | -    | -    |
| <b>Covered-employee payroll</b>  | \$ 281,521 | \$ 277,908 | \$ 432,923 | \$ 592,305 | \$ 536,320 | \$ 460,886 | \$ 399,886 | \$ 569,412 | \$ 587,544 | \$ 685,773 | \$ - | \$ - |
| <b>Authority's net pension liability as a percentage of covered-employee payroll</b> | 112.61%    | 163.19%    | 70.42%     | 144.46%    | 82.04%     | 59.35%     | 60.15%     | 75.34%     | 50.41%     | 53.92%     | -    | -    |

Historical information prior to the implementation of GASB 67.68 is not required.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS - DEFINED BENEFIT PENSION PLAN**

For the year ended June 30, 2024

|  | 2024       | 2023       | 2022      | 2021      | 2020      | 2019      | 2018      | 2017      | 2016      | 2015      | 2014 | 2013 |
|--|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------|------|
| Actuarially determined contribution                                  | \$ 112,007 | \$ 146,832 | \$ 74,135 | \$ 71,901 | \$ 66,243 | \$ 59,332 | \$ 79,447 | \$ 54,666 | \$ 72,145 | \$ 66,475 | \$ - | \$ - |
| Contributions in relation to the actuarially determined contribution | 112,007    | 146,832    | 74,135    | 71,901    | 66,243    | 59,332    | 79,447    | 54,666    | 74,695    | 66,475    | -    | -    |
| Contribution deficiency (excess)                                     | -          | -          | -         | -         | -         | -         | -         | -         | -         | -         | -    | -    |
| Covered-employee payroll   | 281,521    | 277,908    | 432,923   | 592,305   | 592,607   | 460,886   | 399,664   | 569,412   | 587,544   | 685,773   | -    | -    |
| Contributions as a percentage of covered-employee payroll            | 112.61%    | 163.19%    | 70.42%    | 144.46%   | 11.18%    | 12.87%    | 19.88%    | 9.60%     | 12.71%    | 9.69%     | -    | -    |

\* 2024 information will be determined after fiscal year-end as it will be included in the 2025 valuation report.

\*\* Contributions are recorded based on date of receipt into the GEMBS trust. Minor timing issues in receipt of monthly payments are not indicative of non-compliance with GMEBS funding policy.

\*\*\* A plan is in compliance with GMEBS funding policy if it pays either the dollar amount or the percentage of employee-covered payroll of the actuarially determined contributions.

\*\*\*\* 2023 covered payroll is based on data collected as of September 30, 2022 for the 2023 actuarial valuation.

**Notes to Schedule**

**Valuation Date**

The actuarially determined contribution rate was determined as of January 1, 2023, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the first fiscal year ending June 30, 2024.

**Methods and assumptions used to determine contribution rates:**

|                                     |   |
|-------------------------------------|---|
| Actuarial cost method               | Projected Unit Credit   |
| Amortization method                 | Closed level dollar Closed level dollar Closed level dollar for remaining unfunded liability  |
| Remaining amortization period       | Remaining amort Remaining amortization period varies for the bases, with a net effective amortization period of 13 years.   |
| Asset valuation method              | Sum of actuarial Sum of actuarial value of beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the mark less than the mark less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value. |
| Actuarial Assumptions:              |   |
| Net investment rate of return       | 7.375%  |
| Projected salary increases          | 2.25% plus service based merit increases  |
| Cost of living adjustments          | 2.10%   |
| Retirement age                      |   |
| Normal                              | 65 with 5 years or 65 with 5 years of service   |
| Early                               | 55 with 10 years 55 with 10 years of service  |
| Mortality                           | The methods and The methods and assumptions used in the January 1, 2023 valuation were approved by the Board in December, 2021 based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022, conducted by Segal in November and December of 2022.  |
| Healthy:                            | Sex-district Pri-2 Sex-district Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.   |
| Disabled:                           | Sex-district Pri-2 Sex-district Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.  |
| Plan termination basis (all lives): | 1994 Group Ann 1994 Group Annuity Reserving Unisex Table  |

HOUSING AUTHORITY OF THE CITY OF CONYERS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS - DEFINED BENEFIT PENSION PLAN  
For the year ended June 30, 2024

Notes to Schedule (Continued)

*Changes of assumptions*

Amounts reported for the fiscal year ending in 2022 and after reflect the following assumption changes based on an actuarial study conducted in November and December of 2022.

