

**Housing Authority of the Town of Greenwich**

**Financial Statements  
(With Supplementary Information)  
and Independent Auditor's Report**

**December 31, 2016**

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**COHN  REZNICK**  
ACCOUNTING • TAX • ADVISORY

# Housing Authority of the Town of Greenwich

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Independent Auditor's Report

To the Board of Commissioners  
Housing Authority of the Town of Greenwich  
Greenwich, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the Town of Greenwich, which comprise the statement of net position as of December 31, 2016, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

*Management's Responsibility for the Financial Statements*

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

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the Town of Greenwich as of December 31, 2016, and the changes in its net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Adoption of New Accounting Guidance*

As discussed in Note 22 to the financial statements, in 2016, the Authority adopted new accounting guidance from Government Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our report is not modified with respect to this matter.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 5 to 11 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary schedules on pages 47 to 52 and HUD financial data schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2017, on our consideration of the Housing Authority of the Town of Greenwich's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Town of Greenwich's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CohnReznick LLP". The signature is written in a cursive, flowing style.

Boston, Massachusetts  
September 25, 2017

Taxpayer Identification Number:  
22-1478099

Lead Auditor: Russell L. Phillips

## **Housing Authority of the Town of Greenwich**

### **Management Discussion and Analysis For the Year Ended December 31, 2016**

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

As the management of the Housing Authority of the Town of Greenwich (the "Authority"), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Authority's Chief Executive Officer or the Chief Financial Officer.

#### **Financial Highlights**

In addition to the following highlights, more descriptive explanations of the following items are provided on page 14 of this report.

- The assets of the Authority exceeded its liabilities as of December 31, 2016 by \$24,513,812 (net position).
- The Authority's cash balance as of December 31, 2016 was \$6,714,191 representing an increase of \$2,401,415 from December 31, 2015 (some of which is restricted).
- The Authority had intergovernmental grant revenues of \$806,718 for operations for the year ended December 31, 2016.
- The Authority's capital outlays for the year were \$1,171,868 for new equipment and construction in progress. In addition, \$1,890,373 of construction in progress was placed in service.

#### **Overview of the Financial Statements**

The financial statements included in this annual report are those of a special-purpose government agency engaged in a business-type activity. The following statements are included:

- Statement of Net Position - reports the Authority's current financial resources (short-term spendable resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses, and Changes in Net Position - reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows - reports the Authority's net cash provided by or used by operating activities, noncapital and related financing, investing activities and financing activities.

The attached analysis of entity wide net position, revenues, and expenses are provided to assist in reviewing the Authority's operations for the year ended December 31, 2016. This analysis includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. This analysis also reflects the Authority's net position and changes in them. The Authority's net position are the differences between what the Authority owns (i.e., assets) and what the Authority owes (i.e., liabilities), as one way to measure the Authority's financial health.

## Housing Authority of the Town of Greenwich

### Management Discussion and Analysis For the Year Ended December 31, 2016

Over time, the changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. Readers need to consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets to assess the overall health of the Authority.

#### **Analysis of Entity Wide Net Position (Statement of Net Position)**

**Total Assets** for FYE 2015 was \$49,188,864 and at FYE 2016 the amount was \$49,730,123. This represents a net increase of \$541,259. The major area that caused this increase was an increase in cash.

**Cash** had an increase of \$2,401,415.

**Project reserves** decreased by \$405,462.

**Capital Assets** decreased by \$667,029. Capital outlays of \$1,171,868 exceeded current period depreciation and amortization charges of \$1,837,897.

**Total Liabilities** increased from \$25,071,525 in FYE 2015 to \$26,211,065 in FYE 2016. This was an increase of \$1,139,540.

**Current Liabilities** increased from \$2,695,136 in FYE 2015 to \$3,048,171 in FYE 2016. This was an increase of \$353,035.

**Long-Term Liabilities** increased by \$259,201.

The table below further illustrates our analysis:

	2016	2015 (as restated)	Net Change	Variance
Cash	\$ 6,714,191	\$ 4,312,776	\$ 2,401,415	55.68%
Other Assets	2,844,844	3,951,991	(1,107,147)	-28.01%
Capital Assets	39,250,951	39,911,776	(660,825)	-1.66%
Non-Current Assets	920,137	1,012,321	(92,184)	-9.11%
Deferred Outflows of Resources	994,754	-	994,754	0.00%
<b>Total Assets and Deferred Outflows of Resources</b>	<b>50,724,877</b>	<b>49,188,864</b>	<b>1,536,013</b>	<b>16.90%</b>
 Current Liabilities	 3,048,171	 2,695,136	 353,035	 13.10%
Long-Term Liabilities	22,635,590	22,376,389	259,201	1.16%
<b>Total Liabilities</b>	<b>25,683,761</b>	<b>25,071,525</b>	<b>612,236</b>	<b>2.44%</b>
 Deferred Inflows of Resources	 527,304	 233,552	 293,752	 125.78%
<b>Net Position:</b>				
Net Investment in Capital Assets	18,421,701	18,519,692	(97,991)	-0.53%
Restricted Net Position	1,664,210	430,978	1,233,232	286.15%
Unrestricted Net Position	4,427,901	4,933,117	(505,216)	-10.24%
<b>Total Net Position</b>	<b>24,513,812</b>	<b>23,883,787</b>	<b>630,025</b>	<b>2.64%</b>
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 <b>\$ 50,724,877</b>	 <b>\$ 49,188,864</b>	 <b>\$ 1,536,013</b>	 <b>3.12%</b>

## Housing Authority of the Town of Greenwich

### Management Discussion and Analysis For the Year Ended December 31, 2016

#### **Analysis of Entity Wide Revenues (Statement of Revenues, Expenses and Changes in Net Position)**

The Authority administers the following programs and the revenues generated from these programs during FYE 2016 were as follows:

<b>Low Income Public Housing</b>		<b>\$ 2,632,922</b>
<b>Section 8 Vouchers</b>		<b>6,019,729</b>
<b>State &amp; Local</b>		<b>2,796,131</b>
Moderate Rent	\$ 2,449,449	
McKinney II	346,682	
<b>Business Activity</b>		<b>6,308,124</b>
Greenwich Close	2,769,692	
Quarry Knoll II	703,633	
Town Hall Annex (incl PCSRLP, THALP & THAC)	2,834,799	
<b>Non-Major Program</b>		<b>66,666</b>
Strickland Road	66,666	
<b>Total Operating Revenue</b>		<b>17,823,572</b>
<b>TOTAL REVENUE</b>		<b>\$ 17,823,572 *</b>

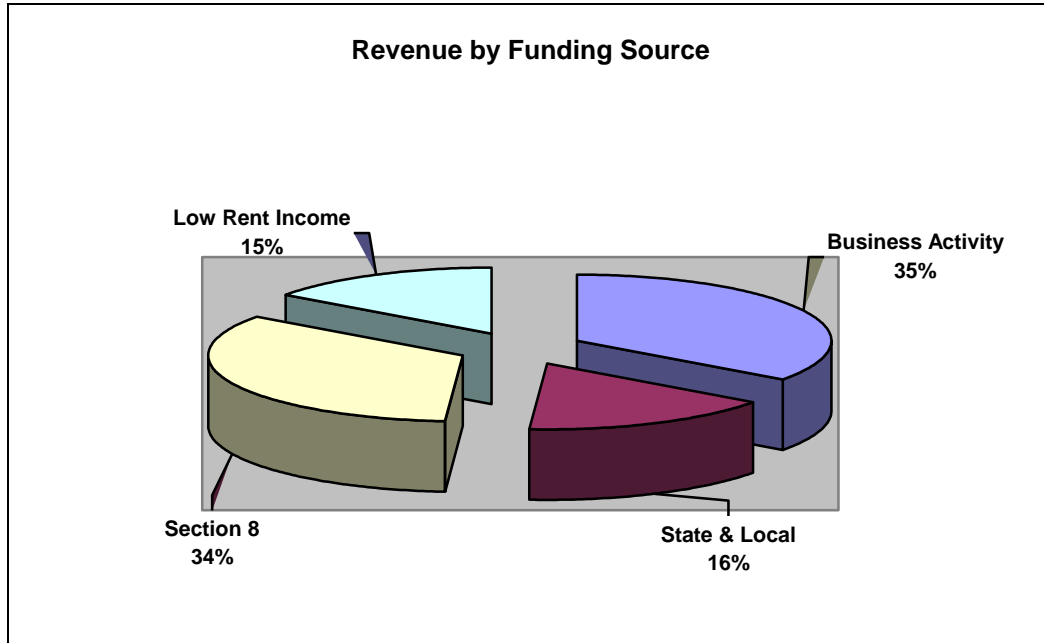
\* Does not include Management Fee Income, which is eliminated in consolidation, or interest income.



## Housing Authority of the Town of Greenwich

### Management Discussion and Analysis For the Year Ended December 31, 2016

This diagram illustrates the percentage of revenues generated from these programs by the Authority during FYE 2016:



In FYE 2015 and FYE 2016, total operating revenues were \$17,079,112 and \$17,823,572, respectively. FYE 2016 operating revenues exceeded FYE 2015 by \$744,460. The increase is primarily due to the increase in Section 8 vouchers.

In FYE 2015 and FYE 2016, total operating expenses were \$16,139,059 and \$16,526,535, respectively. FYE 2016 operating expenses exceeded FYE 2015 by \$387,476. A comparison of the expenses is outlined in the table on the next page. The Authority has provided analysis of the individual expense components.

## Housing Authority of the Town of Greenwich

### Management Discussion and Analysis For the Year Ended December 31, 2016

The following table illustrates the changes in the statement of activities:

	2016	2015 (as restated)	Net Change	Variance
Tenant Rental Revenue	\$ 9,659,661	\$ 9,530,586	\$ 129,075	1.35%
Public Housing Subsidy	874,987	764,400	110,587	14.47%
Section 8 Subsidy	6,911,645	5,895,307	1,016,338	17.24%
Other Revenue	377,279	888,819	(511,540)	-57.55%
<b>Total Operating Revenue</b>	<b>17,823,572</b>	<b>17,079,112</b>	<b>744,460</b>	<b>-24.49%</b>
Operating Expenses:				
Administrative	3,475,291	3,821,037	(345,746)	-9.05%
Tenant Services	1,085,134	1,070,948	14,186	1.32%
Utilities	1,186,064	1,282,306	(96,242)	-7.51%
Maintenance	2,403,769	2,382,306	21,463	0.90%
Housing Assistance Payments	5,557,084	4,962,638	594,446	11.98%
Other Operating Expenses	970,116	960,903	9,213	0.96%
Depreciation and amortization	1,849,077	1,658,921	190,156	11.46%
<b>Total Operating Expenses</b>	<b>16,526,535</b>	<b>16,139,059</b>	<b>387,476</b>	<b>10.07%</b>
Operating Income (Loss)	1,297,037	940,053	356,984	37.97%
Non-Operating Revenues (Expenses)				
Sale of state tax credit income	-	500,000	(500,000)	-100.00%
Interest income	34,681	11,662	23,019	197.38%
Interest expense	(701,693)	(770,469)	68,776	-8.93%
<b>Change in Net Position</b>	<b>\$ 630,025</b>	<b>\$ 681,246</b>	<b>\$ (51,221)</b>	<b>-7.52%</b>

### **LOW INCOME PUBLIC HOUSING HIGHLIGHTS**

#### **Results of Operations**

The Authority's management is pleased with the operating results for the fiscal year ended December 31, 2016. The Public Housing Program reflected income of \$257,405 in operations excluding depreciation.

**Operating Revenues** increased by \$149,907 in FYE 2016. This increase was due to an increase in rental revenue.

**Operating Expenditures** decreased by \$178,323 in FYE 2016. This decrease was due to the decrease in administration expenses.

#### **SECTION 8 HIGHLIGHTS**

The Section 8 operating revenues increased by \$1,016,338 in the last fiscal year. Section 8 subsidy paid out in 2016 increased \$594,446.

## Housing Authority of the Town of Greenwich

### Management Discussion and Analysis For the Year Ended December 31, 2016

#### **STATE AND LOCAL HIGHLIGHTS**

##### **Results of Operations**

The Authority's management is pleased with the operating results for the fiscal year ending December 31, 2016. The State program reflected an operating profit of \$886,844, excluding depreciation. Overall, the operating revenues decreased 13.5% while operating expenses decreased by 9%.

**Operating Revenues** decreased by \$437,617 in FYE 2016.

**Operating Expenditures** decreased by \$189,649 in FYE 2016.

#### **BUSINESS ACTIVITY HIGHLIGHTS**

##### **Results of Operations**

The Authority's management is pleased with the operating results for the fiscal year ended December 31, 2016. Business Activity combined for actual results of operations reflecting a profit of \$1,877,709 excluding depreciation.

**Operating Revenues** increased by \$122,103 in 2016.

**Operating Expenditures** increased by \$290,294 in 2016.

#### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

##### **Capital Assets**

As of year-end, the Authority had \$39.25 million invested in a variety of capital assets as reflected in the following schedule which represents a net decrease (additions less depreciation) in the amount of \$660,825 from the end of last year.

#### **CAPITAL ASSETS AT YEAR END (NET OF DEPRECIATION)**

	2016	2015
Land	\$ 8,391,748	\$ 8,391,748
Buildings and improvements	59,928,935	57,738,415
Dwelling equipment	2,039,544	1,166,542
Non-dwelling equipment	722,731	716,981
Accumulated depreciation	(32,777,938)	(30,940,041)
Construction in progress	945,931	2,838,131
Total	<u>\$ 39,250,951</u>	<u>\$ 39,911,776</u>

**Housing Authority of the Town of Greenwich**

**Management Discussion and Analysis  
For the Year Ended December 31, 2016**

**Debt Outstanding**

As of year-end, the Authority had \$20.81 million in debt (mortgages, notes, etc.) outstanding compared to \$21.38 million last year, a \$0.57 million decrease.

