

Fiscal Year 2024

Adopted Budget



INLIVIAN
HOUSING REDEFINED



INLIVIAN
HOUSING REDEFINED



400 East Blvd, Charlotte, North Carolina

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INLIVIAN
HOUSING REDEFINED



1.0 INTRODUCTION

TRANSMITTAL LETTER

November 2023

To the Chairperson and the Board of Commissioners:

I am pleased to present INLIVIAN's Fiscal Year (FY) 2024 Budget. This budget is the financial plan for the upcoming year and incorporates the initiatives and actions towards our five-year strategic plan, "The Blueprint". INLIVIAN is preparing its next five-year strategic plan to continue aligning our investments with our strategies to increase the supply of diverse price-point housing, maintain and increase the value of our assets, stabilize our target market, and improve the quality of life for our customers.

INLIVIAN and its subsidiaries continue to provide property management and support services to residents using a private market platform, with a strong focus to help our families achieve economic self-sufficiency through the Moving Forward program across all properties. Included in these services are case management services, childcare, job support, senior programs and youth development which are designed to improve the lives of our residents. INLIVIAN continues to find ways to create opportunities for those we serve in order to live, work and thrive in our communities.

Management and staff prepared the attached operating and development budgets based on: 1) the Blueprint, 2) the Moving Forward Annual Plan, and 3) the sustainability of INLIVIAN and its family of companies. The purpose of this document is to provide the Board, staff and other stakeholders with a comprehensive budget for the coming period.

The Budget

The FY2024 Budget proposes to use \$258.2 Million for operating expenses, property improvements and development projects. The fiscal year budgets are presented as eight funds:

- Business Activities
- Component Units
- Central Office Cost Center (COCC)
- Moving to Work (MTW)
- C.O.R.E. Programs Inc. (CORE)
- Blue Horizon Management Company (Blue Horizon)
- Horizon Acquisition Corp. (Horizon Acquisition)
- Horizon Development Properties, Inc. (Horizon Development).

The budgets are balanced in accordance with North Carolina General Statutes for the Business Activities, COCC, and MTW. The CORE budget is also balanced.

Component Units, Blue Horizon, Horizon Acquisition and Horizon Development will show a budget with expected cash flow.

Budget Highlights

The effects of COVID-19 continue to impact the economy with the price of goods and services remaining higher than pre-pandemic levels and inflation putting pressure on the market. Economists are predicting a modest growth over the next few years. With this reality, INLIVIAN continues to reimagine how to deliver our services to better meet the evolving needs of our residents and partners.

Despite the labor and supply chain shortages faced the last few years, Horizon Development Properties, Inc. successfully completed the first phase of our newest property, The Gaston at North End. FY2024 will mark The Gaston's first full-year of operations under Blue Horizon Management Company (BHMC). Little Rock Apartments also transitioned from third-party management to BHMC in 2023. Both properties necessitated the increase in BHMC's staffing, which is included in this FY2024 Budget.

In light of heightened security concerns, our security service contracts have been expanded to not only monitoring and on-site services, but now include an on-site security team that can respond as needed to properties with additional security needs. As such, our security costs have risen beyond our historical averages. To better align security services with the properties, the Resident Safety department has now been re-organized under BHMC's management. This change creates greater operational efficiencies with closer collaboration between security services and property operations.

INLIVIAN adopted a back-to-basics mindset with an intentional focus on smart growth. The FY2024 Budget includes \$99K for network upgrades to optimize our virtual environments. Additionally, the FY2024 Budget provides funding to continue the Six Sigma services, which is a method that provides organizations tools to improve the capability of their business processes.

As we continue to recruit talented resources, INLIVIAN also recognizes the need to invest in our greatest assets, our employees. The FY2024 Budget includes a new 457(b) retirement plan benefit with employer match up to 5% based on years of service. In addition to this newly added benefit, a merit increase of up to 4% for eligible full-time employees, and a 3% increase on quarterly bonus amounts, both of which are based on performance, is also included.

INLIVIAN maintains its mission to expand quality affordable housing opportunities through real estate development initiatives. Development and revitalization projects in the FY2024 Budget include funding for future developments involving public-private partnerships. The capital investments in the FY2024 Budget reaffirms INLIVIAN's commitment to maintain the supply of diverse price-point housing. A Physical Needs Assessment was commissioned on all properties in 2023, and critical needs identified in the study will be addressed in 2024 as a part of this budget.

The attached budgets represent fiscal restraint and sustainability within our framework to meet the affordable housing demand. The budgets are based on INLIVIAN's mission and priorities mandated by the Board of Commissioners and the strategic plans articulated by the senior staff.

INLIVIAN and its subsidiaries wish to thank all its partners who contribute to the success of its mission. We look forward to discussions about the submitted budget for 2024.

Respectfully submitted,

A. Fulton Meachem, Jr.
President/CEO

BOARD OF COMMISSIONERS

INLIVIAN is a public body and a body corporate and politic of the State of North Carolina created pursuant to the Housing Authorities Law (Article 1 of Chapter 157 of the General Statutes of North Carolina), as amended by a resolution of the City Council of the City of Charlotte, North Carolina adopted on December 7, 1938. The Housing Authority of the City of Charlotte, now INLIVIAN, was incorporated in June 1939 and has been in continuous operation since that date. INLIVIAN's powers are vested in seven commissioners; two (2) appointed directly by the Mayor, and five (5) appointed by Charlotte City Council. At least one (1) member must be a resident of assisted housing. The current commissioners are as follows:



Ray McKinnon,
Chair



Michael Kennerly,
Vice Chair



Linda Ashendorf



Fatina Lorick



Antoine Dennard



Maurice Robinson



Erin Smith

Commissioners serve staggered three-year terms and, as the governing body, set policies governing the operations of INLIVIAN and charting the direction of current and future programs. Commissioners ensure that INLIVIAN operates within the North Carolina General Statutes and according to HUD regulation. Board action is affected by adoption of resolutions approving or authorizing the Chief Executive Officer, their designee, or other senior managers to implement policy and/or conduct business.

SENIOR MANAGEMENT

The Senior Management team of INLIVIAN consists of key executives who ensure that each of the agency's strategic business areas continue to focus on initiatives that center around the organization's strategic goals and management priorities.