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct in Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forth two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.
- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rates is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71, and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale started at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.

*Benefit changes*

There were no changes in benefit provisions in the last two fiscal years.

**SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

Schedule of Expenditures of Federal Awards

For the twelve months ended June 30, 2024

| FEDERAL GRANTOR<br>U. S. Department of HUD | Assistance<br>Listings<br>Number | Program or<br>Award<br>Amount | Disbursements<br>or<br>Expenditures |
|--|----------------------------------|-------------------------------|-------------------------------------|
| Low Rent Public Housing Program            | **14,850                         | \$ 328,660                    | \$ 328,660                          |
| Public Housing Capital Fund Program        | *14,872                          | \$ 1,549,526                  | \$ 1,512,530 +                      |
|  |                                  |                               | <u>\$ 1,841,190</u>                 |

- \* -Type A program
- \*\* -Type B program
- + -Major program

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditure of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under program of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior year.

**Note 3 - Indirect Cost Rate**

The Authority is not reimbursed for indirect costs under any of its federal awards and does not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance or any other indirect cost rate.

See auditor's report.

**SINGLE AUDIT SECTION**

# *Kendall L. Davis, P.C.*

CERTIFIED PUBLIC ACCOUNTANT

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

Board of Commissioners  
Housing Authority of the City of Conyers  
Conyers, Georgia

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of Conyers (the "Authority"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued my report thereon dated November 15, 2024.

### **Internal Control Over Financial Reporting**

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

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

My 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 weakness or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I 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, I performed tests of its compliance with certain provisions of laws,



regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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



Kendall L. Davis, P.C.

Certified Public Accountant

Hazlehurst, Georgia

November 15, 2024

# Kendall L. Davis, P.C.

CERTIFIED PUBLIC ACCOUNTANT

\*34 S Williams St \* Hazlehurst, Georgia 31539 \* (912)375-6077 \*email: kendall\_davis\_pc@yahoo.com

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

Board of Commissioners  
Housing Authority of the City of Conyers  
Conyers, Georgia

### Report on Compliance for Each Major Federal Program Opinion of Each Major Federal Program

I have audited the Housing Authority of the City of Conyers's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the Housing Authority of the City of Conyers's major federal program for the year ended June 30, 2024. The Housing Authority of the City of Conyers's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. In my opinion, the Housing Authority of the City of Conyers complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

### Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the Housing Authority of the City of Conyers and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of the Housing Authority of the City of Conyers's compliance with the compliance requirements referred to above.

### Responsibilities of Management for Compliance

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

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

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Housing Authority of the City of Conyers's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Housing Authority of the City of Conyers's compliance with the requirements of its major federal program as a whole.

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

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

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

## **Report on Internal Control over Compliance**

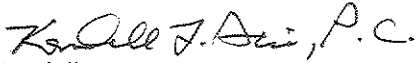
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that are not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.

  
Kendall L. Davis, P.C.  
Certified Public Accountant

Hazlehurst, Georgia  
November 15, 2024

**HOUSING AUTHORITY OF THE CITY OF CONYERS**

Conyers, Georgia

June 30, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results:**

**Financial Statements**

|   |               |
|---|---------------|
| Type of report issued on the financial statements:                            | Unmodified    |
| Internal control over financial reporting:                                    |               |
| Material weakness(es) identified?   | No            |
| Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| Noncompliance material to the financial statements noted?                     | No            |

**Federal Awards**

|  |             |                      |
|--|-------------|----------------------|
| Internal controls over major program:  |             |                      |
| Material weakness(es) identified?  |             | No                   |
| Significant deficiencies identified not considered to be material weaknesses?                      |             | None Reported        |
| Type of report issued on the compliance for major program:   |             | Unmodified           |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? |             | No                   |
| Identification of major program:   | ALN: 14.872 | Capital Fund Program |
| Dollar threshold used to distinguish between Type A and Type B programs:                           |             | \$750,000            |
| Did the Authority qualify as a low-risk auditee?   |             | No                   |

**Section II - Financial Statement Findings:**

There were no audit findings disclosed relating to this area for the period ended June 30, 2024.