**OUTSTANDING DEBT, AT YEAR END**

	2016	2015
State and Local	\$ 2,223,863	\$ 2,333,960
Business activity	18,590,953	19,043,691
Total	<u>\$ 20,814,816</u>	<u>\$ 21,377,651</u>

# Housing Authority of the Town of Greenwich

## Statement of Net Position December 31, 2016

### Assets and Deferred Outflows of Resources

Current assets	
Cash and cash equivalents - operations	\$ 4,079,075
Cash - restricted	1,205,679
Cash - security deposits held in trust	748,790
Accounts receivable - tenants, net	185,427
Accounts receivable - fraud recovery	14,910
Accounts receivable - miscellaneous	65,244
Project reserves	2,838,386
Prepaid expenses	421,524
	<hr/>
Total current assets	9,559,035
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Noncurrent assets	
Capital assets	
Land and land improvements	8,391,748
Construction in progress	945,931
Structures and equipment, net	29,913,272
	<hr/>
Total capital assets, net	39,250,951
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Other assets	
Notes receivable	543,700
Other assets	376,437
	<hr/>
Total other assets	920,137
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Total assets	49,730,123
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Deferred outflows of resources	994,754
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Total assets and deferred outflow of resources	\$ 50,724,877
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**Housing Authority of the Town of Greenwich**

**Statement of Net Position  
December 31, 2016**

Liabilities, Deferred Inflows of Resources, and Net Position

Current liabilities	
Accounts payable - vendors	\$ 313,301
Accounts payable - bank overdraft	138,911
Accounts payable - other government	308,846
Accrued salaries and benefit payable	30,238
Accrued compensated absences	561,663
Accrued operating expenses	270,419
Accrued interest expenses	100,538
Tenant security deposits	742,151
Current portion of capital debt	<u>582,104</u>
Total current liabilities	<u>3,048,171</u>
Noncurrent liabilities	
Due to affiliate	14,433
Net pension liability	2,388,444
Capital debt, net of current portion	<u>20,232,713</u>
Total noncurrent liabilities	<u>22,635,590</u>
Total liabilities	<u>25,683,761</u>
Deferred inflows of resources - housing assistance payments	<u>527,304</u>
Net position	
Net invested in capital assets	18,421,701
Restricted	1,420,260
Unrestricted	<u>4,671,851</u>
Total net position	<u>24,513,812</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 50,724,877</u></u>

See Notes to Financial Statements.

# Housing Authority of the Town of Greenwich

## Statement of Revenues, Expenses and Changes in Net Position Year Ended December 31, 2016

Operating revenues	
Tenant rental revenue, net	\$ 9,558,783
Tenant revenue - other	<u>100,878</u>
Total tenant revenue	9,659,661
HUD rental assistance subsidy	7,786,632
Other	<u>377,279</u>
Total operating revenues	<u>17,823,572</u>
Expenses	
Administration	3,475,291
Tenant services	1,085,134
Utilities	1,186,064
Maintenance and operations	1,428,336
Maintenance contracts	975,433
Insurance	569,210
PILOT/real estate taxes	400,906
Housing assistance payments	5,557,084
Depreciation and amortization	<u>1,849,077</u>
Total expenses	<u>16,526,535</u>
Operating income (loss)	<u>1,297,037</u>
Non-operating revenues (expenses)	
Interest income	34,681
Interest expense	<u>(701,693)</u>
Total non-operating revenues (expenses)	<u>(667,012)</u>
Change in net position	<u>\$ 630,025</u>
Change in net position	
Net position, beginning of year, as previously reported	\$ 25,688,131
Change in accounting policy (Note 22)	<u>(1,804,344)</u>
Net position, beginning of year, as restated	23,883,787
Change in net position for the year	<u>630,025</u>
Net position, end of year	<u>\$ 24,513,812</u>

See Notes to Financial Statements.

## Housing Authority of the Town of Greenwich

### Statement of Cash Flows Year Ended December 31, 2016

#### Cash flows from operating activities

##### Sources

Tenant revenue, net	\$ 9,701,935
HUD rental assistance subsidy	7,786,632

##### Uses

Administrative	(3,207,577)
Tenant services	(1,085,134)
Utilities	(818,729)
Maintenance and operations	(1,404,145)
Maintenance contracts	(975,433)
Insurance	(596,863)
PILOT/real estate taxes	(281,333)
Housing assistance payments	(5,391,738)
Tenant security deposits, net	<u>(501)</u>

Net cash provided by operating activities	<u>3,727,114</u>
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#### Cash flows from investing activities

Short term investments withdrawals, net	34,681
Project reserves withdrawals, net	<u>405,462</u>

Net cash provided by investing activities	<u>440,143</u>
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#### Cash flows from capital and related financing activities

Principal paid on capital debt	(562,834)
Interest paid	(715,925)
Expenditures on capital assets	<u>(1,171,868)</u>

Net cash used in capital and related financing activities	<u>(2,450,627)</u>
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Net increase in cash and cash equivalents	1,716,630
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Cash and cash equivalents, beginning	<u>3,568,124</u>
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Cash and cash equivalents, ending	<u><u>\$ 5,284,754</u></u>
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**Housing Authority of the Town of Greenwich**

**Statement of Cash Flows  
Year Ended December 31, 2016**

Reconciliation of change in operating income to net cash provided by operating activities	
Operating income	\$ 1,297,037
Adjustments to reconcile change in operating income to net cash provided by operating activities	
Depreciation and amortization	1,849,077
Changes in	
Accounts receivable	153,495
Prepaid expenses	(27,653)
Accounts payable	1,379,692
Accrued expenses	(1,755,964)
Net pension liability	815,347
Tenant security deposits, net	(501)
Accounts payable - other government	<u>16,584</u>
Net cash provided by operating activities	<u><u>\$ 3,727,114</u></u>

See Notes to Financial Statements.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Note 1 - Summary of organization, significant accounting policies and reporting entity**

##### **Organization**

The Housing Authority of the Town of Greenwich (the "Authority") was created pursuant to Section 8-40 of the Connecticut General Statutes. The Authority reports its activities on an enterprise fund basis. The Authority has contracted with the Federal Government, acting through the U.S. Department of Housing and Urban Development ("HUD"), for financial assistance for low-income public housing pursuant to the United States Housing Act of 1937, as amended. The Authority has also contracted with the State of Connecticut, Department of Economic and Community Development ("DECD") for financial assistance for elderly and moderate rental housing projects in the form of capital grants and/or loans pursuant to Section 8-70 and 8-114a of the Connecticut General Statutes.

##### **Reporting entity**

GASB Statement No. 14, "The Financial Reporting Entity," and GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of these Statements, the Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments.

The Authority's combined financial statements include the accounts of all Authority operations. The criteria for including organizations as component units with the Authority's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include the following:

- The organization is legally separate (can sue and be sued in their own name)
- The Authority holds the corporate powers of the organization
- The Authority appoints a voting majority
- The organization has the potential to impose a financial benefits/ burden on the Authority
- There is fiscal dependency by the organization on the Authority

The basic financial statements of the Authority (the "primary government") include all of its financial activities. These financial statements include three blended component units - Greenwich Close Apartments, LLC, Quarry Knoll II Corporation and Town Hall Annex Corporation.

The financial operations of Town Hall Annex Corporation ("Corporation") include two blended component units - Town Hall Annex Limited Partnership ("THALP") and Parsonage Cottage Senior Residence Limited Partnership ("Parsonage").

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

#### Description of a Public Housing Authority

Funding for the Housing Authority of the Town of Greenwich is primarily from the United States Department of Housing and Urban Development ("HUD") and from payments received from tenants of the Authority - owned housing. Under the Low Rent Public Housing Program, low-income tenants pay a portion of the rental cost of public housing, based upon the income and need of the tenants. HUD funds the difference between the actual costs to operate the Low Rent Housing Program and the amounts paid by tenants through operating subsidies. These subsidies and debt service payments are made to or on behalf of the Authority under the terms and conditions of the annual contributions contract with HUD.

The Section 8 Housing Assistance Payments Program provides rental supplements to the owners of existing private housing who rent to qualifying individuals. The Authority processes all applicants for the Section 8 Housing Assistance Payments Program, places approved applicants in housing and pays the owner of the private housing a monthly rental supplement. Under the conditions of an annual contributions contract, HUD reimburses the Authority for the rental supplements and the administrative cost of managing the Program.

#### Scope of operations

At December 31, 2016, the Authority operated the following projects:

##### Federal Projects

<u>Authority Owned Housing</u>		<u>Units</u>
CT19-1	Wilbur Peck	110
CT19-2	Quarry Knoll I	50
CT19-3	Agnes Morley Heights	150

##### Other Projects

CT19-4	Greenwich Close	17
		<u>327</u>

##### Housing Assistance Payments Program

Housing Choice Voucher CT019V00006/000 (Contract B-2041)	343
	<u>343</u>

##### State Projects

MR-9	Adams Gardens	80
MR-32	Armstrong Court	144
MR-III	McKinney Terrace I	21
E-186	McKinney Terrace II	51
		<u>296</u>

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

<u>Greenwich Close Apartments, LLC</u>	<u>Units</u>
Greenwich Close (market units)	<u>113</u>
<u>Other Projects</u>	
85 Strickland Road (included in Management Fee program)	<u>2</u>
<u>Town Hall Annex Corporation</u>	
87-89 Strickland Road	2
Edgewood Avenue	7
Five Duplex Buildings - Various Locations	10
Blended Component Units:	
THALP	28
Parsonage	<u>40</u>
	<u>87</u>
<u>Quarry Knoll II Corporation</u>	
Quarry Knoll II Project (5 Buildings)	<u>40</u>
Total units	<u><u>1,208</u></u>

#### **Revolving fund**

A Revolving Fund has been established to provide a convenient method for the payment of items chargeable to any or all funds and projects of the Authority. Deposits have been made to the Revolving Fund from the various funds and projects and have been reflected as interprogram due from/to and accounts receivable/payable - other government on the accompanying financial statements. The Revolving Fund is reimbursed twice monthly for items paid from the fund and charged to the individual funds and projects.

#### **Accounting method and basis of presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Authority has adopted the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 34 for its financial reporting model.

#### **Accounting method**

Refers to when revenues and expenses are recognized in the accounts and reported in the basic financial statements, and relates to the timing of measurements made regardless of the measurement focus applied.

The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Basis of presentation**

The accounts of the Authority are organized on the basis of individual funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenses. Authority resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be used and the means by which activities are controlled.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations comprised a number of housing and grant programs as follows:

Section 8 Housing Choice Vouchers Program is used to account for the operations of a low-income housing program funded by HUD. Rental assistance payments are made by the Authority primarily to landlords on behalf of qualifying residents.

Low-Income Public Housing Program is used to account for the operations of providing public housing in Authority-owned buildings to residents who qualify by meeting certain established criteria.

State Moderate Rent is used to account for the operations of providing affordable housing in which Authority-owned buildings were financed through the State of Connecticut, Department of Community and Economic Development.

Elderly Housing is used to account for the operations of providing affordable housing to the elderly in the Authority-owned housing property known as McKinney Terrace II.

Revolving Fund - provides a common payment system for the other Authority-owned operations.

#### **Blended component units**

Town Hall Annex Corporation and Quarry Knoll II Corporation are both nonprofit corporations which own and operate low- and moderate-income housing. The Authority formed these corporations to own and operate the housing units. The governing body of each corporation is the same as the Authority's.

Town Hall Annex Corporation ("THAC") originally owned a .5% partnership interest in Town Hall Annex Limited Partnership ("THALP") and a .10% interest in Parsonage Cottage Senior Residence Limited Partnership ("Parsonage"). THAC is also the general partner of each of these partnerships. Due to THAC's financial and operational control of Parsonage, Parsonage's net assets and revenues and expenses are included in the Town Hall Annex component unit. Effective December 31, 2007, THAC acquired an additional 68.6% partnership interest in THALP through the contribution of seven of the limited partners' partnership interests to THAC. As a result, THAC assumed control of THALP as of December 31, 2007. THALP's assets, liabilities and net position as of December 31, 2016, and revenues and expenses for 2016, are included as blended component units in the Town Hall Annex component unit. Effective December 29, 2010, the remaining limited and the other general partner have contributed their remaining partnership interest to THAC. As a result of this, THAC has assumed 100% control of THALP.

Greenwich Close Apartments, LLC provides public and market rate housing to qualifying tenants in the property of the same name. The sole member of Greenwich Close Apartments, LLC is wholly-owned by the Authority.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Other programs**

Other programs include Management Fee, Capital Fund Program and Home Ownership.

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

#### **Budgetary control**

Federal and state program budgets are prepared on a detailed line item basis. Revenues are budgeted by source and expenses are budgeted by type. The program budgets are subject to approval by federal and state funding agencies.

#### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Connecticut Municipal Employees Retirement System "CMERS" and addition to/deductions from fiduciary net position have been determined on the same basis as they are reported by CMERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

#### **Cash and cash equivalents**

Cash is maintained in two investment pools (operating and security deposits). In addition, non-pooled cash is held separately and reflected in their respective programs. Cash equivalents are investments with original maturities of three months or less from the date of acquisition, and are reported at cost which approximates fair value.

#### **Investments**

Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost or carrying value which approximates fair value. Investments in securities and mutual funds are reported at market. Investments that do not have an established market are reported at estimated fair value. In determining realized gains or losses on sales of investments, cost is determined by specific identification.

#### **Restricted assets**

Certain assets may be classified as restricted assets on the statement of net position because their use is restricted by contracts or agreements with outside third parties and lending institutions.

#### **Accounts receivable and bad debts**

Receivables are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of accounts receivable. It is reasonably possible that management's estimate of the allowance will change.

#### **Land, structures and equipment**

Land, structures and equipment are stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

Assets acquired by gift or bequest are recorded at their fair value at the date of transfer. Donated assets are recorded at estimated market value as of the date of the donation.

Depreciation of capital assets is charged as an expense against operations, and accumulated depreciation is reported on the statement of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation as follows:

	<u>Years</u>
Buildings and improvements	25 - 40
Site improvements	15
Apartment renovations	10
Dwelling equipment	7
Office and maintenance equipment	5 - 7
Automobiles and trucks	5

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed.

#### **Impairment of long-lived assets**

In accordance with GASB 42 "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries," prominent events or changes in circumstances affecting capital assets are required to be evaluated to determine whether impairment of a capital asset has occurred. Impaired capital assets that will no longer be used should be reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally should be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written off. No such impairment loss was incurred during the current year.

#### **Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority reports the deferred outflow related to pensions in this category. The deferred outflow related to pension is related to contributions made by the Authority after the measurement date and the net difference between projected and actual earnings of the pension plan investments. The deferred outflow related to pension is related to contributions made by the Authority after the measurement date will be recognized as pension expense in the next fiscal year and the net difference between projected and actual earnings of the pension plan investments will be amortized over a four year period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports a deferred inflow related to the advance of housing assistance payments related to 2017. These deferred inflows will be recognized as income in 2017.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Tenant rental revenue**

Revenue from rental charges to residents is recognized ratably over the terms of the lease agreements, which are generally on a 12-month basis.