A. Fulton Meachem, Jr., President/CEO. Mr. Meachem joined the agency in October 2012. He has worked in public housing for more than 20 years and has extensive experience in developing and executing workforce housing, resident services, and housing operations. As President and CEO of INLIVIAN, Mr. Meachem is responsible for the oversight and effective operation of one of the most progressive housing authorities in the nation. Due to an entrepreneurial nature, Mr. Meachem started two 501(c)(3) organizations to garner private dollars for public causes. He successfully led development efforts which resulted in the creation of over 1,600 mixed-income apartments using a myriad of sources such as HOPE VI funding, Low-Income Housing Tax Credits and Tax-Exempt Bond Financing. Mr. Meachem serves on a number of boards and committees including the Charlotte Works Board of Directors, Charlotte 2040 Vision Steering Committee, Childress Klein Center Real Estate Advisory Board and All Income Counts Coalition. He is a member of the Council of Large Public Housing Authorities, National Association of Housing and Redevelopment Officials and the Public Housing Authorities Directors Association. Mr. Meachem is a graduate of North Carolina Central University, with a Bachelor's of Arts degree in Business Administration.



Heather R. Franklin, CPA, EVP, Finance. Ms. Franklin joined the agency in September 2001. She oversees all financial and audit functions of INLIVIAN, which includes accounting, budgeting, procurement, and compliance. Prior to joining INLIVIAN, Ms. Franklin worked for Virginia Tech Foundation, a 501(c)(3) organization, in its Accounting Department. She is a member of the North Carolina Association of Certified Public Accountants, and the American Institute of Certified Public Accountants. She has both a Bachelor's and Master's degree in Accounting, each from Virginia Polytechnic Institute and State University (Virginia Tech). Ms. Franklin has been a licensed CPA in the state of North Carolina since 2004.



Eric Scott, Esq., Chief Operating Officer. Mr. Scott joined the agency in March 2023. Prior to joining INLIVIAN, Mr. Scott served in various roles such as managing partner of a law firm that advised clients in the area of real estate and contract law, a Deputy Director of Operations to the Office of Deputy Mayor for Planning and Economic Development, and a consultant that provided advisory services in the areas of government outreach, project management and workforce development. He earned a Bachelor of Arts degree in Economics, from the University of North Carolina at Charlotte, a Juris Doctorate degree from North Carolina Central University's school of Law, and a Leadership & Management certificate from Duke Fuqua School of Business. He also holds active law licenses in both North Carolina and the District of Columbia.



Temeka Couch, EVP, Housing Choice Voucher Program. Ms. Couch joined the agency in March 2023. Prior to joining INLIVIAN, Ms. Couch served in various capacities at multiple affordable housing agencies over the past 16 years. She has earned several professional housing certifications to enhance her knowledge in the area of affordable housing and further develop her leadership skills. Ms. Couch has a Bachelor's Degree in Politics and Government from Illinois State University & a Master of Public Administration & Policy Analysis Degree from Southern Illinois University. Ms. Couch is certified in Project Based Management, HCV Homeownership, HCV Specialist, Public Housing Manager and Public Housing Rent Calculations, Developing and Managing Project Based Vouchers, RAD Project Based Voucher, Procurement and Section 3, HCV Housing Quality Standards, Family Self Sufficiency, HCV Program Management, Fair Housing and Reasonable Accommodation and Housing Credit Certified Professional.



Kenya Lewis, EVP, People and Culture. Ms. Lewis joined the agency in July 2011. Ms. Lewis earned a Bachelor's Degree in Sociology/Social Welfare from Winston Salem State University and a Master's in Strategic Leadership with a concentration in Human Resources from Pfeiffer University. Ms. Lewis has served in several positions at INLIVIAN. She joined the agency working as a case manager in CORE programs, providing supportive services to our families. She has also served as both the Special Assistant and Project Manager to INLIVIAN's Executive Office. Ms. Lewis has more than 18 years of experience working in the human services field. Prior to joining INLIVIAN, Ms. Lewis worked at two public housing agencies serving in the Resident Services departments. In her current role, she leads the People & Culture division. Ms. Lewis works collaboratively to provide guidance in the areas of training and development, performance management, talent acquisition, benefits and compensation, employee engagement and customer service.



Allan Rivera, EVP, Information Technology. Mr. Rivera joined the agency in March 2023. Prior to joining INLIVIAN, Mr. Rivera served as the Director of Information Technology for the National Blood Testing Cooperative in Atlanta, Georgia and the Housing Authority of New Orleans. Mr. Rivera brings 22 years of experience in knowledge base management information systems, data management, cyber security, disaster recovery, cloud computing and systems configuration. He holds an Associate Degree in Electronics Engineering Technology/Networking from Remington College, an Associate Degree in Computer Information Technology from Delgado Community College and is working towards his Bachelor of Science degree in Information Technology from Tulane University. Mr. Rivera is also certified in Microsoft Azure Cloud Administration, Azure Cloud Fundamentals, IT Project Management and Cyber Security. He has also earned a Public Housing Management certification from Nan McKay University.



Harriet L. Huell, Esq., EVP, Legal. Ms. Huell joined the agency in April 2014. Prior to joining INLIVIAN, she gained five years of experience working with a private boutique law firm in Durham, NC, that specializes in representing public housing authorities throughout the Carolinas. Licensed to practice law in North and South Carolina, she specializes in both employment and housing law and has extensive litigation experience. Ms. Huell holds an undergraduate degree in Mass Communications from Claflin University, a Master's Degree in Media Studies from The Pennsylvania State University, and a Juris Doctorate from the University of North Carolina at Chapel Hill. Ms. Huell is responsible for all of INLIVIAN's legal matters, risk management and managing outside counsel contracts for the entire agency.



Cheron Porter, EVP of Corporate Communications. Ms. Porter joined the agency in August of 2015 as Senior Vice President of Public Relations. She is an award-winning communications and public relations executive with over 25 years of experience. Cheron's expertise and wisdom are grounded in connecting with people and translating complex information into digestible details that clarify purpose. Ms. Porter holds a Bachelor of Arts degree from James Madison University, a Master of Arts degree from American University, a Graduate certificate from the University of Maryland college Park, as well as the Accreditation in Public Relations (ARP) distinction. In addition to her work with INLIVIAN, Cheron has been a mentor for over 20 years and currently serves as the Diversity and Inclusion Chair for the Public Relations Society of America (PRSA) Charlotte and a coach for Girls on the Run.

SUBSIDIARES SENIOR MANAGEMENT



Tomico P. Evans, EVP, CORE. Ms. Evans joined the agency in September 2007. Ms. Evans has a Bachelor's Degree in Psychology from Johnson C. Smith University and a Master's in Social Work from Clark Atlanta University in Atlanta, Georgia. She has more than 18 years of experience operating and directing human services programs within the non-profit and governmental sector. Prior to joining the agency, Ms. Evans worked for a local 501 (c)(3) organization as a Program Director overseeing programs for homeless individuals and families. In her current role, she leads INLIVIAN's Non-Profit organization CORE Programs, Inc. On an annual basis CORE delivers supportive services to approximately 3,000 households across the City of Charlotte. Ms. Evans also coordinates the agency's partnerships and relationships with community service providers, funders and donors working to leverage program, services, and funding designed to enhance and enrich the lives of our residents and assist them to achieve financial independence, social empowerment, and academic success.