**Section III - Federal Awards:**

There were no audit findings disclosed relating to this area for the period ended June 30, 2024.

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

June 30, 2024

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

The prior audit report for the year ended June 30, 2023 contained the following audit findings:

Finding  
No.

- |          |  |
|----------|--|
| 2023-001 | <u>Unaudited Financial Data Schedule (REAC) submission contained material errors.</u><br>The audit fieldwork disclosed that this condition no longer exists. |
| 2023-002 | <u>Energy Audit not performed.</u><br>The audit fieldwork disclosed that this condition no longer exists.  |

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
Conyers, Georgia

SCHEDULE OF ADJUSTMENTS MADE  
June 30, 2024

| G/L<br>Account # | Account              | Debit        | Credit       |
|------------------|----------------------|--------------|--------------|
|                  | <b>(1)</b>           |              |              |
| 2806             | HUD Operating grants | \$ 36,994.52 |              |
| 1129.LLC         | Due to LLC - RAD     |              | \$ 35,558.17 |
| 2806             | Sundry               |              | 1,436.35     |
|                  |                      | \$ 36,994.52 | \$ 36,994.52 |

To reverse JV24-0048 until this can be resolved by Housing Authority.  
(This entry should be made by the Authority.)

|        |                           |              |              |
|--------|---------------------------|--------------|--------------|
|        | <b>(2)</b>                |              |              |
| 2119.1 | Other payables            | \$ 29,997.99 |              |
| 2806   | Unrestricted net position |              | \$ 29,997.99 |
|        |                           | \$ 29,997.99 | \$ 29,997.99 |

To write off voided checks reissued.  
(This entry should be made by the Authority.)

|        |                             |               |               |
|--------|-----------------------------|---------------|---------------|
|        | <b>(3)</b>                  |               |               |
| 1130.0 | Note receivable             | \$ 10,226,669 |               |
| 1130.1 | Allowance for uncollectible |               | \$ 10,226,669 |
|        |                             | \$ 10,226,669 | \$ 10,226,669 |

To establish two notes receivable on the general ledger pursuant to the RAD conversion of Amp 1.  
See Note 3A in the audit report.  
(This entry should be made by the Authority.)

**HOUSING AUTHORITY OF THE CITY OF CONYERS**  
**Business Activities - Conyers Housing Corporation (Eastmont)**  
Conyers, Georgia

SCHEDULE OF ADJUSTMENTS MADE  
June 30, 2024

| G/L<br>Account # | Account                    | Debit     | Credit    |
|------------------|----------------------------|-----------|-----------|
|                  | <b>(1)</b>                 |           |           |
| 1400.5           | Accumulated depreciation   | \$ 12,057 |           |
| 2806             | Depreciation expense       |           | \$ 12,051 |
| 2802             | Invested in capital assets |           | 6         |
|                  |                            | \$ 12,057 | \$ 12,057 |

To correct errors on depreciation schedule.  
(This entry should be made by the Authority.)

|        |                                   |           |           |
|--------|-----------------------------------|-----------|-----------|
|        | <b>(2)</b>                        |           |           |
| 2119.2 | Long-term debt                    | \$ 30,636 |           |
| 2806   | Interest expense                  | 12,739    |           |
| 2119.2 | Current portion of long-term debt |           | \$ 34,667 |
|        | Accrued interest payable          |           | 8,708     |
|        |                                   | \$ 43,375 | \$ 43,375 |

To correct note balance per returned bank documents.  
(This entry should be made by the Authority.)

|      |                            |          |          |
|------|----------------------------|----------|----------|
|      | <b>(3)</b>                 |          |          |
| 2806 | Unrestricted net position  | \$ 8,020 |          |
| 2802 | Invested in capital assets |          | \$ 8,020 |
|      |                            | \$ 8,020 | \$ 8,020 |

To correct investment in capital assets.  
(This entry should be made by the Authority.)