#### **Grant funds**

Grant income received is recognized as income based on satisfying any applicable restrictions. Grants received by the Authority are recognized as unrestricted support upon satisfaction of donor-imposed restrictions. Temporarily restricted net assets represent grants for which donor imposed restrictions have not been met.

The Authority has a policy of releasing any restrictions on donated assets when the asset is placed in service.

#### **Interprogram receivables/payables**

Transactions between programs that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interprogram due from/to in the accompanying statement of net position. In addition, the management fee revenue and expense between programs have been eliminated.

#### **Compensated absences**

Employees accumulate vacation and sick leave hours for subsequent use or payment upon termination. Sick leave, vacation pay and termination pay is accrued when incurred and reported as a program liability.

#### **Income taxes**

The Authority is not subject to federal or state income taxes, nor is it required to file federal or state tax returns. Quarry Knoll II Corporation and Town Hall Annex Corporation are both generally exempt organizations as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and are generally exempt from income taxes pursuant to Section 501(a) of the Code. THALP and Parsonage are not subject to federal or state income taxes as each partner includes its allocated shares of net income or loss on its own return.

#### **Equity classifications**

Equity is classified as net position and displayed in three components:

- a. Net invested in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position - Consists of assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net invested in capital assets."



## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Use of estimates**

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

#### **New accounting pronouncements**

The GASB has issued Statement No. 74, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* effective for fiscal years beginning after June 15, 2016. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* effective for fiscal years beginning after June 15, 2017. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* effective for fiscal years beginning after June 15, 2016. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14* effective for reporting periods beginning after June 15, 2016. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 81, *Irrevocable Split-Interest Agreements* effective for periods beginning after December 15, 2016. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, No. 73* effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 83, *Certain Asset Retirement Obligations (AROs)* effective for reporting periods beginning after September 30, 2019. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 84, *Fiduciary Activities* effective for reporting periods beginning after September 30, 2020. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

The GASB has issued Statement No. 85, *Omnibus 2017* effective for periods beginning after September 30, 2018. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

The GASB has issued Statement No. 86, *Certain Debt Extinguishment Issues* effective for reporting periods beginning after September 30, 2018. The Authority will evaluate this new standard and determine to what extent it has an impact on the financial statements.

#### Commissioners

The following Commissioners served as the governing body of the Housing Authority of the Town of Greenwich at December 31, 2016:

<u>Name</u>	<u>Title</u>	<u>Term expires</u>
Sam Romeo	Chairman	7/31/2021
Abelardo Curdumi	Vice-Chairman	7/31/2022
Cathy Landy	Tenant Commissioner	7/31/2020
Robert Simms, Jr.	Tenant Commissioner	7/31/2017
Vincent DeFina	Commissioner	7/31/2022
James Boutelle	Commissioner	7/31/2022
Angelo Pucci	Commissioner	7/31/2018

#### Note 2 - Cash and investments

The Authority's Cash Management and Investment Policy (written and formally adopted) is based on mandatory regulations of the HUD and those of the Connecticut General Statutes. These regulations place certain limitations on the nature of deposits and investments available to the Authority. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain prescribed levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by the U.S. Government or agencies that have a maturity of less than one year from the date of purchase and repurchase agreements collateralized by such securities with maturity dates of no more than 90 days from the date of purchase.

#### Deposits

Cash and cash equivalents	<u>\$ 5,284,754</u>
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#### Custodial credit risk - deposits

The Authority uses one bank (the "Primary Bank") for the bulk of its deposits including tenant security deposits and investments. The Primary Bank is required to execute the HUD mandated General Depository Agreement ("Form HUD-51999"). A key provision of the Agreement is the collateralization of all the Authority's deposits and investments with U.S. government securities in the Authority's name and held by a third party. The Primary Bank also maintains accounts on behalf of the Authority's component units.

#### Concentration of credit risk

The Authority's Cash Management and Investment Policy directs that investments will be limited to direct obligations of the Federal Government (U.S. Treasury Bills, U.S. Treasury Notes and Bonds), Obligations of Federal Government Agencies, and Securities of Government Sponsored Agencies, Money-Market Deposit Accounts and Repurchase Agreements.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

#### Interest rate risk

The Authority's Cash Management and Investment Policy limits investments to those capable of being liquidated on one day's notice and to securities maturing in periods of up to one year.

#### Project reserves

Greenwich Close Apartments, LLC's mortgage agreement with the Department of Housing and Urban Development ("HUD") requires the project to maintain certain reserves (see Note 7). Such reserves are held and administered by the mortgage servicer, and total \$656,395. As such, these reserves are subject to the cash management and investment policy of HUD, which is not stated in these notes.

The Quarry Knoll II Corporation mortgage agreement with the Connecticut Housing Finance Authority ("CHFA") requires the project to maintain certain reserves (see Note 7). Such reserves are held and administered by CHFA, and total \$1,501,344. As such, these reserves are subject to the cash management and investment policy of CHFA, which is not stated in these notes.

Town Hall Annex Corporation maintains a reserve for replacements. The reserve balance at December 31, 2016 is \$680,647.

Parsonage Cottage Senior Residence Limited Partnership maintains a reserve for replacements. This reserve totals \$129,619 at December 31, 2016.

#### Note 3 - Accounts receivable - tenants

	Federal Low-Income Housing	State Program	Greenwich Close Apartments, LLC	Quarry Knoll II	Town Hall Annex*	Other	Total
Accounts receivable	\$ 50,391	\$ 30,554	39,817	\$ 3,967	\$ 75,918	\$ 1,228	\$ 201,875
Allowance for doubtful accounts	-	(16,227)	-	(221)	-	-	(16,448)
Net	<u>\$ 50,391</u>	<u>\$ 14,327</u>	<u>\$ 39,817</u>	<u>\$ 3,746</u>	<u>\$ 75,918</u>	<u>\$ 1,228</u>	<u>\$ 185,427</u>

The allowance for doubtful accounts is based on management's estimates of the amounts to be uncollected.

\* Town Hall Annex includes Town Hall Annex Limited Partnership and Parsonage Cottage Senior Residence Limited Partnership (93% of which comprises of DSS payments paid one month in arrears).

# Housing Authority of the Town of Greenwich

## Notes to Financial Statements December 31, 2016

### Note 4 - Interprogram receivables and payables

The following is a summary of the interprogram receivables and payables at December 31, 2016:

	Receivable	Payable
Low-Income Public Housing	\$ -	\$ 97,988
State Moderate Rental	-	55,620
Section 8 Housing Choice Vouchers	-	20,279
Revolving Fund	572,413	1,104,839
Management Fee Account	885,313	118,908
Capital Fund Program	-	4,750
Home Ownership	275,146	-
State Elderly Housing	-	330,488
	<u>\$ 1,732,872</u>	<u>\$ 1,732,872</u>

The interprogram receivables and payables are eliminated in the accompanying financial statements.

### Note 5 - Receivables and payables with other governments

The following is a summary of the accounts receivable - other government at December 31, 2016. The listed entities are related to the Authority by common board membership and management. For some of the entities, an affiliate of the Authority serves as the general partner of the limited partnership.

	Receivable	Payable
Revolving Fund	\$ 1,018,082	\$ 225,057
Town Hall Annex	344,286	929,378
Quarry Knoll II	1,125	13,410
Greenwich Close LLC	-	762,959
Management Fee	906,319	340,774
Low-Income Public Housing	1,766	-
Section 8 Housing Choice Vouchers	-	-
State Elderly Housing	-	-
State Moderate Rental	-	-
Total related parties	2,271,578	2,271,578
Payment in lieu of taxes ("PILOT")/ real estate taxes (non-affiliated)	<u>-</u>	<u>308,846</u>
Total receivables/payables - other government	<u>\$ 2,271,578</u>	<u>\$ 2,580,424</u>

The related parties' receivables and payables with other governments are eliminated in the accompanying financial statements.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

#### Note 6 - Capital assets

A roll-forward of capital assets for 2016 is as follows:

	Balance December 31, 2015	Additions	Deletions	Reclassification/ Adjustments	Balance December 31, 2016
Land and land improvements	\$ 8,391,748	\$ -	\$ -	\$ -	\$ 8,391,748
Buildings	57,738,415	2,190,520	-	-	59,928,935
Furniture, equipment and machinery - dwelling	1,166,542	873,002	-	-	2,039,544
Furniture, equipment and machinery - administrative	716,981	5,750	-	-	722,731
Construction in progress	2,838,131	-	-	(1,892,200)	945,931
	70,851,817	3,069,272	-	(1,892,200)	72,028,889
Less: Accumulated depreciation	(30,940,041)	(1,837,897)	-	-	(32,777,938)
Net balance	<u>\$ 39,911,776</u>	<u>\$ 1,231,375</u>	<u>\$ -</u>	<u>\$ (1,892,200)</u>	<u>\$ 39,250,951</u>

Construction in progress represents costs incurred on open development projects or on major capital improvement projects. These projects were at various stages of completion at December 31, 2016. Upon completion, these costs will be reclassified to buildings and will be depreciated over their estimated useful lives.

#### Note 7 - Capital debt and notes payable

Capital debt at December 31, 2016 consisted of the following:

##### State moderate rental housing programs

Mortgage and rehabilitation loans	
Beginning balance	\$ 1,231,378
Debt retirement	<u>(59,905)</u>
	1,171,473
Less: Current portion	<u>(61,552)</u>
	<u>\$ 1,109,921</u>

The loans require quarterly payments of principal and interest. The loans bear interest at a rate of 3% per annum, mature in years 2016 through 2030, and are secured by the rental property.

##### Greenwich Close Apartments, LLC

Greenwich Close Apartments, LLC entered into a \$17,500,000 HUD insured mortgage to refinance the bonds outstanding on the Greenwich Close project. The mortgage note is collateralized by a deed of trust on the rental property. The note bears interest at the rate of 3.33% per annum. Principal and interest are payable by the corporation in monthly installments of \$70,613 through maturity on June 1, 2047.

Under agreements with the mortgage lender and FHA, the corporation is required to make monthly escrow deposits for taxes, insurance and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and distributions.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

The liability of the corporation under the mortgage note is limited to the underlying value of the real estate collateral plus other amounts deposited with the lender.

The outstanding mortgage balance at December 31, 2016 is as follows:

HUD	\$ 16,217,429
Less: Current portion	<u>(312,049)</u>
	<u>\$ 15,905,380</u>

#### Quarry Knoll II Corporation

The mortgage is payable to CHFA, is collateralized by the land and building owned by the Corporation and is insured by HUD. The monthly installments for principal and interest are \$9,481 with a maturity date of May 1, 2020. Interest is being charged at a rate of 8% per annum. The Corporation also pays into an escrow account to provide for hazard and liability insurance and mortgage insurance payments when they become due. These escrowed accounts are reflected as a component of project reserves on the accompanying statement of net position and total at \$31,550 at December 31, 2016.

Under its regulatory agreement with HUD, the Corporation is required to make monthly payments into a reserve for replacements account held by CHFA. The reserve may be drawn against (subject to approval by HUD) to fund replacements of fixed assets and major improvements to the property. Required payments into the escrow were \$19,854 during 2016. The Corporation is also required to deposit into the residual receipts reserve, cash balances in excess of current operating needs as defined by HUD. The required deposit to the fund for 2016 is \$0. At December 31, 2016, the balance in the reserve for replacements was \$494,356, the balance in the residual receipts was \$937,863 and such amounts are reflected as a component of project reserves on the accompanying statements of net position.

Mortgage balances at December 31, 2016 are:

CHFA	\$ 339,088
Less: Current portion	<u>(89,890)</u>
	<u>\$ 249,198</u>

#### Town Hall Annex Corporation

The purchase of the Edgewood Avenue apartment building was financed by an adjustable rate note payable to the Putnam Trust Company of Greenwich. The note is for a 30-year term with an adjustable interest rate which at December 31, 2016 was 2.625%. The rate cannot be increased or decreased by more than 1% each year and can never exceed 13.625%. The note is secured by the property and requires monthly payments of principal and interest.

Mortgage balances at December 31, 2016 are:

Edgewood	\$ 83,161
Less: Current portion	<u>(26,033)</u>
	<u>\$ 57,128</u>

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

Town Hall Annex Corporation and the Authority, through the Management Fee program, purchased 85-87 Strickland Road and 89 Strickland Road, respectively. The purchases were financed with a 30-year note payable in the amount of \$2,200,000, at an interest rate of 3.125% to Fieldpoint Bank. Additionally, the proceeds were used to repay the notes payable to Wells Fargo (formerly Wachovia Bank) and Chase Home Finance for Oakridge, Ritch and Columbus Avenues, and Homestead. The note is secured by 85-87 Strickland Road, 89 Strickland Road, and additionally secured by the Oakridge, Ritch and Columbus Avenues, and Homestead properties, and requires monthly payments of principal and interest.

Mortgage balances at December 31, 2016 are:

	Town Hall Annex Corporation	Management Fee Program	Total
Fieldpoint Bank	\$ 971,437	\$ 1,052,390	\$ 2,023,827
Less: Current portion	<u>(24,272)</u>	<u>(26,295)</u>	<u>(50,567)</u>
	<u>\$ 947,165</u>	<u>\$ 1,026,095</u>	<u>\$ 1,973,260</u>

#### **Parsonage Cottage Senior Residence Limited Partnership**

Parsonage has a promissory note, at 6% per annum interest, payable to the Town of Greenwich with an outstanding balance of \$674,691 at December 31, 2016. The note, entered into on April 17, 1997, is for 30 years with monthly interest and principal payments of \$6,885.

Parsonage has an additional promissory note at 4% per annum interest payable to the Town of Greenwich with an outstanding balance of \$348,548 at December 31, 2016. The loan is from Community Development Block Grant funds the town received in connection with the rehabilitation of the project. The note, entered into on April 17, 1997, is for 30 years with monthly interest and principal payments of \$3,226.

On May 18, 2016, the Town of Greenwich amended its two promissory notes for Parsonage Cottage decreasing the interest rates from 6% and 4% to 1% and 0%, respectively, effective January 1, 2016.

The above mentioned notes are secured by mortgages and security agreements covering the property. Certain of the notes are also secured by assignments of leases, rents and profits. The liability of the Parsonage under the notes is limited to the underlying value of the real estate collateral.