HORIZON
DEVELOPMENT PROPERTIES

Allen Gong, EVP, Real Estate Development. Horizon Development Properties, Inc. (Horizon Development). Allen has a proven track record of transformative leadership and an in-depth understanding of the Real Estate Development, Construction Management, and Asset Management sectors. His adept navigation of the ever-changing regulatory landscape facilitates the development of mixed-income housing, bolstering the operational effectiveness of both Horizon Development Properties Inc. (HDP) and INLIVIAN. Serving as the Executive Vice President (EVP) of HDP, Allen offers valuable guidance and leadership, playing a pivotal role in the continuous success of HDP and propelling the agency to new heights. A graduate of Dalian University of Technology in China, Allen holds a Bachelor of Science in Construction Management and Real Estate Development. Further solidifying his expertise, he is an alum of the Massachusetts Institute of Technology (MIT), where he earned his Master of Science in Real Estate Development. Allen's leadership prowess, coupled with his extension knowledge and experience, empowers the HDP team to make positive impact on the Queen's City. Allen is inspired daily by his wife and their two children. In his free time, Allen likes rock climbing, ice skating, and exploring new things with his family.



Kimberlie Smith, EVP, Real Estate Management. Blue Horizon. Ms. Smith joined the agency in July 2022. Kim is a hands-on executive skilled at maintaining the integrity of the asset while maximizing financial returns. Kim has over 15 years' experience in the property management industry overseeing a large portfolio of LIHTC, HUD and market rate communities in NC, SC, GA and VA. Kim began in the conventional market but soon found her passion within the affordable housing arena where larger impact could be made offering safe and affordable housing to all who qualify. Kim is an interactive leader for her team as well as colleagues, investors, agencies and owners. Kim is a firm believer in being the example you want others to follow. In addition to property management, Kim brings a diverse background to the company with experience in accounting, marketing, software development and business management. Kim holds degrees in Business Management and Accounting from York Technical College.



STRATEGIC BUSINESS AREAS

INLIVIAN has six strategic business areas: Executive, Corporate Services, Administrative Operations, Blue Horizon Management Company (Blue Horizon), C.O.R.E. Programs Inc. (CORE), and Horizon Development Properties, Inc. (Horizon Development).

The **Executive Division** provides leadership and oversight of the organization by working with the Board of Commissioners and senior management team to establish and implement long-term goals, strategic plans for program development and policies to support operations.

Blue Horizon operates as INLIVIAN's Real Estate Management Division. They are responsible for the daily management and maintenance of housing units owned by INLIVIAN and its subsidiaries.

Corporate Services include Finance, People and Culture, Information Technology, Call Center, and Public Relations. They enable employees and other divisions to achieve the mission of INLIVIAN.

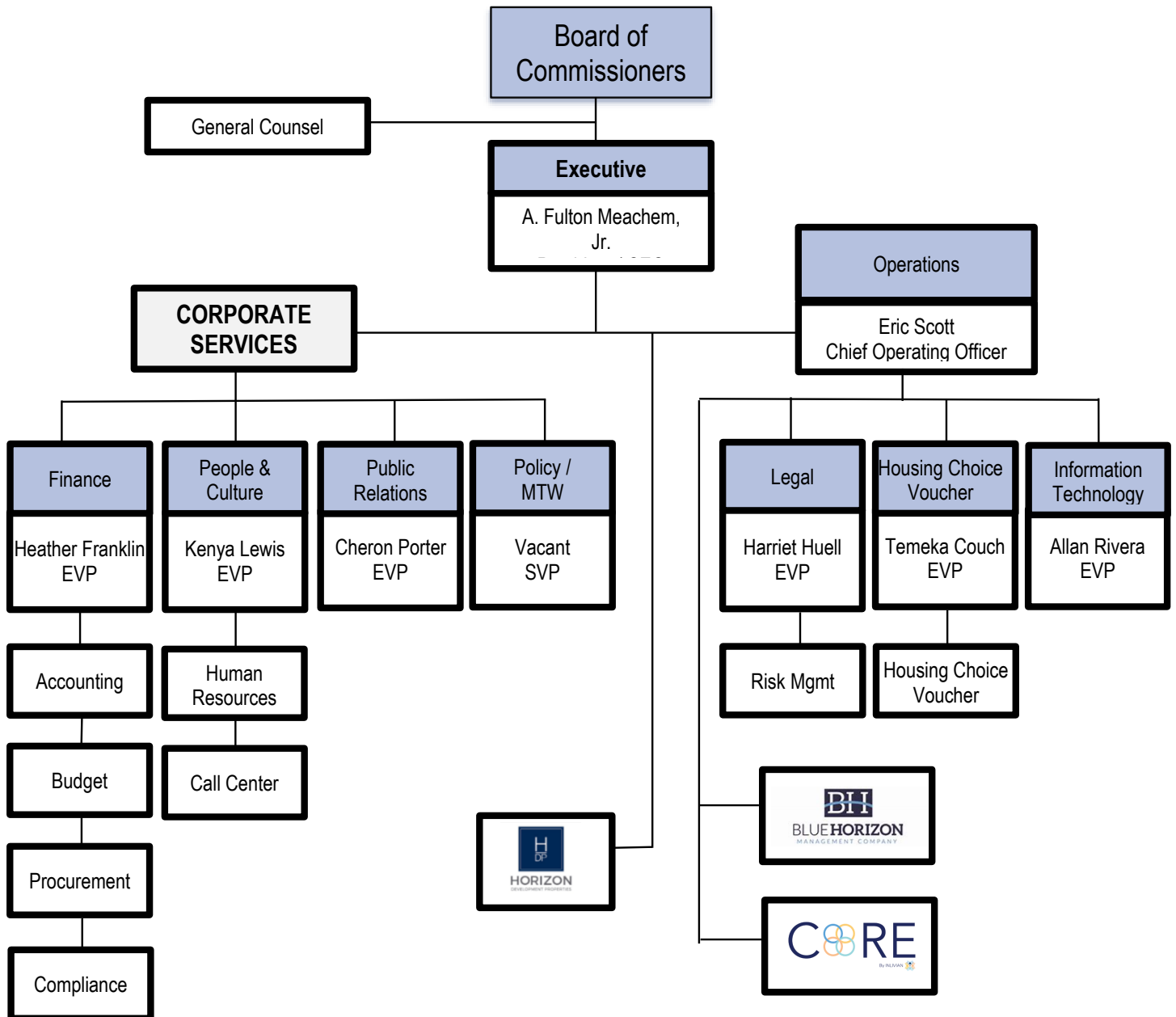
CORE provides client services to INLIVIAN residents, including youth development, Destination Home Ownership, case management and other services for our residents.