## FINANCIAL DATA SCHEDULE

Housing Authority of the City of Conyers (GA184)  
 CONYERS, GA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

|  | Project Total | 6.2 Component Unit - Blended | 1 Business Activities | Subtotal    | ELIM | Total       |
|--|---------------|------------------------------|-----------------------|-------------|------|-------------|
| 111 Cash - Unrestricted  | \$1,456,019   | \$828,332                    | \$475,285             | \$2,759,636 |      | \$2,759,636 |
| 112 Cash - Restricted - Modernization and Development          |               |                              |                       |             |      |             |
| 113 Cash - Other Restricted                                    |               |                              |                       |             |      |             |
| 114 Cash - Tenant Security Deposits                            | \$34,086      | \$118,936                    |                       | \$152,622   |      | \$152,622   |
| 115 Cash - Restricted for Payment of Current Liabilities       |               |                              |                       |             |      |             |
| 100 Total Cash   | \$1,490,105   | \$946,868                    | \$475,285             | \$2,912,258 |      | \$2,912,258 |
| 121 Accounts Receivable - PHA Projects                         |               |                              |                       |             |      |             |
| 122 Accounts Receivable - HUD Other Projects                   | \$11,247      |                              |                       | \$11,247    |      | \$11,247    |
| 124 Accounts Receivable - Other Government                     |               |                              |                       |             |      |             |
| 125 Accounts Receivable - Miscellaneous                        | \$7,934       |                              |                       | \$7,934     |      | \$7,934     |
| 126 Accounts Receivable - Tenants                              | \$17,255      | \$25,474                     |                       | \$42,729    |      | \$42,729    |
| 126.1 Allowance for Doubtful Accounts - Tenants                | -\$3,451      | -\$5,095                     |                       | -\$8,546    |      | -\$8,546    |
| 126.2 Allowance for Doubtful Accounts - Other                  | \$0           |                              |                       | \$0         |      | \$0         |
| 127 Notes, Loans, & Mortgages Receivable - Current             |               |                              |                       |             |      |             |
| 128 Fraud Recovery   |               |                              |                       |             |      |             |
| 128.1 Allowance for Doubtful Accounts - Fraud                  |               |                              |                       |             |      |             |
| 129 Accrued Interest Receivable                                |               |                              |                       |             |      |             |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$32,985      | \$20,379                     | \$0                   | \$53,364    |      | \$53,364    |
| 131 Investments - Unrestricted                                 | \$624,407     |                              |                       | \$624,407   |      | \$624,407   |
| 132 Investments - Restricted                                   |               |                              |                       |             |      |             |
| 135 Investments - Restricted for Payment of Current Liability  |               |                              |                       |             |      |             |
| 142 Prepaid Expenses and Other Assets                          | \$41,123      | \$40,930                     |                       | \$82,053    |      | \$82,053    |
| 143 Inventories  | \$15,616      |                              |                       | \$15,616    |      | \$15,616    |
| 143.1 Allowance for Obsolete Inventories                       | -\$1,561      |                              |                       | -\$1,561    |      | -\$1,561    |
| 144 Inter Program Due From                                     |               |                              |                       |             |      |             |
| 145 Assets Held for Sale                                       |               |                              |                       |             |      |             |