Following are the principal payments required for the next five years and thereafter:

Loan	2017	2018	2019	2020	2021	2022 - 2026	2027 - 2031	2032 - 2036	2037 - 2051	Total
State of Connecticut	\$ 61,552	\$ 63,419	\$ 65,343	\$ 67,326	\$ 69,368	\$ 379,716	\$ 440,921	\$ 23,828	\$ -	\$ 1,171,473
Greenwich Close	312,049	322,601	333,509	344,786	356,444	1,971,366	2,327,969	2,749,077	7,499,626	16,217,429
CHFA	89,890	97,351	105,431	46,416	-	-	-	-	-	339,088
Parsonage	42,013	43,956	44,239	44,524	44,812	228,484	236,134	244,176	51,501	979,839
Edgewood	26,033	27,809	29,319	-	-	-	-	-	-	83,161
Fieldpoint Bank	50,567	52,170	53,824	55,530	57,290	314,873	368,049	430,206	641,318	2,023,826
Total	<u>\$ 582,104</u>	<u>\$ 607,306</u>	<u>\$ 631,666</u>	<u>\$ 558,583</u>	<u>\$ 527,914</u>	<u>\$ 2,894,439</u>	<u>\$ 3,373,072</u>	<u>\$ 3,447,287</u>	<u>\$ 8,192,445</u>	<u>\$ 20,814,816</u>

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

Following are the interest payments required for the next five years and thereafter:

Loan	2017	2018	2019	2020	2021	2022 - 2026	2027 - 2031	2032 - 2036	2037 - 2051	Total
State of Connecticut	\$ 34,456	\$ 32,588	\$ 30,664	\$ 28,682	\$ 26,639	\$ 100,321	\$ 39,117	\$ 179	\$ -	\$ 292,646
Greenwich Close	535,304	524,753	513,845	502,568	490,909	2,265,400	1,908,798	1,487,688	1,397,655	9,626,922
CHFA	23,882	16,421	8,341	933	-	-	-	-	-	49,577
Parsonage	6,344	6,064	5,782	5,497	5,209	21,619	13,970	5,927	184	70,594
Edgewood	7,399	5,622	3,724	1,697	91	-	-	-	-	18,534
Fieldpoint Bank	62,524	60,921	59,268	57,561	55,801	250,583	197,406	135,250	65,498	944,813
Total	<u>\$ 669,909</u>	<u>\$ 646,369</u>	<u>\$ 621,623</u>	<u>\$ 596,939</u>	<u>\$ 578,649</u>	<u>\$ 2,637,922</u>	<u>\$ 2,159,292</u>	<u>\$ 1,629,044</u>	<u>\$ 1,463,338</u>	<u>\$ 11,003,085</u>

#### Note 8 - Compensated balances

Employees are paid by prescribed formula for vacation, sick leave and personal time at termination. The amount of the outstanding accumulated obligation related to such compensated absences reported by the programs was:

Balance at December 31, 2015	\$ 547,740
Current year increase (decrease)	<u>13,923</u>
Balance at December 31, 2016	<u><u>\$ 561,663</u></u>

#### Note 9 - Capital grant by the State of Connecticut

The Authority has received financial assistance in the form of capital grants for application to the development costs of its projects. DECD may make advances to the Authority of its capital grant; however, the total of the grant may not exceed the development cost of the project including costs incurred by the State in connection therewith as approved by the Commissioner. No capital grants were received by the Authority in 2016.

#### Note 10 - Capital Fund grant and other federal programs

##### Capital fund grants

HUD presently funds federal modernization projects under various programs and contract numbers. The status of these programs and contracts is as follows:

	CT 19-501-13	CT 19-501-14	CT 19-501-15	CT 19-501-16	Total
Funds approved	<u>\$ 339,964</u>	<u>\$ 422,650</u>	<u>\$ 431,589</u>	<u>\$ 448,106</u>	<u>\$ 1,642,309</u>
Advances	\$ 168,472	\$ -	\$ -	\$ -	\$ 168,472
Project expenditures	<u>168,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,472</u>
Excess/(deficiency) of funds advanced	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

#### Note 11 - Pension plan

##### Plan description

Substantially all full-time employees participate in the Municipal Employees Retirement System ("MERS"), a cost-sharing multiple employer public employee retirement system ("PERS") established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating members. MERS is considered to be part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. The fiscal year end of the plan is June 30, 2016, and information relating to the plan included in these notes to the basic financial statements is as of that fiscal year end.

Any local government authority in the State of Connecticut, including towns, cities, boroughs, regional school districts, housing authorities or other special districts, may elect to participate for one or more of its departments, including elective officers; only teachers who are covered under the Connecticut State Teachers' Retirement System are ineligible. As of July 1, 2010, there were 186 participating local government units (counting departments of municipalities which joined or report separately as separate units).

At June 30, 2016, the MERS membership consisted of:

Active vested members	6,452
Active non-vested members	2,921
Vested terminated plan members	1,035
Retirees and beneficiaries	7,102
Inactive non-vested members	300
	<hr/>
	17,810
	<hr/>

A summary of financial information related to the plan as of June 30, 2016 is presented below:

Active members	9,373
Annual covered payroll	\$ 566,237,211
Employer's contribution for the year	\$ 81,150,096
Employee's contribution for the year	\$ 20,619,573

Plan provisions are set by statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Annual cost of living increases between 3% and 5% are paid to disabled members and non-disabled retired members over age 65. Effective January 1, 2002, all other retired members receive a 2.5% annual adjustment until age 65, at which point they will receive the same cost of living adjustment ("COLA") as those currently age 65. For those retiring after December 31, 2001, annual cost of living increases will be between 2.5% and 6.0%. Benefits vest after 5 years of continuous service or 15 years of active aggregate service.

Members who retire after age 55 with 5 years of service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

- If covered by Social Security: 1½% of the three highest paid years' average of earnings not in excess of the year's breakpoint, plus 2% of the three-year average of earnings in excess of the year's breakpoint. The year's breakpoint for 2014 is \$69,200.

Covered employees are required by State statute to contribute 2¼% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the plan. Employees not covered by Social Security are required to contribute 5% of all earnings.

#### **Summary of significant accounting policies and plan asset matters**

##### **Basis of accounting**

MERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

##### **Method used to value investments**

Retirement trust funds can invest in the following investment pools maintained by the State of Connecticut.

Mutual Fixed Income Fund - Investments consist principally of bonds and notes.

Mutual Equity Fund - Investments consist principally of common stocks.

Real Estate Fund - Investments consist principally of interest in commingled equity real estate funds.

Mutual Commercial Mortgage Fund - Investments consist principally of interest in commercial mortgages.

Mutual Venture Capital Fund - Investments consist principally of interests in venture capital partnerships which have common stock interests in emerging businesses.

Mutual International Stock Fund - Investments consists principally of international equity securities.

Liquidity Fund - Investments consists principally of money market instruments.

Private Equity - Investments comprised of various limited partnerships, limited liability companies and securities.

Investments in the pooled funds are valued at cost. Market values of the investment pools are determined by the Master Custodian based on the performance of the underlying securities. Investment income is recognized as earned. Gains and losses on sales and redemptions of investments are recognized on the transaction date. There are no investments in any organizations that represent 5% or more of the net assets available for benefits.

##### **Funding status and progress**

The actuarial accrued liability is a measure that uses the benefit provisions and is intended to (i) help users assess the plan's funding status on a going-concern basis and (ii) assess progress being made in accumulating sufficient assets to pay benefits when due. Allocation of the actuarial present value of projected benefits between past and future service was based on

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

service using the entry age actuarial cost method. Entry age was established by subtracting credited service from current age on the valuation date. Assumptions, including projected pay increases, were the same as those used to determine the annual required contribution between entry age and assumed exit age.

The actuarial value of assets is based on a market-related method that recognizes (i) 20% of any difference between actual and expected investment income (gain/loss) in the valuation year and (ii) 20% of any previous years' unrecognized investment gains/losses. Such smoothed actuarial assets value shall not be less than 80% or greater than 120% of the market value of assets.

- The actuarial accrued liability was determined as part of an actuarial valuation at July 1, 2016.
- Significant actuarial assumptions used include:
  - a) Rate of return on the investment of present and future assets of 8.00% per year compounded annually.
  - b) Projected salary increases of 3.25% per year compounded annually, attributable to inflation.
  - c) Additional projected salary increases ranging from 4.25% to 11.00% per year, attributable to seniority/merit.
  - d) Annual cost of living increases are applied to disabled and non-disabled retirement benefits and vary based upon member age and date of retirement. For members that retired prior to January 1, 2002, increases of 3.25% are assumed for those who have reached age 65 and (effective January 1, 2002) increases of 2.5% are assumed for those who have not yet reached age 65. For members that retire after December 31, 2001, increases of 2.5% are assumed, regardless of age.
- Actuarial Accrued Liability as of July 1, 2016:

Total actuarial accrued liability	\$ 2,840,325,409
Actuarial value of assets	<u>2,445,484,582</u>
Unfunded actuarial accrued liability	<u><u>\$ (394,840,827)</u></u>

#### **Contributions required and contributions made**

Each covered municipality is required by State statute to pay an actuarially determined percentage of covered payroll to provide for benefits based on current service. This percentage varies by police and fire versus general employees, and within those two groups, may vary for populations covered by Social Security versus those not covered by Social Security. The statute also requires each municipality to pay an annual amount for benefits based on service prior to the unit's date of participation. This amount is a level dollar amortization (including interest and principal) over varying time periods depending upon the unit's date of participation and other factors.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

The contributions are actuarially determined using the entry age normal method. The actuarial assumptions are the same as those used to compute the actuarial accrued liability discussed above. Contributions totaling \$118,156,647 (\$81,150,096 employer and \$20,619,573 employee) were made for the plan year ending June 30, 2016 in accordance with actuarially determined contribution requirements based on an actuarial valuation performed as of July 1, 2016.

#### **Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions**

At fiscal year end, the Authority reported \$2,388,444 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Authority's proportionate share of the net pension liability was based upon the Authority's 2016 actuarial (expected) payroll relative to the payroll of all the participating employers as of that date. At June 30, 2016, the Authority's proportional share was 1.22%. This being the first year of implementation, there was no change in the proportional share as compared to the prior year.

Subsequent to the measurement date, there were no changes in benefit terms or any expected changes that will have an impact on the measurement of net pension liability.

For the fiscal year, the Authority recognized pension expense of \$572,947. At December 31, 2016, the Authority reported deferred outflows of resources related to pensions from the following sources:

Description of outflows	Deferred outflows of resources
Differences between expected and actual experience	\$ 51,473
Changes in proportional share of employer	70,009
Net difference between projected and actual earnings on pension plan investments	694,196
Contributions subsequent to measurement date	<u>179,076</u>
Total	<u>\$ 994,754</u>
Net amount of deferred inflow and outflow excluding Authority contributions subsequent to measurement date	<u>\$ 815,678</u>

The \$179,076 amount reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017.

## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	
2017	\$ 181,369
2018	181,369
2019	281,569
2020	<u>171,371</u>
Total	<u>\$ 815,678</u>

#### Discount rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made at the actuarially determined rates in future years. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASB Statement No. 67. Therefore, the 8.00% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Sensitivity of the net pension liability to changes in the discount rate

The following presents the Authority's proportional share of the net pension liability of the MERS, calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% decrease (7.00%)	Current discount (8.00%)	1% increase (9.00%)
Authority's proportional share of the net pension liability	\$ 4,888,330	\$ 2,388,444	\$ 283,347

#### Plan fiduciary net position

Detailed information about the Connecticut Municipal Employees Retirement System plan's fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2016.

#### Note 12 - Defined contribution plan

The Authority established a deferred compensation plan effective July 1, 1997, created in accordance with Section 457 of the Internal Revenue Code. The defined contribution plan is not available to employees until termination, retirement, death or unforeseeable emergency.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

The Authority replaced the Section 457 plan with a defined contribution plan effective July 1, 1998, created in accordance with Section 403(b) of the Internal Revenue Code. The 403(b) defined contribution plan is also not available to employees until termination, retirement, death or unforeseeable emergency.

The Authority then replaced the Section 403(b) plan with a defined contribution plan created in accordance with Section 457(b) of the Internal Revenue Code. The plan permits employees to defer compensation up to 20% of their salary, or a maximum of \$18,000 (for 2016) and the Authority provides a 50% match up to \$2,500 per year per employee. A third-party plan administrator coordinates the investment of deferred compensation amounts in certain pooled funds or annuity programs chosen by individual participants. Under the plan, the Authority is responsible for exercising "due care" in selecting a third-party administrator.

At December 31, 2016, the cumulative employee and employer contributions and related earnings of the Section 457(b) plan was \$2,907,980. During 2013, the Section 403(b) Plan was terminated.

#### **Note 13 - Other post-employment benefits**

In addition to pension benefits described above, eligible retirees, terminated employees and their dependents may purchase post-employment benefits for health care and dental insurance. The Authority does not fund the benefits. The benefits are provided in accordance with Authority policies and the Consolidated Omnibus Reconciliation Act of 1985 ("COBRA").

#### **Note 14 - Commitments and obligations and guarantees**

The Authority has guaranteed (on behalf of Town Hall Annex Corporation) funding of operating deficits of the Parsonage Cottage Senior Residence, L.P., to the extent they exceed the operating deficit reserves. The maximum liability under this agreement is \$750,000. As of December 31, 2016, advances totaling \$651,701 remain outstanding.

#### **Note 15 - Contingent liabilities**

The Authority has received funds from various federal, state and local grant programs. It is possible that at some future date it may be determined that the Authority was not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Authority does not expect such disallowed amounts, if any, to materially affect the basic financial statements.

#### **Note 16 - Notes receivable**

The Authority funded second mortgages to qualified purchasers of homes. The loans are noninterest-bearing and are payable upon the sale or transfer of the property. The amount receivable is \$543,700 at December 31, 2016. During 2016, \$75,800 was repaid.

THAC has a note receivable from THALP of \$206,507. THAC loaned THALP these funds to finance the renovations to the Town Hall Annex building. Interest on the note accrues at a rate of 8%, with the principal and interest payable at the time the Town Hall Annex building is sold. Accrued interest receivable totals \$630,687 at December 31, 2016. This note and accrued interest are eliminated since THALP is included as a part of the THAC component unit in the accompanying basic financial statements.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

#### **Note 17 - Due to affiliate**

The Authority was advanced funds from an affiliate in prior years. As of December 31, 2016, \$14,433 is owed to the affiliate. The amount is unsecured, noninterest-bearing and payable on demand.