Administrative Operations includes the Housing Choice Voucher Program and administration of the Moving to Work program. Responsibilities include ensuring communication with stakeholders, and management of the Housing Choice Voucher program.

Horizon Development operates as the Real Estate Development Division of INLIVIAN and is responsible for providing construction management, asset management and development of new affordable housing units, partnering with the development community to leverage existing resources.



ORGANIZATION CHART



SUBSIDIARIES

Real Estate Management



Property
Management

Resident
Safety

Real Estate Development



Real Estate
Development

Asset
Management

Construction
Management

Client Services



Family
Services

Senior/Disabled
Services

Youth Services

Home-ownership



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**INLIVIAN
North Carolina**

For the Fiscal Year Beginning

January 01, 2023

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to INLIVIAN, for its Annual Budget for the fiscal year beginning January 1, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

2.0 STRATEGIC DIRECTION

2.1 VISION AND MISSION

OUR VISION

**Creating Community,
Empowering Families, and Building Partnerships.**

OUR MISSION

To create innovative housing solutions in desirable communities for residents of diverse incomes and facilitate access to services to help them succeed.

OUR GOALS

Goal I:
Elevate the customer experience by providing a culture of service excellence.

Goal II:
Acquire, develop, and preserve diverse price point housing.

Goal III:
Create and enhance diverse income streams to support INLIVIAN's Mission.

Goal IV:
Develop and maintain mutually beneficial external partnerships that further INLIVIAN's mission.

Goal V:
Implement a communication strategy that educates the public on INLIVIAN's transformation and engages stakeholders in advocacy efforts that further INLIVIAN's Mission.

Goal VI:
Acquire, Retain and Develop Top Talent to ensure the successful execution of our strategic plan.

OUR CORE PRINCIPLES

Best In Class
Our commitment is to the highest standards of excellence and we strive to always exceed customer expectations and be the best in the industry

We Are Our Word
Honesty and Integrity are the foundation upon which we build all relationships.

We Encourage Creative Thinking
Scarce resources, great needs and change-driven environment challenges the status quo and demands an entrepreneurial spirit. We encourage creative thinking and are consistently searching for better ways to accomplish our goals.

Children Are Our Future
It's better to build strong boys and girls than to repair broken men and women.

Accountability Ties Commitment to Results
We are accountable to INLIVIAN, and to our customers, investors, partners, community and each other for the work we produce and actions we take. We take ownership of our ideas, our creation and our impact.

2.2 THE BLUEPRINT (5-Year Plan)

INLIVIAN is guided by its five-year strategic plan named “The Blueprint”. Spurred on by the uncertainty of federal funding and increasing demand for affordable housing, INLIVIAN devised a plan that would monetize its 20+ years of experience in Real Estate Development, Property Management, and Supportive Services to take action on the immortal words of Abraham Lincoln, “the best way to predict the future is to create it yourself.”

INLIVIAN has a fully functional “Family of Companies” that together can increase the supply of diverse price-point housing, maintain and increase the value of our assets, stabilize our target market and produce cash flow that we can reinvest back into our mission.

Horizon Development, Blue Horizon, and CORE have created 709 new apartments across four new residential properties, received 225 new voucher awards, and graduated 67% of our participants in the Family-Self-Sufficiency Program (national average is 39%).

Using this strategic plan as a guide, we believe INLIVIAN has increased the supply of diverse price-point housing and improved the quality of life for our customers. Key elements of this strategy is the continued expansion of our “Family of Companies” and analyzing our entrepreneurial efforts to ensure the generation of new revenue that will supplement the loss of federal funds. INLIVIAN knows it takes collaboration to meet this critical need for housing, so we have pursued partnerships that are alike in mission and bring a high return on investment to INLIVIAN and its residents.

Our strategic plan represents “The Blueprint”. This budget represents the final year of the strategic plan. We continue to refine as the needs of our community change, which will play a key role in the development of the next strategic plan.



2.3 ANNUAL OBJECTIVES

The agency’s fiscal year is from January 1 through December 31. Annual objectives are developed by strategic business areas, which are linked to goals established in The Blueprint. These annual objectives are identified in Section 4.0 Fund Financial Summary.

The annual budget process is designed to support INLIVIAN’s long-range vision and 5-year goals of The Blueprint. INLIVIAN’s senior management meets to review goals achieved and set objectives for the upcoming year. Decisions on initiatives or realignment of priorities are identified and are set forth as the foundation upon which INLIVIAN establishes its annual objectives. Staff planned the milestones and required resources as part of the budget development process to meet those objectives. Additional information about the budget process is provided in Section 7.0 Supplemental Information.

Six Goals of The Blueprint

1

Elevate the customer experience by providing a culture of service excellence.



2

Acquire, develop, and preserve diverse price point housing.



3

Create and enhance diverse income streams to support INLIVIAN's Mission.



4

Develop and maintain mutually beneficial external partnerships that further INLIVIAN's mission.



5

Implement a communication strategy that educates the public on INLIVIAN's transformation and engages stakeholders in advocacy efforts that further INLIVIAN's Mission.



6

Acquire, Retain and Develop Top Talent to ensure the successful execution of our strategic plan.



2.4 INLIVIAN IS MOVING FORWARD

INLIVIAN is one of the thirty-nine (39) original agencies participating in the federal Moving to Work (MTW) Demonstration program. MTW has transformed the way housing authorities provide housing and services to low-income families. Using MTW flexibilities, INLIVIAN has created alternative methods to:

- Reduce cost and achieve greater cost effectiveness in federal expenditures.
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

The authorization to waive certain statutes and HUD regulations and combine federal funds has enabled INLIVIAN to develop and implement activities that improve the communities we serve in Charlotte.

MTW has been recognized as a vital tool in INLIVIAN's toolbox for providing affordable housing and is locally branded as Moving Forward. It allows INLIVIAN to implement activities that positively impact the following:

- Employment rate for able-bodied heads of households and other family members.
- Number of family members in training and/or education programs.
- Average and median income of families (all sources and earned income) (excluding seniors and disabled families);
- Amount of funds leveraged in the community for production of affordable housing and the provision of supportive services.
- Number of children who enter post-secondary education.
- Percent increase in the number of INLIVIAN students that enter the INLIVIAN Scholarship Fund.
- Number of housing units in mixed-income environments; and
- Distribution of housing units and housing opportunities for Section 9 and project-based Section 8.