|     |   |              |              |           |              |              |
|-----|---|--------------|--------------|-----------|--------------|--------------|
| 150 | Total Current Assets  | \$2,202,675  | \$1,008,177  | \$475,285 | \$3,686,137  | \$3,686,137  |
| 161 | Land  | \$563,241    | \$200,000    |           | \$763,241    | \$763,241    |
| 162 | Buildings   | \$5,486,303  | \$5,925,000  |           | \$11,411,303 | \$11,411,303 |
| 163 | Furniture, Equipment & Machinery - Dwellings                          |              |              |           |              |              |
| 164 | Furniture, Equipment & Machinery - Administration                     | \$1,010,200  | \$202,695    |           | \$1,212,895  | \$1,212,895  |
| 165 | Leasehold Improvements  | \$453,499    | \$1,160,671  |           | \$1,614,170  | \$1,614,170  |
| 166 | Accumulated Depreciation  | -\$6,086,666 | -\$1,845,391 |           | -\$7,932,057 | -\$7,932,057 |
| 167 | Construction in Progress  | \$318,628    |              |           | \$318,628    | \$318,628    |
| 168 | Infrastructure  |              |              |           |              |              |
| 160 | Total Capital Assets, Net of Accumulated Depreciation                 | \$1,745,205  | \$5,642,975  | \$0       | \$7,388,180  | \$7,388,180  |
| 171 | Notes, Loans and Mortgages Receivable - Non-Current                   | \$1          |              |           | \$1          | \$1          |
| 172 | Notes, Loans, & Mortgages Receivable - Non Current - Past Due         |              |              |           |              |              |
| 173 | Grants Receivable - Non Current                                       |              |              |           |              |              |
| 174 | Other Assets  |              |              |           |              |              |
| 176 | Investments in Joint Ventures   |              |              |           |              |              |
| 180 | Total Non-Current Assets  | \$1,745,206  | \$5,642,975  | \$0       | \$7,388,181  | \$7,388,181  |
| 200 | Deferred Outflow of Resources   | \$123,034    |              |           | \$123,034    | \$123,034    |
| 290 | Total Assets and Deferred Outflow of Resources                        | \$4,070,915  | \$6,651,152  | \$475,285 | \$11,197,352 | \$11,197,352 |
| 311 | Bank Overdraft  |              |              |           |              |              |
| 312 | Accounts Payable <= 90 Days   | \$18,174     | \$213        |           | \$18,387     | \$18,387     |
| 313 | Accounts Payable >90 Days Past Due                                    |              |              |           |              |              |
| 321 | Accrued Wage/Payroll Taxes Payable                                    | \$2,225      |              |           | \$2,225      | \$2,225      |
| 322 | Accrued Compensated Absences - Current Portion                        | \$3,064      |              |           | \$3,064      | \$3,064      |
| 324 | Accrued Contingency Liability   |              |              |           |              |              |
| 325 | Accrued Interest Payable  |              | \$20,105     |           | \$20,105     | \$20,105     |
| 331 | Accounts Payable - HUD PHA Programs                                   |              |              |           |              |              |
| 332 | Account Payable - PHA Projects  |              |              |           |              |              |
| 333 | Accounts Payable - Other Government                                   | \$23,389     |              |           | \$23,389     | \$23,389     |
| 341 | Tenant Security Deposits  | \$34,086     | \$118,536    |           | \$152,622    | \$152,622    |
| 342 | Unearned Revenue  |              |              |           |              |              |
| 343 | Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue |              | \$173,117    |           | \$173,117    | \$173,117    |
| 344 | Current Portion of Long-term Debt - Operating Borrowings              |              |              |           |              |              |