#### **Note 18 - Restricted net position**

In November 2004, the Authority received \$420,000 from the Town of Greenwich in Community Development Block Grant funds. These funds were used to provide homeownership assistance at the Hollow Wood Development to four low- and moderate-income households which may be in the form of a loan to each household secured by a second mortgage, or any other form of financial assistance or mechanism. Any repayment of the loans by the homeowners, prior to the expiration of the 40 years from the time of initial occupancy, are to be used to issue additional loans or financial assistance to qualified low- and moderate-income households. In the event that no qualified households are available to purchase units at Hollow Wood prior to year 2044, all amounts received from loan repayments will be returned to the Town, after reasonable administrative fees to the Authority. As of December 31, 2016, four loans were made to qualified households totaling \$420,000. Since these funds are to be used continuously for 40 years to fund home purchases at Hollow Wood, they are classified as restricted under the homeownership program.

During 2015, Quarry Knoll II Corporation, the non-profit sponsor of Armstrong Court, entered into a Housing Tax Credit Contribution Agreement with the Connecticut Housing Finance Authority, to obtain a reservation of state tax credits in the amount of \$500,000. In December 2015, the tax credits were sold for \$500,000. The proceeds are included as cash - restricted and temporarily restricted net assets on the statement of financial position. The \$500,000 will be loaned to Armstrong Court to finance rehabilitation costs. On September 1, 2017, this \$500,000 was transferred to OakTree, Inc., an affiliate of the Authority, as approved by CHFA and HUD.

#### **Note 19 - Management fee revenue**

The Authority provides property management services to its affiliated properties. For 2016, management fee revenue of \$66,876 was recorded from Quarry Knoll II Corporation and Town Hall Annex Administration Fund. Such fees are earned as a percentage of rental income of the projects and are approved by the regulatory agencies of the properties. Fees receivable at December 31, 2016 total \$894 and are included as a component of accounts receivable - other government in the accompanying statement of net position. Accordingly, revenue and expense transactions and related assets and liabilities between the Authority and its blended component units have been eliminated in the accompanying financial statements.

The Authority provides property management services to Parsonage. For 2016, management fee revenue of \$110,646 was recorded from Parsonage. Such fees are earned as a percentage of rental income of the project. Fees receivable at December 31, 2016 total \$217,343 and are included as a component of accounts receivable - other government in the accompanying statement of net position. Accordingly, revenue and expense transactions and related assets and liabilities between the Authority and its blended component units have been eliminated in the accompanying financial statements.

## **Housing Authority of the Town of Greenwich**

### **Notes to Financial Statements December 31, 2016**

Prior to 2016, management fees of \$1,136,870 were earned related to Parsonage Cottage. As of December 31, 2016, there have been no payments to the Authority for these fees. At December 31, 2016, the Authority is due \$1,136,870. These balances are included as deferred management fees liability in the Town Hall Annex component unit of the accompanying financial statements. These balances have been eliminated in the accompanying financial statements. The Authority has fully allowed for the receivable balances at December 31, 2016 due to the uncertainty of collection.

The Authority provides management services to Greenwich Close Apartments, LLC. Such fees are earned as a percentage of rental income. The fee totaling \$76,107 has been eliminated in the accompanying financial statements. Fees receivable at December 31, 2016 total \$349,738, are included as a component of accounts receivable - other government in the accompanying statement of net position, and are eliminated in consolidation.

#### **Note 20 - Litigation**

The Authority is party to various claims and/or litigation (both as a plaintiff and a defendant). As of December 31, 2016, there are no un-accrued claims, assessments, or litigation against the Authority that management believes will have a material effect on the financial statements. Claims that differ from the agreed contract price are not recognized unless the claims are probable and reliably estimated.

#### **Note 21 - Subsequent events**

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 25, 2017 (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, with the exception as noted below.



## Housing Authority of the Town of Greenwich

### Notes to Financial Statements December 31, 2016

#### Note 22 - Change in accounting policy

The Authority has implemented Statement No. 68, *Accounting and Financial Reporting for Pensions* during 2016. As a result of implementation, the government-wide net position was restated as follows:

Net position as previously reported at December 31, 2015	\$ 25,688,131
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Implementation of new accounting standard

To record deferred outflows for pension contribution made after the measurement date	\$ 169,082
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To record deferred inflow for net difference between projected and actual investment earnings on pension plan investments	(402,634)
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To record beginning net pension liability ("NPL")	<u>(1,570,792)</u>	<u>(1,804,344)</u>
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Net position as restated as of January 1, 2016	<u>\$ 23,883,787</u>
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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*

To the Board of Commissioners  
The Housing Authority of the Town of Greenwich

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Town of Greenwich, which comprise the statement of net position as of December 31, 2016, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2017. The consolidated financial statements of certain subsidiaries and affiliates were not audited in accordance with *Government Auditing Standards* as discussed in Note 1, Basis of Presentation to the financial statements and accordingly this report does not include reporting on internal control over financial reporting or instances of nonreportable compliance associated with the subsidiaries and affiliates.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Greenwich's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Greenwich's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Greenwich'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## Compliance and Other Matters

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

## Purpose of this Report

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

A handwritten signature in black ink that reads "CohnReznick LLP". The signature is written in a cursive, flowing style.

Boston, Massachusetts  
September 25, 2017

Independent Auditor's Report on Compliance for the Major Federal Program and on  
Internal Control over Compliance Required by the Uniform Guidance

To the Board of Commissioners  
The Housing Authority of the Town of Greenwich

Report on Compliance for the Major Federal Program

We have audited the Housing Authority of the Town of Greenwich's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Housing Authority of the Town of Greenwich's major federal programs for the year ended December 31, 2016. The Housing Authority of the Town of Greenwich's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

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

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for the Housing Authority of the Town of Greenwich's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Greenwich's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

*Opinion on the Major Federal Program*

In our opinion, the Housing Authority of the Town of Greenwich complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2016.

## Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Cohn Reznick LLP". The signature is written in a cursive, flowing style.

Boston, Massachusetts  
September 25, 2017

**Housing Authority of the Town of Greenwich**

**Schedule of Findings and Questioned Costs  
December 31, 2016**

**A. Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Housing Authority of the Town of the Greenwich.
2. No significant deficiencies related to the audit of the financial statements were reported in the 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*. No material weaknesses were reported.
3. No instances of noncompliance material to the basic financial statements of the Housing Authority of the Town of the Greenwich were disclosed during the audit.
4. No significant deficiencies related to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses were reported.
5. The Auditor's report on compliance for the major federal award programs for the Housing Authority of the Town of Greenwich expresses an unmodified opinion.
6. There were no audit findings relative to the major federal award programs for the Housing Authority of the Town of Greenwich.
7. The program tested as major programs include:  
  
**CFDA #14.871      Section 8 Housing Choice Vouchers**
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. Housing Authority of the Town of Greenwich did not qualify as a low-risk auditee.

**B. Findings - Financial Statements Audit**

None

**C. Findings and Questioned Costs - Major Federal Award Programs Audit**

None

## **Supplementary Information**

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules December 31, 2016

	Section 8 Housing Choice Vouchers	Low-Income Public Housing	State Moderate Rent	State Elderly Housing	Revolving Fund	Quarry Knoll II	Town Hall Annex	Greenwich Close LLC	Non-Major Programs	Subtotal	Eliminations	Total
<u>Assets</u>												
Current assets												
Cash - operations	\$ 288,977	\$ 698,179	\$ 1,252,080	\$ 1,453	\$ -	\$ 146,668	\$ 1,554,152	\$ 27,877	\$ 109,689	\$ 4,079,075	\$ -	\$ 4,079,075
Cash - restricted	500,260	-	-	-	-	500,000	129,619	-	75,800	1,205,679	-	1,205,679
Cash - security deposits held in trust	-	153,000	200,000	20,000	-	16,000	58,000	301,790	-	748,790	-	748,790
Accounts receivable - tenants, net	-	50,391	13,952	375	-	3,746	75,918	39,817	1,228	185,427	-	185,427
Accounts receivable - fraud recovery	14,910	-	-	-	-	-	-	-	-	14,910	-	14,910
Accounts receivable - miscellaneous	-	9,346	54,160	1,738	-	-	-	-	-	65,244	-	65,244
Accounts receivable - other government	-	1,766	-	-	1,018,082	1,125	344,286	-	906,319	2,271,578	(2,271,578)	-
Project reserves	-	-	-	-	-	1,501,344	680,647	656,395	-	2,838,386	-	2,838,386
Prepaid expenses	5,201	88,719	78,123	8,782	-	8,779	40,359	190,281	1,280	421,524	-	421,524
Interprogram due from	-	-	-	-	572,413	-	-	-	1,160,459	1,732,872	(1,732,872)	-
Total current assets	809,348	1,001,401	1,598,315	32,348	1,590,495	2,177,662	2,882,981	1,216,160	2,254,775	13,563,485	(4,004,450)	9,559,035
Noncurrent assets												
Capital assets												
Land and land improvements	-	778,303	464,391	14,600	-	35,237	805,180	5,901,770	392,267	8,391,748	-	8,391,748
Construction in progress	-	102,747	661,576	-	-	-	7,386	1,000	173,222	945,931	-	945,931
Structures and equipment, net	-	6,699,770	4,719,606	1,783,899	-	1,836,657	3,723,094	10,313,929	836,317	29,913,272	-	29,913,272
Total capital assets	-	7,580,820	5,845,573	1,798,499	-	1,871,894	4,535,660	16,216,699	1,401,806	39,250,951	-	39,250,951
Other assets												
Notes receivables	-	-	-	-	-	-	-	-	543,700	543,700	-	543,700
Other assets	-	-	-	-	8,550	-	6,187	361,700	-	376,437	-	376,437
Total other assets	-	-	-	-	8,550	-	6,187	361,700	543,700	920,137	-	920,137
	809,348	8,582,221	7,443,888	1,830,847	1,599,045	4,049,556	7,424,828	17,794,559	4,200,281	53,734,573	(4,004,450)	49,730,123
Deferred outflows of resources												
Pension related	89,527	467,535	378,007	59,685	-	-	-	-	-	994,754	-	994,754
Total assets and deferred outflow of resources	\$ 898,875	\$ 9,049,756	\$ 7,821,895	\$ 1,890,532	\$ 1,599,045	\$ 4,049,556	\$ 7,424,828	\$ 17,794,559	\$ 4,200,281	\$ 54,729,327	\$ (4,004,450)	\$ 50,724,877



# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules December 31, 2016

	Section 8 Housing Choice Vouchers	Low-Income Public Housing	State Moderate Rent	Elderly Housing	Revolving Fund	Quarry Knoll II	Town Hall Annex	Greenwich Close LLC	Non-Major Programs	Subtotal	Eliminations	Total
<u>Liabilities and Net Position</u>												
Current liabilities												
Accounts payable - vendors	\$ 121,698	\$ 20,085	\$ 16,941	\$ 4,119	\$ -	\$ 1,054	\$ 31,278	\$ 118,126	\$ -	\$ 313,301	\$ -	\$ 313,301
Accounts payable - bank overdraft	-	-	-	-	138,911	-	-	-	-	138,911	-	138,911
Accounts payable - other government	-	184,115	-	-	225,057	138,141	929,378	762,959	340,774	2,580,424	(2,271,578)	308,846
Accrued salaries and benefit payable	-	-	-	-	30,238	-	-	-	-	30,238	-	30,238
Accrued compensated absences	24,755	134,807	112,964	21,120	-	18,385	181,583	68,049	-	561,663	-	561,663
Accrued operating expenses	113,707	-	-	-	100,000	-	50,000	6,712	-	270,419	-	270,419
Accrued interest expenses	-	-	9,669	-	-	3,325	41,703	45,841	-	100,538	-	100,538
Tenant security deposits	-	152,821	199,303	19,856	-	15,260	39,971	301,790	13,150	742,151	-	742,151
Interprogram due to	20,279	97,988	55,620	330,488	1,104,839	-	-	-	123,658	1,732,872	(1,732,872)	-
Current portion of capital debt	-	-	61,552	-	-	89,890	92,318	312,049	26,295	582,104	-	582,104
Total current liabilities	280,439	589,816	456,049	375,583	1,599,045	266,055	1,366,231	1,615,526	503,877	7,052,621	(4,004,450)	3,048,171
Noncurrent liabilities												
Due to affiliate	-	-	-	-	-	-	14,433	-	-	14,433	-	14,433
Net pension liability	214,960	1,122,569	907,608	143,307	-	-	-	-	-	2,388,444	-	2,388,444
Deferred management fees	-	-	-	-	-	-	1,136,870	-	-	1,136,870	(1,136,870)	-
Capital debt, net of current portion	-	-	1,109,921	-	-	249,198	1,942,119	15,905,380	1,026,095	20,232,713	-	20,232,713
Total noncurrent liabilities	214,960	1,122,569	2,017,529	143,307	-	249,198	3,093,422	15,905,380	1,026,095	23,772,460	(1,136,870)	22,635,590
Total liabilities	495,399	1,712,385	2,473,578	518,890	1,599,045	515,253	4,459,653	17,520,906	1,529,972	30,825,081	(5,141,320)	25,683,761
Deferred inflows of resources - housing assistance payments	527,304	-	-	-	-	-	-	-	-	527,304	-	527,304
Net position (deficit)												
Net invested in capital assets	-	7,580,820	4,674,100	1,798,499	-	1,532,806	2,486,790	(730)	349,416	18,421,701	-	18,421,701
Restricted	500,260	-	-	-	-	500,000	-	-	420,000	1,420,260	-	1,420,260
Unrestricted	(624,088)	(243,449)	674,217	(426,857)	-	1,501,497	478,385	274,383	1,900,893	3,534,981	1,136,870	4,671,851
Total net position (deficits)	(123,828)	7,337,371	5,348,317	1,371,642	-	3,534,303	2,965,175	273,653	2,670,309	23,376,942	1,136,870	24,513,812
Total liabilities, deferred inflows of resources, and net position	\$ 898,875	\$ 9,049,756	\$ 7,821,895	\$ 1,890,532	\$ 1,599,045	\$ 4,049,556	\$ 7,424,828	\$ 17,794,559	\$ 4,200,281	\$ 54,729,327	\$ (4,004,450)	\$ 50,724,877

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules Year Ended December 31, 2016