Key MTW activities implemented:

1. Rent Reform (modified rent calculation with escrow and biennial reexaminations);
2. Case Management and enhanced services.
3. Supportive Housing Partnerships (partnering with supportive housing providers to provide gap financing and housing subsidies): Supportive Housing Communities, YWCA Families Together, The Salvation Army, Urban Ministry Center, Charlotte Family Housing, HUD Veteran Affairs Supportive Housing (VASH) Vouchers, HUD Family Unification Program (FUP) Vouchers, Everett House, and A Child's Place.
4. Resident Safety activities.
5. Construction of additional affordable units; and
6. Implementation of policies that simplify the administration of public housing and housing choice voucher programs.
7. Rehabilitation of existing affordable units.

2.5 RENTAL ASSISTANCE DEMONSTRATION PROGRAM (RAD)

RAD is a central part of the United States Department of Housing and Urban Development (HUD) rental housing preservation strategy, which works to preserve the nation's stock of affordable rental housing, promote efficiency within and among HUD programs, and build strong, stable communities. RAD allows public housing properties to convert to 15-year long-term Housing Choice Voucher (HCV) rental assistance contracts through Project Based Vouchers (PBV).

RAD HISTORY

In December 2013, the Board adopted a resolution allowing INLIVIAN to submit a RAD application. A strategy of grouping the properties into phases was developed to submit multiple portfolios to convert public housing units to a single platform within the HCV Program. A strategy was also developed to dismantle the Capital Fund Financing Program Bond transaction, through defeasance, to further redevelop the portfolio. Due to declining capital funds and the dual bond covenant tests, INLIVIAN was limited on the number of units that could be removed from inventory, thus affecting the redevelopment of projects such as Strawn, Hall House, and Dillehay Courts. This made defeasance necessary for RAD to be successful.

A Board retreat was held in June 2016 to outline the RAD conversion plan and Board approval was later given to the CEO to execute the necessary items and agreements to allow INLIVIAN to implement the RAD program. The financing plans were submitted for converting projects on June 30, 2016.

Closing for all converting properties began in September 2016 and continued through 2020. The RAD approach is directly tied to the goals of the adopted previous five-year strategic plan ("the 2013 Plan") and promotes organizational sustainability due in part to more stable financing. The financial goals for RAD are as follows:

- Long-term financially stable properties.
- Ensure long-term viability of client services and community safety programs through optimization of costs paid by the properties; and
- Provide a commitment of annual funding within the MTW program for future growth through development projects.

Resident meetings were held to educate, answer questions, and receive feedback and comments concerning RAD and INLIVIAN's potential conversion. There are no major impacts to our residents related to INLIVIAN's conversion to RAD.

POST RAD CONVERSION

Whether residents live in traditional or non-traditional housing, listed below are some regulations that are the same for each housing segment in the RAD environment.

- If you had an apartment; then you can stay in your apartment.
- Rent/utility is no more than 30% of your adjusted gross income.
- Possible Mobility Voucher wait list opportunity in 1-2 years.
- 10-day lease termination for non-payment of rent.
- Work requirement with supportive services in place in some locations (excluding seniors and disabled) expanding to all locations and HCV.

To date, all but one property has converted to RAD. The remaining property is Dillehay Courts of which Phase I (36 units) was completed in 2021, with phase two (100 units) remaining. A demolition application was approved by HUD in 2023, and is currently in the process of demolition.



3.0 BUDGET SUMMARY

3.1 BUDGET OVERVIEW

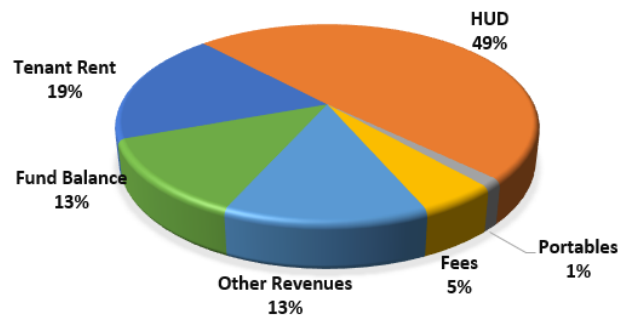
The fiscal year budgets are presented as eight funds: Business Activities, Component Units, COCC, MTW, CORE, Blue Horizon, Horizon Acquisition, and Horizon Development. Further details for each fund budget are provided separately in Section 4.0 Fund Financial Summary.

All budgets are combined in this Budget Summary presentation to show a comprehensive view of INLIVIAN for the upcoming year. The annual operating budget reflects the day-to-day operations, while the capital budget represents capital investments.

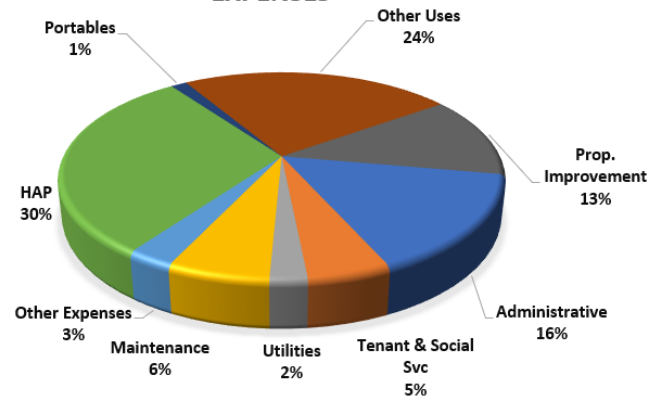
Below is a summary of the combined INLIVIAN budget:

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
Revenues	\$ 240,362,059	\$ 253,604,240	\$ 259,639,713	\$ 6,035,473	2.4%
Expenses	239,148,701	252,218,450	258,155,514	5,937,064	2.4%
Tranfers In (Out)	-	-	-	-	0.0%
Net Income	\$ 1,213,358	\$ 1,385,790	\$ 1,484,199	\$ 98,409	7.1%

REVENUES



EXPENSES



Budget Highlights

Revenues:

As in prior years, most of INLIVIAN's operating revenues come from federal financial assistance, which will fund \$127.6 million of the FY2024 Budget. Portable and Portable Administrative Fees are estimated at \$3.3 million. Operating Revenues from Tenant Rental Revenue and Fee Revenues are projected at \$48.1 million and \$13.1 million respectively. Also included in the FY2024 Budget is \$32.9 million in fund balance appropriations to support development projects and various one-time expenses intended to increase efficiencies in INLIVIAN's services and operations. Fund Balance appropriations included in the FY2024 Budget are as follow:

	Business Activities	COCC	CORE	Horizon Development	MTW	TOTALS
HDP Property Improvements	\$ 1,334,472					\$ 1,334,472
HDP Development Projects	3,433,055			6,018,845	19,909,676	29,361,576
400 East Site Improvements		35,004				35,004
Network Upgrades		99,996				99,996
Grant Re-appropriations			846,000			846,000
HDP Operating Reserves				1,261,034		1,261,034
TOTALS	\$ 4,767,527	\$ 135,000	\$ 846,000	\$ 7,279,879	\$ 19,909,676	\$ 32,938,082

Public Housing Operating Subsidies increased by 168% due to the demolition approval of the remaining 100 units at Dillehay Courts, making the property eligible for an asset repositioning fee of \$590,175.