|  |             |             |           |              |              |
|--|-------------|-------------|-----------|--------------|--------------|
| 345 Other Current Liabilities  | \$50,950    | \$7,186     |           | \$58,136     | \$58,136     |
| 346 Accrued Liabilities - Other  |             |             |           |              |              |
| 347 Inter Program - Due To   |             |             |           |              |              |
| 348 Loan Liability - Current   |             |             |           |              |              |
| 310 Total Current Liabilities  | \$131,888   | \$319,157   | \$0       | \$451,045    | \$451,045    |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue |             | \$3,088,429 |           | \$3,088,429  | \$3,088,429  |
| 352 Long-term Debt, Net of Current - Operating Borrowings              |             |             |           |              |              |
| 353 Non-current Liabilities - Other                                    |             |             |           |              |              |
| 354 Accrued Compensated Absences - Non Current                         | \$46,592    |             |           | \$46,592     | \$46,592     |
| 355 Loan Liability - Non Current                                       |             |             |           |              |              |
| 356 FASB 5 Liabilities   |             |             |           |              |              |
| 357 Accrued Pension and OPEB Liabilities                               | \$317,019   |             |           | \$317,019    | \$317,019    |
| 350 Total Non-Current Liabilities                                      | \$363,611   | \$3,088,429 | \$0       | \$3,452,040  | \$3,452,040  |
| 300 Total Liabilities  | \$495,499   | \$3,407,586 | \$0       | \$3,903,085  | \$3,903,085  |
| 400 Deferred Inflow of Resources                                       | \$8,913     |             |           | \$8,913      | \$8,913      |
| 508.4 Net Investment in Capital Assets                                 | \$1,745,205 | \$2,381,429 |           | \$4,126,634  | \$4,126,634  |
| 511.4 Restricted Net Position  |             |             |           |              |              |
| 512.4 Unrestricted Net Position  | \$1,821,298 | \$862,137   | \$475,285 | \$3,158,720  | \$3,158,720  |
| 513 Total Equity - Net Assets / Position                               | \$3,566,503 | \$3,243,566 | \$475,285 | \$7,285,354  | \$7,285,354  |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net  | \$4,070,915 | \$6,651,152 | \$475,285 | \$11,197,352 | \$11,197,352 |

Housing Authority of the City of Conyers (GA184)  
 CONYERS, GA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

|   | Project Total | 6.2 Component Unit - Blended | 1 Business Activities | Subtotal    | ELIM       | Total       |
|---|---------------|------------------------------|-----------------------|-------------|------------|-------------|
| 70300 Net Tenant Rental Revenue                         | \$404,058     | \$1,199,355                  |                       | \$1,603,413 |            | \$1,603,413 |
| 70400 Tenant Revenue - Other                            | \$14,221      | \$58,007                     |                       | \$72,228    |            | \$72,228    |
| 70500 Total Tenant Revenue                              | \$418,279     | \$1,257,362                  | \$0                   | \$1,675,641 | \$0        | \$1,675,641 |
| 70600 HUD PHA Operating Grants                          | \$1,361,879   |                              |                       | \$1,361,879 |            | \$1,361,879 |
| 70610 Capital Grants                                    | \$479,313     |                              |                       | \$479,313   |            | \$479,313   |
| 70710 Management Fee                                    |               |                              |                       |             |            |             |
| 70720 Asset Management Fee                              |               |                              |                       |             |            |             |
| 70730 Book Keeping Fee                                  |               |                              |                       |             |            |             |
| 70740 Front Line Service Fee                            |               |                              |                       |             |            |             |
| 70750 Other Fees  |               |                              |                       |             |            |             |
| 70700 Total Fee Revenue                                 |               |                              |                       | \$0         | \$0        | \$0         |
| 70800 Other Government Grants                           |               |                              |                       |             |            |             |
| 71100 Investment Income - Unrestricted                  | \$1,528       |                              |                       | \$1,528     |            | \$1,528     |
| 71200 Mortgage Interest Income                          |               |                              |                       |             |            |             |
| 71300 Proceeds from Disposition of Assets Held for Sale |               |                              |                       |             |            |             |
| 71310 Cost of Sale of Assets                            |               |                              |                       |             |            |             |
| 71400 Fraud Recovery                                    |               |                              |                       |             |            |             |
| 71500 Other Revenue                                     | \$150,335     | \$12,790                     |                       | \$163,125   | -\$116,064 | \$47,061    |
| 71600 Gain or Loss on Sale of Capital Assets            |               |                              |                       |             |            |             |
| 72000 Investment Income - Restricted                    |               |                              |                       |             |            |             |
| 70000 Total Revenue                                     | \$2,411,334   | \$1,270,152                  | \$0                   | \$3,681,486 | -\$116,064 | \$3,565,422 |
| 91100 Administrative Salaries                           | \$242,544     |                              |                       | \$242,544   |            | \$242,544   |
| 91200 Auditing Fees                                     | \$22,000      | \$16,000                     |                       | \$38,000    |            | \$38,000    |
| 91300 Management Fee                                    |               | \$116,064                    |                       | \$116,064   | -\$116,064 | \$0         |
| 91310 Book-keeping Fee                                  |               |                              |                       |             |            |             |