	Section 8 Housing Choice Vouchers	Low-Income Public Housing	State Moderate Rent	Elderly Housing	Revolving Fund	Quarry Knoll II	Town Hall Annex	Greenwich Close LLC	Non-Major Programs	Subtotal	Eliminations	Total
Operating revenues												
Tenant rental revenue, net	\$ -	\$ 1,534,310	\$ 2,365,757	\$ 325,821	\$ -	\$ 215,753	\$ 2,382,968	\$ 2,667,508	\$ 66,666	\$ 9,558,783	\$ -	\$ 9,558,783
Tenant revenue - other	-	-	-	-	-	-	-	100,878	-	100,878	-	100,878
Total tenant revenue	-	1,534,310	2,365,757	325,821	-	215,753	2,382,968	2,768,386	66,666	9,659,661	-	9,659,661
HUD rental assistance subsidy	6,019,663	874,987	-	-	-	476,596	415,386	-	-	7,786,632	-	7,786,632
Other	66	223,625	83,692	20,861	-	11,284	36,445	1,306	253,629	630,908	(253,629)	377,279
Total operating revenues	6,019,729	2,632,922	2,449,449	346,682	-	703,633	2,834,799	2,769,692	320,295	18,077,201	(253,629)	17,823,572
Expenses												
Administration	326,507	754,507	652,683	115,043	-	163,927	996,512	522,619	197,122	3,728,920	(253,629)	3,475,291
Tenant services	-	166,970	38,683	13,734	-	3,260	862,487	-	-	1,085,134	-	1,085,134
Utilities	-	516,462	272,951	38,454	-	52,642	99,841	204,932	782	1,186,064	-	1,186,064
Maintenance and operations	-	422,772	357,393	65,612	-	56,806	154,554	369,359	1,840	1,428,336	-	1,428,336
Maintenance contracts	-	267,940	174,245	44,102	-	31,029	114,635	336,957	6,525	975,433	-	975,433
Insurance	11,982	145,081	121,046	15,341	-	16,385	109,049	149,574	752	569,210	-	569,210
PILOT/real estate taxes	-	101,785	-	-	-	63,971	-	228,906	6,244	400,906	-	400,906
Housing assistance payments	5,557,084	-	-	-	-	-	-	-	-	5,557,084	-	5,557,084
Depreciation and amortization	-	629,915	319,925	124,965	-	132,815	200,444	416,731	24,282	1,849,077	-	1,849,077
Total expenses	5,895,573	3,005,432	1,936,926	417,251	-	520,835	2,537,522	2,229,078	237,547	16,780,164	(253,629)	16,526,535
Operating income (loss)	124,156	(372,510)	512,523	(70,569)	-	182,798	297,277	540,614	82,748	1,297,037	-	1,297,037
Non-operating revenues (expenses)												
Interest income	-	3,112	3,292	169	-	7,219	20,415	474	-	34,681	-	34,681
Interest expense	-	-	(36,102)	-	-	(30,727)	(55,987)	(545,579)	(33,298)	(701,693)	-	(701,693)
Total non-operating revenues (expenses)	-	3,112	(32,810)	169	-	(23,508)	(35,572)	(545,105)	(33,298)	(667,012)	-	(667,012)
Change in net position	\$ 124,156	\$ (369,398)	\$ 479,713	\$ (70,400)	\$ -	\$ 159,290	\$ 261,705	\$ (4,491)	\$ 49,450	\$ 630,025	\$ -	\$ 630,025
Change in net position (deficit)												
Net position, beginning of year, as previously reported	\$ (85,594)	\$ 8,554,811	\$ 5,554,255	\$ 1,550,303	\$ -	\$ 3,375,013	\$ 2,703,470	\$ 278,144	\$ 2,620,859	\$ 24,551,261	\$ 1,136,870	\$ 25,688,131
Change in accounting policy (Note 22)	(162,390)	(848,042)	(685,651)	(108,261)	-	-	-	-	-	(1,804,344)	-	(1,804,344)
Net position, beginning of year, as restated	(247,984)	7,706,769	4,868,604	1,442,042	-	3,375,013	2,703,470	278,144	2,620,859	22,746,917	1,136,870	23,883,787
Transfer of net position	-	-	-	-	-	-	-	-	-	-	-	-
Change in net position for the year	124,156	(369,398)	479,713	(70,400)	-	159,290	261,705	(4,491)	49,450	630,025	-	630,025
Net position (deficit), end of year	\$ (123,828)	\$ 7,337,371	\$ 5,348,317	\$ 1,371,642	\$ -	\$ 3,534,303	\$ 2,965,175	\$ 273,653	\$ 2,670,309	\$ 23,376,942	\$ 1,136,870	\$ 24,513,812

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules

December 31, 2016

	Management Fee	Capital Fund Program	Home Ownership	Total Non-Major Programs
<u>Assets</u>				
Current assets				
Cash - operations	\$ 84,430	\$ -	\$ 25,259	\$ 109,689
Cash - security deposits held in trust	-	-	-	-
Cash - restricted	-	-	75,800	75,800
Accounts receivable - tenants, net	1,228	-	-	1,228
Accounts receivable - HUD	-	-	-	-
Accounts receivable - fraud recovery	-	-	-	-
Accounts receivable - miscellaneous	-	-	-	-
Accounts receivable - other				
government	906,319	-	-	906,319
Project reserves	-	-	-	-
Prepaid expenses	1,280	-	-	1,280
Interprogram due from	885,313	-	275,146	1,160,459
Total current assets	1,878,570	-	376,205	2,254,775
Noncurrent assets				
Capital assets				
Land and land improvements	392,267	-	-	392,267
Construction in progress	-	173,222	-	173,222
Structures and equipment, net	836,317	-	-	836,317
Total capital assets	1,228,584	173,222	-	1,401,806
Other assets				
Notes receivables	-	-	543,700	543,700
Financing costs, net	-	-	-	-
Development costs	-	-	-	-
Total other assets	-	-	543,700	543,700
	<u>\$ 3,107,154</u>	<u>\$ 173,222</u>	<u>\$ 919,905</u>	<u>\$ 4,200,281</u>

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules December 31, 2016

	Management Fee	Capital Fund Program	Home Ownership	Total Non-Major Programs
<u>Liabilities and Net Position</u>				
Current liabilities				
Accounts payable - vendors	\$ -	\$ -	\$ -	\$ -
Accounts payable - other government	340,774	-	-	340,774
Accrued salaries and benefit payable	-	-	-	-
Accrued compensated absences	-	-	-	-
Accrued operating expenses	-	-	-	-
Accrued interest expenses	-	-	-	-
Tenant security deposits	13,150	-	-	13,150
Interprogram due to	118,908	4,750	-	123,658
Current portion of capital debt	26,295	-	-	26,295
Total current liabilities	499,127	4,750	-	503,877
Noncurrent liabilities				
Due to affiliate	-	-	-	-
Deferred management fees	-	-	-	-
Capital debt, net of current portion	1,026,095	-	-	1,026,095
Total noncurrent liabilities	1,026,095	-	-	1,026,095
Total liabilities	1,525,222	4,750	-	1,529,972
Net position (deficit)				
Net invested in capital assets	176,194	173,222	-	349,416
Restricted	-	-	420,000	420,000
Unrestricted	1,405,738	(4,750)	499,905	1,900,893
Total net position (deficits)	1,581,932	168,472	919,905	2,670,309
	\$ 3,107,154	\$ 173,222	\$ 919,905	\$ 4,200,281

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Supplementary Schedules Year Ended December 31, 2016

	Management Fee	Capital Fund Program	Home Ownership	Total Non-Major Programs
Operating revenues				
Tenant rental revenue, net	\$ 66,666	\$ -	\$ -	\$ 66,666
Tenant revenue - other	-	-	-	-
Total tenant revenue	66,666	-	-	66,666
HUD rental assistance subsidy	-	-	-	-
Operating grants	-	-	-	-
Other	253,629	-	-	253,629
Total operating revenues	320,295	-	-	320,295
Expenses				
Administration	61,931	-	135,191	197,122
Tenant services	-	-	-	-
Utilities	782	-	-	782
Maintenance and operations	1,840	-	-	1,840
Maintenance contracts	6,525	-	-	6,525
Insurance	752	-	-	752
PILOT/real estate taxes	6,244	-	-	6,244
Housing assistance payments	-	-	-	-
Depreciation and amortization	24,282	-	-	24,282
Total expenses	102,356	-	135,191	237,547
Operating income (loss)	217,939	-	(135,191)	82,748
Non-operating revenues (expenses)				
Capital grants	-	-	-	-
Interest income	-	-	-	-
Interest expense	(33,298)	-	-	(33,298)
Change in net assets	\$ 184,641	\$ -	\$ (135,191)	\$ 49,450
Change in net position (deficit)				
Net position, beginning of year	\$ 1,397,291	\$ 168,472	\$ 1,055,096	\$ 2,620,859
Transfer of net position	-	-	-	-
Change in net position for the year	184,641	-	(135,191)	49,450
Net position (deficit), end of year	\$ 1,581,932	\$ 168,472	\$ 919,905	\$ 2,670,309

See Independent Auditor's Report.

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule December 31, 2016

Line Item No.	Account Description	Wilbur Peck	Quarry Knoll	Agnes Morley	Greenwich Close	Total AMPs
111	Cash - Unrestricted	\$ 221,044	\$ 195,627	\$ 183,520	\$ 3,645	\$ 603,836
112	Cash - Restricted - Modernization and Development	-	-	-	-	-
113	Cash - Other Restricted	-	-	-	-	-
114	Cash - Tenant Security Deposits	77,813	16,123	59,064	39,465	192,465
<b>100</b>	<b>Total Cash</b>	<b>298,857</b>	<b>211,750</b>	<b>242,584</b>	<b>43,110</b>	<b>796,301</b>
124	Accounts Receivable - Other Government	10	1,125	631	-	1,766
125-040	Account Receivable - Miscellaneous - Tax Credit	-	-	-	-	-
125-050	Account Receivable - Miscellaneous - Other	9,346	-	-	-	9,346
<b>125</b>	<b>Accounts Receivable - Miscellaneous</b>	<b>9,346</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,346</b>
126	Accounts Receivable - Tenants - Dwelling Rents	19,249	1,872	49,602	4,860	75,583
126.1	Allowance for Doubtful Accounts - Tenants	(17,175)	-	(3,157)	347	(19,985)
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	-
128	Accounts Receivable - Fraud Recovery	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>11,430</b>	<b>2,997</b>	<b>47,076</b>	<b>5,207</b>	<b>66,710</b>
142	Prepaid Expenses and Other Assets	31,594	9,026	48,099	110,719	199,438
144	Interprogram Due From	-	-	-	-	-
<b>150</b>	<b>TOTAL CURRENT ASSETS</b>	<b>341,881</b>	<b>223,773</b>	<b>337,759</b>	<b>159,036</b>	<b>1,062,449</b>
161	Land	171,227	101,179	505,897	771,769	1,550,072
162	Buildings	10,183,765	2,891,515	6,622,827	1,524,434	21,222,541
163	Furniture, Equipment and Machinery - Dwellings	598,290	20,787	-	24,960	644,037
164	Furniture, Equipment and Machinery - Administration	138,125	11,983	400,865	952	551,925
166	Accumulated Depreciation	(6,248,848)	(2,180,645)	(5,738,894)	(201,604)	(14,369,991)
167	Construction in Progress	102,747	-	-	131	102,878
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>4,945,306</b>	<b>844,819</b>	<b>1,790,695</b>	<b>2,120,642</b>	<b>9,701,462</b>
174	Other Assets	-	-	-	47,299	47,299
<b>180</b>	<b>TOTAL NONCURRENT ASSETS</b>	<b>4,945,306</b>	<b>844,819</b>	<b>1,790,695</b>	<b>2,167,941</b>	<b>9,748,761</b>
<b>200</b>	<b>Deferred Outflow of Resources</b>	<b>179,056</b>	<b>59,686</b>	<b>228,793</b>	<b>-</b>	<b>467,535</b>
<b>290</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>\$ 5,466,243</b>	<b>\$ 1,128,278</b>	<b>\$ 2,357,247</b>	<b>\$ 2,326,977</b>	<b>\$ 11,278,745</b>

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule December 31, 2016

Line Item No.	Account Description	Wilbur Peck	Quarry Knoll	Agnes Morley	Greenwich Close	Total AMPs
312	Accounts Payable < = 90 Days	\$ 7,495	\$ 2,827	\$ 9,763	\$ 15,447	\$ 35,532
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	-
322	Accrued Compensated Absences - Current Portion	47,835	21,743	65,229	8,899	143,706
324	Accrued Contingency Liability	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	5,995	5,995
331-010	Accounts Payable - HUD PHA Programs - Operating Subsidy	-	-	-	-	-
331-030	Accounts Payable - HUD PHA Programs - Other	-	-	-	-	-
<b>331</b>	<b>Accounts Payable - HUD PHA Programs</b>	-	-	-	-	-
333	Accounts Payable - Other Government	103,515	26,352	54,248	99,771	283,886
341	Tenant Security Deposits	80,317	17,071	55,433	39,465	192,286
342-030	Deferred Revenue - Other	-	-	-	-	-
<b>342</b>	<b>Deferred Revenues</b>	-	-	-	-	-
343-020	Capital Projects/Mortgage Revenue	-	-	-	-	-
<b>343</b>	<b>Current Portion of Long-Term Debt - Capital Projects</b>	-	-	-	-	-
345	Other Current Liabilities	-	-	-	-	-
346	Accrued Liabilities - Other	-	-	-	878	878
347	Interprogram Due To	-	-	-	-	-
348	Loan Liability - Current	-	-	-	40,806	40,806
<b>310</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>239,162</b>	<b>67,993</b>	<b>184,673</b>	<b>211,261</b>	<b>703,089</b>
351-010	Long-Term Debt - CFFP	-	-	-	2,079,931	2,079,931
351-020	Long-Term - Capital Projects/Mortgage Revenue	-	-	-	-	-
<b>351</b>	<b>Long-Term Debt, Net of Current - Capital Projects</b>	-	-	-	<b>2,079,931</b>	<b>2,079,931</b>
353	Noncurrent Liabilities - Other	429,920	143,307	549,342	-	1,122,569
354	Accrued Compensated Absences - Non Current	-	-	-	-	-
355-010	Loan Liability - Non-Current - Not For Profit	-	-	-	-	-
355	Loan Liability - Non-Current	-	-	-	-	-
354	Accrued Compensated Absences - Non Current	-	-	-	-	-
<b>350</b>	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>429,920</b>	<b>143,307</b>	<b>549,342</b>	<b>2,079,931</b>	<b>3,202,500</b>
<b>300</b>	<b>TOTAL LIABILITIES</b>	<b>669,082</b>	<b>211,300</b>	<b>734,015</b>	<b>2,291,192</b>	<b>3,905,589</b>
508.1	Invested in Capital Assets, Net of Related Debt	4,945,306	844,819	1,790,695	(95)	7,580,725
511.1	Restricted Net Assets	-	-	-	-	-
512.1	Unrestricted Net Assets	(148,145)	72,159	(167,463)	35,880	(207,569)
<b>513</b>	<b>TOTAL NET POSITION</b>	<b>4,797,161</b>	<b>916,978</b>	<b>1,623,232</b>	<b>35,785</b>	<b>7,373,156</b>
<b>600</b>	<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 5,466,243</b>	<b>\$ 1,128,278</b>	<b>\$ 2,357,247</b>	<b>\$ 2,326,977</b>	<b>\$ 11,278,745</b>