HCV Operating Subsidies decreased slightly by 1% due to the anticipated receipt of unspent HCV Operating Subsidies to support major Property Improvements (See Section 5.1) and Development Projects (See Section 5.2). This funding is received in the MTW Fund then disbursed to the HDP Fund as expensed, thereby increasing the Other Revenues category for the HDP Fund and the Other Uses category in the MTW Fund by the same amount.

Expenses:

With economic uncertainties caused by the COVID-19 pandemic, the FY2024 Budget reflects a conservative spend plan in the controllable expense categories.

The increase in all categories is due primarily to the newly added property, The Gaston at North End. Additionally, the agency-wide merit increase for all employees, the increase in the available bonus amount, as well as a new up to 5% employer match on the 457(b) retirement plan contributed to the higher than average increases across the Administrative, Maintenance, Tenant & Social Services and Protective Services Categories.

The FY2024 Budget includes \$77.7 million in Housing Assistance Payments (HAP) to Section 8 Housing Choice Voucher (HCV) landlords and \$3.6 million in Portables (voucher holders from other jurisdictions relocating to Charlotte and not absorbed). Over the last year and half, INLIVIAN absorbed almost 400 existing portable vouchers, which reduced the overall estimate for Portables revenues and expenses. Moreover, the FY2024 Budget includes the unexpended balance of Emergency Housing Vouchers issued by HUD plus 49 new vouchers issued last year.

The FY2024 Budget includes an aggressive plan for Property Improvements at various sites (See Section 5.1). A Physical Needs Assessment was commissioned for all properties. Included in property improvements are all critical needs identified in the study along with other needs at the properties. To limit Reserve Draw balances at some properties and to ensure spending of HUD funding, MTW funds will be used for properties in need of substantial renovations including McAlpine Terrace and Fairmarket Square. To support Property Improvements and Development Projects, the following funds are appropriated in the FY2024 Budget: \$46.9 million of MTW funds, \$6.0 million of HDP Funds and \$4.8 million of Business Activities Program Income/Land Sales Proceeds.

The Other Uses expense category primarily represents the transfer of funds from the MTW fund and the Business Activities fund to the Horizon Development fund to support the Property Improvements and Development Projects.

Fund Equity (or Net Position)

The INLIVIAN budget consists exclusively of enterprise funds and presents its activities as a single enterprise proprietary fund. The budgets are prepared on the modified accrual basis of accounting. Fund Equity (or Net Position) represents the difference between the assets and liabilities. Net Position for INLIVIAN's programs consists mainly of fixed assets.

The budgets are balanced in accordance with North Carolina General Statutes for the MTW, COCC, and Business Activities. CORE also has a balanced budget. Therefore, Fund Equity is not expected to change for these funds. Horizon Development, Blue Horizon, and Horizon Acquisition will show a budget with cash flow, which will increase the Net Position.

FUND EQUITY CHANGES (dollars in millions)		
FY2022 Year-End Fund Equity Balance	\$	423.1
FY2023 Budgeted Revenues		253.6
FY2023 Budgeted Expenses		252.2
FY2023 Budgeted Transfers In (Out)		-
FY2023 Budgeted Net Income		1.4
FY2023 Budgeted Year-End Fund Equity Balance		424.5
FY2024 Proposed Revenues		259.6
FY2024 Proposed Expenses		258.2
FY2024 Proposed Transfers In (Out)		-
FY2024 Proposed Net Income		1.5
FY2024 Proposed Year-End Fund Equity Balance		426.0
FY2024 Proposed Fund Equity Changes	\$	1.5
Percent Change in Fund Equity FY2024 vs FY2023		0.3%

3.2 CONSOLIDATED BUDGET

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ 43,132,702	\$ 43,617,081	\$ 48,120,195	\$ 4,503,114	10%
Public Housing Operating Subsidies	611,583	210,032	562,946	352,914	168%
HCV Operating Subsidies	110,538,028	120,911,421	119,471,859	(1,439,562)	-1%
HCV Administrative Fees	4,617,340	4,896,886	5,174,533	277,647	6%
Capital Fund	2,871,162	2,648,824	2,434,373	(214,451)	-8%
Portable HAP Revenue	7,669,447	7,413,798	3,078,612	(4,335,186)	-58%
Portable HAP Administrative Fees	460,167	444,828	188,640	(256,188)	-58%
Fee Revenue	12,519,693	13,142,065	13,136,985	(5,080)	0%
Other Revenues	33,461,723	30,551,071	34,483,487	3,932,416	13%
Fund Balance Appropriated	24,470,214	29,758,234	32,938,082	3,179,848	11%
Other Sources	10,000	10,000	50,000	40,000	400%
REVENUE TOTAL	240,362,059	253,604,240	259,639,713	6,035,473	2%
EXPENSES					
Administrative	34,904,247	36,536,688	40,008,784	3,472,096	10%
Tenant & Social Services	7,364,036	12,351,136	13,307,417	956,281	8%
Utilities	6,093,186	5,924,277	5,942,368	18,091	0%
Ordinary Maintenance & Operations	14,946,161	15,042,378	16,324,348	1,281,970	9%
Protective Services	430,849	452,798	542,917	90,119	20%
General Expenses	3,434,058	3,689,158	4,003,367	314,209	9%
Reserve Deposits	2,012,868	1,982,159	2,055,800	73,641	4%
Reserve Draws	(2,984,693)	(5,500,596)	(8,103,064)	(2,602,468)	47%
Debt Service	5,209,825	5,049,915	5,681,508	631,593	13%
Housing Assistance Payments (HAP)	70,121,471	75,397,633	77,658,965	2,261,332	3%
HAP Expense - Portables	7,669,447	7,413,798	3,577,992	(3,835,806)	-52%
Other Uses	65,117,079	66,007,643	61,230,421	(4,777,222)	-7%
Future Year's Appropriations	2,353,075	837,712	3,320,940	2,483,228	296%
Property Improvements	22,477,092	27,033,751	32,603,751	5,570,000	21%
EXPENSE TOTAL	239,148,701	252,218,450	258,155,514	5,937,064	2%
OPERATING TRANSFERS					
Operating Transfers In	71,093,207	75,071,587	77,972,525	2,900,938	4%
Operating Transfers Out	71,093,207	75,071,587	77,972,525	2,900,938	4%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ 1,213,358	\$ 1,385,790	\$ 1,484,199	\$ 98,409	7%