|   |           |           |  |  |      |  |           |            |           |
|---|-----------|-----------|--|--|------|--|-----------|------------|-----------|
| 91400 Advertising and Marketing                                 |           |           |  |  |      |  |           |            |           |
| 91500 Employee Benefit Contributions - Administrative           | \$71,778  |           |  |  |      |  | \$71,778  |            | \$71,778  |
| 91600 Office Expenses   | \$63,585  | \$16,639  |  |  |      |  | \$80,224  |            | \$80,224  |
| 91700 Legal Expense   | \$12,362  | \$1,625   |  |  |      |  | \$13,987  |            | \$13,987  |
| 91800 Travel  |           |           |  |  |      |  |           |            |           |
| 91810 Allocated Overhead  |           |           |  |  |      |  |           |            |           |
| 91900 Other   | \$37,413  | \$1,540   |  |  | \$12 |  | \$38,965  |            | \$38,965  |
| 91000 Total Operating - Administrative                          | \$449,682 | \$151,868 |  |  | \$12 |  | \$601,562 | -\$116,064 | \$485,498 |
| 92000 Asset Management Fee                                      |           |           |  |  |      |  |           |            |           |
| 92100 Tenant Services - Salaries                                |           |           |  |  |      |  |           |            |           |
| 92200 Relocation Costs  |           |           |  |  |      |  |           |            |           |
| 92300 Employee Benefit Contributions - Tenant Services          |           |           |  |  |      |  |           |            |           |
| 92400 Tenant Services - Other                                   |           |           |  |  |      |  |           |            |           |
| 92500 Total Tenant Services                                     | \$0       | \$0       |  |  | \$0  |  | \$0       | \$0        | \$0       |
| 93100 Water   | \$33,780  | \$41,802  |  |  |      |  | \$75,582  |            | \$75,582  |
| 93200 Electricity   | \$50,846  | \$15,731  |  |  |      |  | \$66,377  |            | \$66,377  |
| 93300 Gas   | \$52,424  |           |  |  |      |  | \$52,424  |            | \$52,424  |
| 93400 Fuel  |           |           |  |  |      |  |           |            |           |
| 93500 Labor   |           |           |  |  |      |  |           |            |           |
| 93600 Sewer   |           |           |  |  |      |  |           |            |           |
| 93700 Employee Benefit Contributions - Utilities                |           |           |  |  |      |  |           |            |           |
| 93800 Other Utilities Expense                                   | \$47,540  | \$57,717  |  |  |      |  | \$105,257 |            | \$105,257 |
| 93000 Total Utilities   | \$184,390 | \$115,250 |  |  | \$0  |  | \$299,640 | \$0        | \$299,640 |
| 94100 Ordinary Maintenance and Operations - Labor               | \$147,081 |           |  |  |      |  | \$147,081 |            | \$147,081 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$47,262  | \$15,996  |  |  |      |  | \$63,258  |            | \$63,258  |
| 94300 Ordinary Maintenance and Operations Contracts             | \$179,830 | \$237,597 |  |  |      |  | \$417,427 |            | \$417,427 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance     | \$43,993  |           |  |  |      |  | \$43,993  |            | \$43,993  |
| 94000 Total Maintenance   | \$418,166 | \$253,593 |  |  | \$0  |  | \$671,759 | \$0        | \$671,759 |
| 95100 Protective Services - Labor                               |           |           |  |  |      |  |           |            |           |
| 95200 Protective Services - Other Contract Costs                | \$3,058   | \$509     |  |  |      |  | \$3,567   |            | \$3,567   |
| 95300 Protective Services - Other                               | \$4,427   |           |  |  |      |  | \$4,427   |            | \$4,427   |
| 95500 Employee Benefit Contributions - Protective Services      |           |           |  |  |      |  |           |            |           |
| 95000 Total Protective Services                                 | \$7,485   | \$509     |  |  | \$0  |  | \$7,994   | \$0        | \$7,994   |