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule Year Ended December 31, 2016

Line Item No.	Account Description	Wilbur Peck - Public Housing	Wilbur Peck - CFP	Wilbur Peck - Total	Quarry Knoll - Public Housing	Quarry Knoll - CFP	Quarry Knoll - Total	Agnes Morley - Public Housing	Agnes Morley - CFP	Agnes Morley - Total	Greenwich Close - Public Housing	Greenwich Close - CFP	Greenwich Close - Total	Total AMPs
	REVENUE													
70300	Net Tenant Rental Revenue	\$ 693,811	\$ -	\$ 693,811	\$ 204,291	\$ -	\$ 204,291	\$ 636,208	\$ -	\$ 636,208	\$ 348,827	\$ -	\$ 348,827	\$ 1,883,137
70400	Tenant Revenue - Other	-	-	-	-	-	-	-	-	-	2,046	-	2,046	2,046
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>693,811</b>	<b>-</b>	<b>693,811</b>	<b>204,291</b>	<b>-</b>	<b>204,291</b>	<b>636,208</b>	<b>-</b>	<b>636,208</b>	<b>350,873</b>	<b>-</b>	<b>350,873</b>	<b>1,885,183</b>
70600-010	Housing assistance payment	262,119	-	262,119	130,389	-	130,389	482,479	-	482,479	171	-	171	875,158
<b>70600</b>	<b>HUD PHA Operating Grants</b>	<b>262,119</b>	<b>-</b>	<b>262,119</b>	<b>130,389</b>	<b>-</b>	<b>130,389</b>	<b>482,479</b>	<b>-</b>	<b>482,479</b>	<b>171</b>	<b>-</b>	<b>171</b>	<b>875,158</b>
70610	Capital Grants	86,904	-	86,904	5,592	-	5,592	55,920	-	55,920	-	-	-	148,416
71100	Investment Income - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-
71200	Mortgage Interest Income	1,106	-	1,106	494	-	494	1,589	-	1,589	62	-	62	3,251
71500	Other Revenue	27,438	-	27,438	11,616	-	11,616	36,078	-	36,078	11,146	-	11,146	86,278
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>70000</b>	<b>TOTAL REVENUE</b>	<b>1,071,378</b>	<b>-</b>	<b>1,071,378</b>	<b>352,382</b>	<b>-</b>	<b>352,382</b>	<b>1,212,274</b>	<b>-</b>	<b>1,212,274</b>	<b>362,252</b>	<b>-</b>	<b>362,252</b>	<b>362,252</b>
	EXPENSES													
91100	Administrative Salaries	154,641	-	154,641	62,662	-	62,662	266,302	-	266,302	36,180	-	36,180	519,785
91200	Auditing Fees	8,683	-	8,683	3,393	-	3,393	9,541	-	9,541	3,358	-	3,358	24,975
91300	Management Fee	-	-	-	-	-	-	-	-	-	9,952	-	9,952	9,952
91500	Employee Benefit Contributions - administrative	-	-	-	-	-	-	-	-	-	-	-	-	-
91600	Office Expenses	19,015	-	19,015	7,099	-	7,099	26,075	-	26,075	1,857	-	1,857	54,046
91700	Legal Expense	17,312	-	17,312	2,874	-	2,874	6,020	-	6,020	130	-	130	26,336
91900	Other	11,832	-	11,832	4,771	-	4,771	14,996	-	14,996	15,607	-	15,607	47,206
<b>91000</b>	<b>Total Operating - Administrative</b>	<b>211,483</b>	<b>-</b>	<b>211,483</b>	<b>80,799</b>	<b>-</b>	<b>80,799</b>	<b>322,934</b>	<b>-</b>	<b>322,934</b>	<b>67,084</b>	<b>-</b>	<b>67,084</b>	<b>682,300</b>
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
	Tenant Services													
92100	Tenant Services - Salaries	97,951	-	97,951	4,804	-	4,804	64,215	-	64,215	-	-	-	166,970
<b>92500</b>	<b>Total Tenant Services</b>	<b>97,951</b>	<b>-</b>	<b>97,951</b>	<b>4,804</b>	<b>-</b>	<b>4,804</b>	<b>64,215</b>	<b>-</b>	<b>64,215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166,970</b>
	Utilities													
93100	Water	52,891	-	52,891	16,313	-	16,313	26,654	-	26,654	4,396	-	4,396	100,254
93200	Electricity	32,310	-	32,310	8,932	-	8,932	273,602	-	273,602	5,077	-	5,077	319,921
93300	Gas	58,363	-	58,363	35,463	-	35,463	11,934	-	11,934	17,325	-	17,325	123,085
<b>93000</b>	<b>Total Utilities</b>	<b>143,564</b>	<b>-</b>	<b>143,564</b>	<b>60,708</b>	<b>-</b>	<b>60,708</b>	<b>312,190</b>	<b>-</b>	<b>312,190</b>	<b>26,798</b>	<b>-</b>	<b>26,798</b>	<b>543,260</b>
	Ordinary Maintenance and Operation													
94100	Ordinary Maintenance and Operation - Labor	163,117	-	163,117	50,077	-	50,077	113,503	-	113,503	27,719	-	27,719	354,416
94200	Ordinary Maintenance and Operation - Materials and Other	50,803	-	50,803	14,373	-	14,373	30,899	-	30,899	10,629	-	10,629	106,704
94300-000	Ordinary Maintenance and Operations Contracts - Contract Cost	137,765	-	137,765	39,030	-	39,030	91,145	-	91,145	44,064	-	44,064	312,004
<b>94300</b>	<b>Ordinary Maintenance and Operations Contracts</b>	<b>137,765</b>	<b>-</b>	<b>137,765</b>	<b>39,030</b>	<b>-</b>	<b>39,030</b>	<b>91,145</b>	<b>-</b>	<b>91,145</b>	<b>44,064</b>	<b>-</b>	<b>44,064</b>	<b>312,004</b>
94500	Employee Benefit Contributions - Ordinary Maintenance	63,800	-	63,800	27,214	-	27,214	48,277	-	48,277	20,850	-	20,850	160,141
<b>94000</b>	<b>Total Maintenance</b>	<b>415,485</b>	<b>-</b>	<b>415,485</b>	<b>130,694</b>	<b>-</b>	<b>130,694</b>	<b>283,824</b>	<b>-</b>	<b>283,824</b>	<b>103,262</b>	<b>-</b>	<b>103,262</b>	<b>933,265</b>
		868,483	-	868,483	277,005	-	277,005	983,163	-	983,163	197,144	-	197,144	2,325,795



# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule Year Ended December 31, 2016

Line Item No.	Account Description	Wilbur Peck - Public Housing	Wilbur Peck - CFP	Wilbur Peck - Total	Quarry Knoll - Public Housing	Quarry Knoll - CFP	Quarry Knoll - Total	Agnes Morley - Public Housing	Agnes Morley - CFP	Agnes Morley - Total	Greenwich Close - Public Housing	Greenwich Close - CFP	Greenwich Close - Total	Total AMPs
96110	Property Insurance	26,667	-	26,667	5,196	-	5,196	34,746	-	34,746	5,731	-	5,731	72,340
96120	Liability Insurance	8,932	-	8,932	2,128	-	2,128	14,234	-	14,234	1,458	-	1,458	26,752
96130	Workmen's Compensation	13,119	-	13,119	4,571	-	4,571	11,833	-	11,833	1,920	-	1,920	31,443
96140	All Other Insurance	8,261	-	8,261	3,822	-	3,822	11,572	-	11,572	811	-	811	24,466
<b>96100</b>	<b>Total Insurance Premiums</b>	<b>56,979</b>	<b>-</b>	<b>56,979</b>	<b>15,717</b>	<b>-</b>	<b>15,717</b>	<b>72,385</b>	<b>-</b>	<b>72,385</b>	<b>9,920</b>	<b>-</b>	<b>9,920</b>	<b>155,001</b>
96300	Payments in Lieu of Taxes	55,025	-	55,025	14,358	-	14,358	32,402	-	32,402	29,934	-	29,934	131,719
<b>96000</b>	<b>Total Other General Expenses</b>	<b>55,025</b>	<b>-</b>	<b>55,025</b>	<b>14,358</b>	<b>-</b>	<b>14,358</b>	<b>32,402</b>	<b>-</b>	<b>32,402</b>	<b>29,934</b>	<b>-</b>	<b>29,934</b>	<b>131,719</b>
96710	Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-	-	71,345	-	71,345	71,345
96720	Interest on Notes Payable (Short and Long-Term)	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization Expense	-	-	-	-	-	-	-	-	-	2,143	-	2,143	2,143
<b>96700</b>	<b>Total Interest Expense and Amortization Cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,488</b>	<b>-</b>	<b>73,488</b>	<b>73,488</b>
<b>96900</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>980,487</b>	<b>-</b>	<b>980,487</b>	<b>307,080</b>	<b>-</b>	<b>307,080</b>	<b>1,087,950</b>	<b>-</b>	<b>1,087,950</b>	<b>310,486</b>	<b>-</b>	<b>310,486</b>	<b>2,686,003</b>
<b>97000</b>	<b>EXCESS REVENUE OVER OPERATING EXPENSES</b>	<b>90,891</b>	<b>-</b>	<b>90,891</b>	<b>45,302</b>	<b>-</b>	<b>45,302</b>	<b>124,324</b>	<b>-</b>	<b>124,324</b>	<b>51,766</b>	<b>-</b>	<b>51,766</b>	<b>(2,323,751)</b>
97400	Depreciation Expense	382,442	-	382,442	85,583	-	85,583	161,890	-	161,890	52,353	-	52,353	682,268
<b>90000</b>	<b>TOTAL EXPENSES</b>	<b>1,362,929</b>	<b>-</b>	<b>1,362,929</b>	<b>392,663</b>	<b>-</b>	<b>392,663</b>	<b>1,249,840</b>	<b>-</b>	<b>1,249,840</b>	<b>362,839</b>	<b>-</b>	<b>362,839</b>	<b>3,368,271</b>
<b>1000</b>	<b>Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$ (291,551)</b>	<b>\$ -</b>	<b>\$ (291,551)</b>	<b>\$ (40,281)</b>	<b>\$ -</b>	<b>\$ (40,281)</b>	<b>\$ (37,566)</b>	<b>\$ -</b>	<b>\$ (37,566)</b>	<b>\$ (587)</b>	<b>\$ -</b>	<b>\$ (587)</b>	<b>\$ (369,985)</b>
11030	Beginning equity	5,413,502	-	5,413,502	1,065,520	-	1,065,520	2,075,789	-	2,075,789	(3,608)	-	(3,608)	8,551,203
11040	Prior period adjustments, equity transfers, and correction	(324,790)	-	(324,790)	(108,261)	-	(108,261)	(414,991)	-	(414,991)	39,980	-	39,980	(808,062)

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule December 31, 2016

Line Item No.	Account Description	Housing Choice Vouchers	Component Units	State / Local	Business Activities	Formula Capital Fund Stimulus Grant	Resident Opportunity and Supportive Services	Total
111	Cash - Unrestricted	\$ 268,698	\$ 1,725,052	\$ 867,425	\$ 1,270,148	\$ -	\$ -	\$ 4,131,323
113	Cash - Other Restricted	500,260	629,619	-	75,800	-	-	1,205,679
114	Cash - Tenant Security Deposits	-	336,325	220,000	-	-	-	556,325
<b>100</b>	<b>Total Cash</b>	<b>768,958</b>	<b>2,690,996</b>	<b>1,087,425</b>	<b>1,345,948</b>	<b>-</b>	<b>-</b>	<b>5,893,327</b>
124	Accounts Receivable - Other Government	-	345,411	-	1,924,401	-	-	2,269,812
125-040	Account Receivable - Miscellaneous - Tax Credit	-	-	-	-	-	-	-
125-050	Account Receivable - Miscellaneous - Other	-	-	55,898	-	-	-	55,898
<b>125</b>	<b>Accounts Receivable - Miscellaneous</b>	<b>-</b>	<b>-</b>	<b>55,898</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,898</b>
126	Accounts Receivable - Tenants - Dwelling Rents	-	114,274	30,554	1,228	-	-	146,056
126.1	Allowance for Doubtful Accounts - Tenants	-	-	(16,227)	-	-	-	(16,227)
128	Accounts Receivable - Fraud Recovery	14,910	-	-	-	-	-	14,910
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>14,910</b>	<b>459,685</b>	<b>70,225</b>	<b>1,925,629</b>	<b>-</b>	<b>-</b>	<b>2,470,449</b>
142	Prepaid Expenses and Other Assets	5,201	2,967,086	86,905	1,280	-	-	3,060,472
144	Interprogram Due From	-	-	-	572,413	-	-	572,413
<b>150</b>	<b>TOTAL CURRENT ASSETS</b>	<b>789,069</b>	<b>6,117,767</b>	<b>1,244,555</b>	<b>3,845,270</b>	<b>-</b>	<b>-</b>	<b>11,996,661</b>
161	Land	-	5,970,418	478,991	392,267	-	-	6,841,676
162	Buildings	-	22,223,261	15,303,258	886,653	-	-	38,413,172
163	Furniture, Equipment and Machinery - Dwellings	-	1,015,942	669,847	10,724	-	-	1,696,513
164	Furniture, Equipment and Machinery - Administration	-	61,004	97,927	4,091	-	-	163,022
166	Accumulated Depreciation	-	(8,775,269)	(9,567,527)	(65,151)	-	-	(18,407,947)
167	Construction in Progress	-	8,255	661,576	-	173,222	-	843,053
<b>160</b>	<b>Total Fixed Assets, Net of Accumulated Depreciation</b>	<b>-</b>	<b>20,503,611</b>	<b>7,644,072</b>	<b>1,228,584</b>	<b>173,222</b>	<b>-</b>	<b>29,549,489</b>
174	Other Assets	-	320,588	-	552,250	-	-	872,838
<b>180</b>	<b>TOTAL NONCURRENT ASSETS</b>	<b>-</b>	<b>20,824,199</b>	<b>7,644,072</b>	<b>1,780,834</b>	<b>173,222</b>	<b>-</b>	<b>30,422,327</b>
<b>200</b>	<b>Deferred Outflow of Resources</b>	<b>89,527</b>	<b>-</b>	<b>437,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>527,219</b>
<b>290</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>\$ 878,596</b>	<b>\$ 26,941,966</b>	<b>\$ 9,326,319</b>	<b>\$ 5,626,104</b>	<b>\$ 173,222</b>	<b>\$ -</b>	<b>\$ 42,946,207</b>