3.3 BUDGET BY FUND

	Business Activities	Business Activities (CU)	Blue Horizon	COCC	CORE	Horizon Acquisition	Horizon Development	MTW	TOTAL
REVENUES									
Tenant Rental Revenues	\$ -	\$ 2,738,591	\$ -	\$ -	\$ -	\$ 5,737,609	\$ 39,643,995	\$ -	\$ 48,120,195
Public Housing Operating Subsidies	-	-	-	-	-	-	-	562,946	562,946
HCV Operating Subsidies	-	-	-	-	-	-	-	119,471,859	119,471,859
HCV Administrative Fees	-	-	-	-	-	-	-	5,174,533	5,174,533
Capital Fund	-	-	-	-	-	-	-	2,434,373	2,434,373
Portable HAP Revenue	-	-	-	-	-	-	-	3,078,612	3,078,612
Portable HAP Administrative Fees	-	-	-	-	-	-	-	188,640	188,640
Fee Revenue	-	-	2,334,015	5,230,405	1,465,397	125,000	3,982,168	-	13,136,985
Other Revenues	890,835	2,598,704	-	2,563,935	5,464,941	127,380	22,618,029	219,663	34,483,487
Fund Balance Appropriated	4,767,527	-	-	135,000	846,000	-	7,279,879	19,909,676	32,938,082
Other Sources	-	-	-	50,000	-	-	-	-	50,000
REVENUE TOTAL	5,658,362	5,337,295	2,334,015	7,979,340	7,776,338	5,989,989	73,524,071	151,040,302	259,639,713
EXPENSES									
Administrative	60,443	844,136	2,134,094	6,961,429	1,836,181	1,592,650	14,509,844	12,070,007	40,008,784
Tenant & Social Services	280,884	9,942	219	2,400	5,837,121	246,579	1,312,483	5,617,790	13,307,417
Utilities	-	322,674	-	102,156	-	636,636	4,880,902	-	5,942,368
Ordinary Maintenance & Operations	3,865	728,194	149,687	440,475	97,404	1,813,879	11,355,524	1,735,319	16,324,348
Protective Services	-	4,029	-	279,845	-	13,891	245,152	-	542,917
General Expenses	-	214,475	10,764	58,035	5,631	548,162	3,158,120	8,180	4,003,367
Reserve Deposits	-	46,476	-	-	-	238,992	1,770,332	-	2,055,800
Reserve Draws	-	(88,050)	-	-	-	(567,668)	(7,447,346)	-	(8,103,064)
Debt Service	-	344,700	-	-	-	615,300	4,721,508	-	5,681,508
Housing Assistance Payments (HAP)	-	-	-	-	-	72,000	-	77,586,965	77,658,965
HAP Expense - Portables	-	-	-	-	-	-	-	3,577,992	3,577,992
Other Uses	4,767,527	-	-	-	-	-	6,018,845	50,444,049	61,230,421
Future Year's Appropriations	545,643	1,498,392	-	-	-	68,627	1,208,277	-	3,320,940
Property Improvements	-	1,220,830	-	135,000	-	567,668	30,680,253	-	32,603,751
EXPENSE TOTAL	5,658,362	5,145,799	2,294,764	7,979,340	7,776,337	5,846,716	72,413,895	151,040,302	258,155,514
OPERATING TRANSFERS									
Operating Transfers In	285,560	-	-	-	-	-	-	77,686,965	77,972,525
Operating Transfers Out	285,560	-	-	-	-	-	-	77,686,965	77,972,525
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-	-	-	-
NET INCOME	\$ -	\$ 191,496	\$ 39,252	\$ -	\$ -	\$ 143,273	\$ 1,110,176	\$ -	\$ 1,484,199

3.4 BUDGET CATEGORIES

The categories included in the budget align with the categories reported annually as a part of INLIVIAN's Annual Comprehensive Financial Report. In order to provide additional information regarding the types of expenses within each category, we have included definitions below.

Administrative

This category represents those costs that are administrative in nature. These include salaries/benefits for the central office, property managers and HCV staff, professional and administrative services, and other sundry expenses such as office supplies, telephones, travel/training and computer maintenance. Also included are property management, asset management, and bookkeeping fees.

Tenant and Social Services

This category represents those costs that are related to client services. These include salaries/benefits and other related expenses for in-house case management staff and contract managers, contracted case management services, resident participation funding, youth services, initiatives for tenant education, dependent care and client services fees.

Ordinary Maintenance and Operation

This category represents all maintenance costs for the properties. These include salaries/benefits for the maintenance personnel, all maintenance materials (e.g. appliances, electrical materials, paint materials, etc.) and all contract costs (e.g. pest control, landscaping contracts, vacancy preparation costs, etc.).

Protective Services

This category represents those costs related to protection of the residents. These include salaries/benefits and related costs for the resident safety staff, as well as funding for security contracts.

Utilities

This category represents all utility costs related to the properties. These include electricity, gas, water, storm water and sewer.

General Expenses

This category represents other general expenses. These include costs for insurance – auto, property and workers compensation.

Reserve Deposits

This category represents deposit of funds to reserves.

Reserve Draws

This category represents withdrawal of funds from reserves set aside for a specific purpose. An example is funds set aside in replacement reserve accounts for capital projects at the sites or funds set aside in an escrow account for client service fees.

Debt Service

This category represents debt service expenses including principal payments and interest expense.

Housing Assistance Payments (HAP)

This category represents the HAP to landlords in the Housing Choice Voucher program. This includes HAP payments for all of the INLIVIAN tenant choice and Project-Based Voucher programs, as well as the HAP payments for the Portable vouchers administered by INLIVIAN.

Other Uses

This category represents other expenses not categorized above, including restricted donations and public housing subsidy transfers.

Future Appropriations

This category represents costs that are not currently allocated to another line item. Revenues are anticipated to be higher than current anticipated expenses. Until the revenues are confirmed and the expenses are needed, the amounts in this category remains unallocated.