|       |   |             |             |             |              |             |
|-------|---|-------------|-------------|-------------|--------------|-------------|
| 96110 | Property Insurance                                  | \$36,117    | \$113,026   | \$149,143   | \$149,143    |             |
| 96120 | Liability Insurance                                 |             |             |             |              | \$10,615    |
| 96130 | Workmen's Compensation                              | \$10,615    |             | \$10,615    |              |             |
| 96140 | All Other Insurance                                 |             |             |             |              | \$159,758   |
| 96100 | Total Insurance Premiums                            | \$46,732    | \$113,026   | \$159,758   | \$0          |             |
| 96200 | Other General Expenses                              | \$3,608     | \$2,712     | \$6,320     |              | \$6,320     |
| 96210 | Compensated Absences                                | \$11,304    |             | \$11,304    |              | \$11,304    |
| 96300 | Payments in Lieu of Taxes                           | \$23,389    |             | \$23,389    |              | \$23,389    |
| 96400 | Bad debt - Tenant Rents                             | \$3,201     | \$4,969     | \$8,170     |              | \$8,170     |
| 96500 | Bad debt - Mortgages                                |             |             |             |              |             |
| 96600 | Bad debt - Other                                    |             |             |             |              |             |
| 96800 | Severance Expense                                   | \$20,600    |             | \$20,600    |              | \$20,600    |
| 96900 | Total Other General Expenses                        | \$62,102    | \$7,681     | \$69,783    | \$0          | \$69,783    |
| 96710 | Interest of Mortgage (or Bonds) Payable             |             |             |             |              |             |
| 96720 | Interest on Notes Payable (Short and Long Term)     |             | \$337,584   | \$337,584   |              | \$337,584   |
| 96730 | Amortization of Bond Issue Costs                    |             |             |             |              |             |
| 96700 | Total Interest Expense and Amortization Cost        | \$0         | \$337,584   | \$337,584   | \$0          | \$337,584   |
| 96900 | Total Operating Expenses                            | \$1,168,557 | \$979,511   | \$2,148,080 | -\$116,064   | \$2,032,016 |
| 97000 | Excess of Operating Revenue over Operating Expenses | \$1,242,777 | \$290,641   | \$1,533,406 | \$0          | \$1,533,406 |
| 97100 | Extraordinary Maintenance                           |             |             |             |              |             |
| 97200 | Casualty Losses - Non-capitalized                   |             |             |             |              |             |
| 97300 | Housing Assistance Payments                         |             |             |             |              |             |
| 97350 | HAP Portability-In                                  |             |             |             |              |             |
| 97400 | Depreciation Expense                                | \$160,770   | \$192,749   | \$353,519   |              | \$353,519   |
| 97500 | Fraud Losses  |             |             |             |              |             |
| 97600 | Capital Outlays - Governmental Funds                |             |             |             |              |             |
| 97700 | Debt Principal Payment - Governmental Funds         |             |             |             |              |             |
| 97800 | Dwelling Units Rent Expense                         | \$1,329,327 | \$1,172,260 | \$2,501,599 | -\$116,064   | \$2,385,535 |
| 90000 | Total Expenses                                      | \$1,013,219 | \$1,013,219 | \$1,013,219 | -\$1,050,213 | -\$96,994   |
| 10010 | Operating Transfer In                               |             |             |             |              |             |