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule December 31, 2016

Line Item No.	Account Description	Housing Choice Vouchers	Component Units	State / Local	Business Activities	Formula Capital Fund Stimulus Grant	Resident Opportunity and Supportive Services	Total
312	Accounts Payable < = 90 Days	\$ 121,698	\$ 135,011	\$ 21,060	\$ -	\$ -	\$ -	\$ 277,769
321	Accrued Wage/Payroll Taxes Payable	-	-	-	30,238	-	-	30,238
322	Accrued Compensated Absences - Current Portion	24,755	259,118	134,084	-	-	-	417,957
325	Accrued Interest Payable	-	84,874	9,669	-	-	-	94,543
333	Accounts Payable - Other Government	-	1,730,707	-	565,831	-	-	2,296,538
341	Tenant Security Deposits	-	317,556	219,159	13,150	-	-	549,865
342-030	Deferred Revenue - Other	-	-	-	-	-	-	-
<b>342</b>	<b>Deferred Revenues</b>	-	-	-	-	-	-	-
343-020	Capital Projects/Mortgage Revenue	-	-	-	-	-	-	-
343	Current Portion of Long-Term Debt - Capital Projects	-	-	-	-	-	-	-
344	Current Portion of Long-Term Debt - Operating Borrowings	-	-	-	-	-	-	-
345	Other Current Liabilities	-	-	-	138,911	-	-	138,911
346	Accrued Liabilities - Other	113,707	55,834	-	100,000	-	-	269,541
347	Interprogram Due To	-	-	-	1,223,747	4,750	-	1,228,497
348	Loan Liability - Current	-	453,451	61,552	26,295	-	-	541,298
<b>310</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>260,160</b>	<b>3,036,551</b>	<b>445,524</b>	<b>2,098,172</b>	<b>4,750</b>	<b>-</b>	<b>5,845,157</b>
351-010	Long-Term Debt - CFFP	-	16,016,766	1,109,921	1,026,095	-	-	18,152,782
351-020	Long-Term - Capital Projects/Mortgage Revenue	-	-	-	-	-	-	-
<b>351</b>	<b>Long-Term Debt, Net of Current - Capital</b>	<b>-</b>	<b>16,016,766</b>	<b>1,109,921</b>	<b>1,026,095</b>	<b>-</b>	<b>-</b>	<b>18,152,782</b>
352	Long-Term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	214,960	1,151,303	1,050,915	-	-	-	2,417,178
354	Accrued Compensated Absences - Non Current	-	-	-	-	-	-	-
355-010	Loan Liability - Non-Current - Not For Profit	-	-	-	-	-	-	-
355	Loan Liability - Non-Current	-	-	-	-	-	-	-
354	Accrued Compensated Absences - Non Current	-	-	-	-	-	-	-
<b>350</b>	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>214,960</b>	<b>17,168,069</b>	<b>2,160,836</b>	<b>1,026,095</b>	<b>-</b>	<b>-</b>	<b>20,569,960</b>
<b>300</b>	<b>TOTAL LIABILITIES</b>	<b>475,120</b>	<b>20,204,620</b>	<b>2,606,360</b>	<b>3,124,267</b>	<b>4,750</b>	<b>-</b>	<b>26,415,117</b>
<b>400</b>	<b>Deferred Inflow of Resources</b>	<b>527,304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>527,304</b>
508.1	Invested in Capital Assets, Net of Related Debt	-	4,033,394	6,472,599	176,194	173,222	-	10,855,409
511.1	Restricted Net Assets	500,260	500,000	-	420,000	-	-	1,420,260
512.1	Unrestricted Net Assets	(624,088)	2,203,952	247,360	1,905,643	(4,750)	-	3,728,117
<b>513</b>	<b>TOTAL NET POSITION</b>	<b>(123,828)</b>	<b>6,737,346</b>	<b>6,719,959</b>	<b>2,501,837</b>	<b>168,472</b>	<b>-</b>	<b>16,003,786</b>
<b>600</b>	<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$ 878,596</b>	<b>\$ 26,941,966</b>	<b>\$ 9,326,319</b>	<b>\$ 5,626,104</b>	<b>\$ 173,222</b>	<b>\$ -</b>	<b>\$ 42,946,207</b>

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule Year Ended December 31, 2016

Line Item No.	Account Description	Housing Choice Vouchers	Component Units	State / Local	Business Activities	Formula Capital Fund Stimulus Grant	Resident Opportunity and Supportive Services	Total
<b>Revenue</b>								
70300	Net Tenant Rental Revenue	\$ -	\$ 4,917,402	\$ 1,841,374	\$ 66,666	\$ -	\$ -	\$ 6,825,442
70400	Tenant Revenue - Other	-	13,599	850,204	-	-	-	863,803
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>-</b>	<b>4,931,001</b>	<b>2,691,578</b>	<b>66,666</b>	<b>-</b>	<b>-</b>	<b>7,689,245</b>
70600-010	Housing assistance payment	6,019,663	893,117	-	-	-	-	6,912,780
<b>70600</b>	<b>HUD PHA Operating Grants</b>	<b>6,019,663</b>	<b>893,117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,912,780</b>
70610	Capital Grants	-	-	9,292	-	-	-	9,292
70800	Other Governmental Grants	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	-	21,971	3,459	(19)	-	-	25,411
71200	Mortgage Interest Income	-	6,075	-	-	-	-	6,075
71500	Other Revenue	66	121,812	95,247	253,629	-	-	470,754
<b>70000</b>	<b>TOTAL REVENUE</b>	<b>6,019,729</b>	<b>5,973,976</b>	<b>2,799,576</b>	<b>320,276</b>	<b>-</b>	<b>-</b>	<b>15,113,557</b>
<b>Expenses</b>								
91100	Administrative Salaries	171,093	702,152	459,865	8,953	-	-	1,342,063
91200	Auditing Fees	4,907	66,109	24,360	-	-	-	95,376
91300	Management Fee	-	243,677	-	-	-	-	243,677
91400	Advertising and Marketing	144	2,605	-	-	-	-	2,749
91500	Employee Benefit Contributions - administrative	-	-	-	-	-	-	-
91600	Office Expenses	42,504	77,385	46,153	-	-	-	166,042
91700	Legal Expense	12,329	16,612	25,402	172,000	-	-	226,343
91900	Other	45,540	128,653	46,877	16,150	-	-	237,220
<b>91000</b>	<b>Total Operating - Administrative</b>	<b>276,517</b>	<b>1,237,193</b>	<b>602,657</b>	<b>197,103</b>	<b>-</b>	<b>-</b>	<b>2,313,470</b>
<b>Tenant Services</b>								
92100	Tenant Services - Salaries	-	865,747	52,417	-	-	-	918,164
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-
92400	Tenant Services - Other	-	-	-	-	-	-	-
<b>92500</b>	<b>Total Tenant Services</b>	<b>-</b>	<b>865,747</b>	<b>52,417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>918,164</b>
<b>Utilities</b>								
93100	Water	-	70,476	108,542	340	-	-	179,358
93200	Electricity	-	116,795	89,730	442	-	-	206,967
93300	Gas	-	143,346	113,133	-	-	-	256,479
<b>93000</b>	<b>Total Utilities</b>	<b>-</b>	<b>330,617</b>	<b>311,405</b>	<b>782</b>	<b>-</b>	<b>-</b>	<b>642,804</b>
<b>Ordinary Maintenance and Operation</b>								
94100	Ordinary Maintenance and Operation - Labor	-	342,988	341,244	822	-	-	685,054
94200	Ordinary Maintenance and Operation - Materials and Other	-	120,325	81,761	1,018	-	-	203,104
94300-000	Ordinary Maintenance and Operations Contracts - Contract Cost	-	438,557	218,347	6,525	-	-	663,429
<b>94300</b>	<b>Ordinary Maintenance and Operations Contracts</b>	<b>-</b>	<b>901,870</b>	<b>641,352</b>	<b>8,365</b>	<b>-</b>	<b>-</b>	<b>1,551,587</b>
94500	Employee Benefit Contributions - Ordinary Maintenance	49,990	510,700	165,053	752	-	-	726,495
<b>94000</b>	<b>Total Maintenance</b>	<b>49,990</b>	<b>1,412,570</b>	<b>806,405</b>	<b>9,117</b>	<b>-</b>	<b>-</b>	<b>2,278,082</b>
		326,507	3,846,127	1,772,884	207,002	-	-	6,152,520

# Housing Authority of the Town of Greenwich

## Supplementary Information

### Financial Data Schedule Year Ended December 31, 2016

Line Item No.	Account Description	Housing Choice Vouchers	Component Units	State / Local	Business Activities	Formula Capital Fund Stimulus Grant	Resident Opportunity and Supportive Services	Total
96110	Property Insurance	-	71,735	60,647	-	-	-	132,382
96120	Liability Insurance	-	51,927	24,838	-	-	-	76,765
96130	Workmen's Compensation	5,811	48,281	27,660	-	-	-	81,752
96140	All Other Insurance	6,171	17,718	23,242	-	-	-	47,131
<b>96100</b>	<b>Total Insurance Premiums</b>	<b>11,982</b>	<b>189,661</b>	<b>136,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338,030</b>
96200	Other General Expenses	-	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	-	262,943	-	6,244	-	-	269,187
<b>96000</b>	<b>Total Other General Expenses</b>	<b>-</b>	<b>262,943</b>	<b>-</b>	<b>6,244</b>	<b>-</b>	<b>-</b>	<b>269,187</b>
96710	Interest of Mortgage (or Bonds) Payable	-	562,660	36,102	33,298	-	-	632,060
96730	Amortization Expense	-	14,241	-	-	-	-	14,241
<b>96700</b>	<b>Total Interest Expense and Amortization Cost</b>	<b>-</b>	<b>576,901</b>	<b>36,102</b>	<b>33,298</b>	<b>-</b>	<b>-</b>	<b>646,301</b>
<b>96900</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>338,489</b>	<b>4,875,632</b>	<b>1,945,373</b>	<b>246,544</b>	<b>-</b>	<b>-</b>	<b>7,406,038</b>
<b>97000</b>	<b>EXCESS REVENUE OVER OPERATING EXPENSES</b>	<b>5,681,240</b>	<b>1,098,344</b>	<b>854,203</b>	<b>73,732</b>	<b>-</b>	<b>-</b>	<b>7,707,519</b>
97300	Housing Assistance Payments	5,557,084	-	-	-	-	-	5,557,084
97400	Depreciation Expense	-	681,253	444,890	24,282	-	-	1,150,425
<b>90000</b>	<b>TOTAL EXPENSES</b>	<b>5,895,573</b>	<b>5,556,885</b>	<b>2,390,263</b>	<b>270,826</b>	<b>-</b>	<b>-</b>	<b>14,113,547</b>
<b>10000</b>	<b>Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$ 124,156</b>	<b>\$ 417,091</b>	<b>\$ 409,313</b>	<b>\$ 49,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000,010</b>
11030	Beginning equity	(85,594)	6,360,235	7,104,558	2,452,387	168,472	-	16,000,058
11040	Prior period adjustments, equity transfers, and correction of errors	(162,390)	(39,980)	(793,912)	-	-	-	(996,282)

See Independent Auditor's Report.

**Housing Authority of the Town of Greenwich**

**Supplementary Information**

**Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2016**

<u>Federal Grantor Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development, Office of Public and Indian Housing		
Section 8 Housing Choice Vouchers	14.871	\$ 6,019,663
Public and Indian Housing, Low Rent Public Housing	14.850	806,718
Public Housing Capital Fund	14.872	2,200
Family Self-Sufficiency Program	14.896	69,000
Resident Opportunity and Supportive Services - Service Coordinators	14.870	<u>79,992</u>
Total Expenditures of Federal Awards		<u><u>\$ 6,977,573</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

## **Housing Authority of the Town of Greenwich**

### **Supplementary Information**

#### **Notes to Schedule of Expenditures of Federal Awards Year Ended December 31, 2016**

##### **Note 1 - Basis of presentation**

The accompanying schedule of expenditures of federal awards includes the federal award activity of the Housing Authority of the Town of Greenwich, under programs of the federal government for the year ended December 31, 2016. 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 Housing Authority of the Town of Greenwich, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority of the Town of Greenwich.

##### **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, as applicable, the cost principles contained in OMB Circular A-122, "Cost Principles for Non-Profit Organizations" or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority of the Town of Greenwich has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Housing Authority of the Town of Greenwich**

**Supplementary Information**

**Schedule of the Authority's Contributions  
for the Connecticut Municipal Employees Retirement System ("CT MERS")  
June 30, 2016**

	<u>2016</u>	<u>2015</u>
Contractually required CT MERS' contribution	\$ 348,536	\$ 338,476
CT MERS' contributions in relation to the contractually required contribution	<u>348,536</u>	<u>338,476</u>
CT MERS' contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Authority's covered employee payroll	2,896,718	2,545,950
CT MERS' contributions as a percentage of covered employee payroll	1.20%	1.15%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedules are presented to illustrate the requirements of GASB Statement No. 68 to present the data for 10 years. Currently, only the data for fiscal years ending June 30, 2016 and 2015 is available.



## Housing Authority of the Town of Greenwich

### Supplementary Information

#### Schedule of the Authority's Proportionate Share of the Net Pension Liability for the Connecticut Municipal Employees Retirement System ("CT MERS") June 30, 2016

	2016	2015
Authority's proportion of the CT MERS' net pension liability	1.22%	1.15%
Authority's proportionate share of the CT MERS' net pension liability	\$ 2,388,444	\$ 1,570,793
Authority's covered employee payroll	\$ 2,896,718	\$ 2,545,950
Authority's proportionate share of the CT MERS' net pension liability as a percentage of its covered employee payroll	82.45%	61.70%
CT MERS' Plan fiduciary net position as a percentage of the total pension liability	88.29%	92.72%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedules are presented to illustrate the requirements of GASB Statement No. 68 to present the data for 10 years. Currently, only the data for fiscal years ending June 30, 2016 and 2015 is available.



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