Property Improvements

This category represents the following two items: 1) costs for capitalized items (fixed assets) that have an individual value of \$3,000 or greater, and 2) cost for non-operating property improvements and rehabilitation of the properties.

Operating Transfer In/Out

This category includes the transfer in or out between funds.

4.0 FUND FINANCIAL SUMMARY

The fiscal year budgets are presented as eight funds: Business Activities, Component Units, Central Office Cost Center (COCC), MTW, CORE, Blue Horizon, Horizon Acquisition, and Horizon Development.

FLOW OF FUNDS

INLIVIAN receives HAP and Administrative funding from HUD for the HCV Program. INLIVIAN also receives Public Housing Operating Subsidy and Capital Funds for the property that has not yet converted through the RAD program. These funds collectively are received into the MTW Fund.

Through INLIVIAN's MTW Agreement, HUD subsidies received are treated as a single fund and spent based on approved, eligible purposes through the annual MTW plan. Expenses include:

- Funds transferred to the HCV program for voucher payments and MTW program costs. Voucher payments include payments to individual landlords for both tenant based vouchers and project based landlords (including Horizon Development).
- Fees paid to the COCC Fund for administration of the HCV Program.
- Expense reimbursement paid to CORE to support client service programs.
- Expense reimbursement through a restricted donation or loan to Horizon Development to support real estate development and capital projects.

The COCC receives an administrative fee from each of the major funds to cover the cost for corporate services provided to the entire agency.

Horizon Development receives HAP contract payments from MTW, rental revenue from tenants, and fees earned from development deals. A fee is paid to the COCC, and operating expenses are paid to maintain the apartment communities.

Horizon Acquisition receives HAP contract payments from MTW and HUD, rental revenue from tenants, and fees earned from development deals. A fee is paid to the COCC, and operating expenses are paid to maintain the apartment communities.

CORE receives expense reimbursements from MTW, grant funds, and fees from Horizon Development-owned properties for case management services provided.

Blue Horizon collects fees from Business Activities (Hoefener), Horizon Acquisition and Horizon Development for services rendered; then shares a portion of the fee with the COCC for its services.

Fund Matrix

CORPORATE SERVICES

Business Activities	Component Units	Central Office Cost Center (COCC)	Moving to Work (MTW)
Program Income	Hoefener Center	Executive	Housing Choice Voucher (HCV)
	First Ward Place	Legal & Resident Safety	Policy / MTW Planning
	McAden Park	Finance, Procurement & Section 3	Public Housing
		Information Technology	Compliance
		People and Culture	
		Call Center	

SUBSIDIARIES

CORE	Blue Horizon	Horizon Acquisition	Horizon Development
Client Services	Blue Horizon Executive	Strawn Parktowne Little Rock	Horizon Development-owned Properties
Destination Homeownership	Property Management Services		Real Estate Development
Case Management			Asset Management
Youth Development			Construction Management



4.1 BUSINESS ACTIVITIES

Fund Overview

Business Activities consists of First Ward Case Management, the Scholars Program, and program income.

The Scholars Program provides summer break and winter learning opportunities for students of the Charlotte Mecklenburg school system that live in the West Corridor community.

Revenue in this fund is primarily from payments from HOPE VI loans and grant funding.

The Fund Balance Appropriated category represents re-appropriated funding for Trella and appropriation funds for development and capital projects in Horizon Development. The offsetting expenses are represented as a restricted donation in the Other Uses expense category.

Expenses are composed mainly of the cost to run the First Ward Case Manager Program and Scholars Program.

Future Year's Appropriation represents unallocated expenditures from the HOPE VI program income received.

Business Activities – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ -	\$ -	\$ -	\$ -	0%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	-	-	-	-	0%
Other Revenues	1,009,483	897,593	890,835	(6,758)	-1%
Fund Balance Appropriated	9,000,000	17,674,693	4,767,527	(12,907,166)	-73%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	10,009,483	18,572,286	5,658,362	(12,913,924)	-70%
EXPENSES					
Administrative	86,059	81,806	60,443	(21,363)	-26%
Tenant & Social Services	258,222	238,726	280,884	42,158	18%
Utilities	-	-	-	-	0%
Ordinary Maintenance & Operations	12,500	-	3,865	3,865	0%
Protective Services	-	-	-	-	0%
General Expenses	-	-	-	-	0%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	9,047,455	17,674,693	4,767,527	(12,907,166)	-73%
Future Year's Appropriations	605,247	577,061	545,643	(31,418)	-5%
Property Improvements	-	-	-	-	0%
EXPENSE TOTAL	10,009,483	18,572,286	5,658,362	(12,913,924)	-70%
OPERATING TRANSFERS					
Operating Transfers In	270,532	119,848	285,560	165,712	138%
Operating Transfers Out	270,532	119,848	285,560	165,712	138%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ -	\$ -	\$ -	\$ -	0%



4.2 BUSINESS ACTIVITIES - COMPONENT UNITS

Fund Overview

Component Units consists of the Carole Hoefener Center, First Ward Place, and McAden Park. These are each properties owned directly by INLIVIAN.

Revenue in this fund is primarily from rents collections at the Carole Hoefener Center, First Ward Place and McAden Park.

Expenses are composed mainly of the cost to run the Carole Hoefener Center and the operating cost for First Ward Place and McAden Park.

Component Units – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ 3,275,661	\$ 2,938,554	\$ 2,738,591	\$ (199,963)	-7%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	-	-	-	-	0%
Other Revenues	548,453	552,250	2,598,704	2,046,454	371%
Fund Balance Appropriated	-	-	-	-	0%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	3,824,114	3,490,804	5,337,295	1,846,491	53%
EXPENSES					
Administrative	1,016,442	933,519	844,136	(89,383)	-10%
Tenant & Social Services	-	-	9,942	9,942	0%
Utilities	371,395	376,392	322,674	(53,718)	-14%
Ordinary Maintenance & Operations	865,255	745,471	728,194	(17,277)	-2%
Protective Services	-	-	4,029	4,029	0%
General Expenses	201,764	228,029	214,475	(13,554)	-6%
Reserve Deposits	114,518	44,688	46,476	1,788	4%
Reserve Draws	(33,500)	(56,300)	(88,050)	(31,750)	56%
Debt Service	408,729	376,600	344,700	(31,900)	-8%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	751,411	-	1,498,392	1,498,392	0%
Property Improvements	128,100	308,258	1,220,830	912,572	296%
EXPENSE TOTAL	3,824,114	2,956,657	5,145,799	2,189,142	74%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ -	\$ 534,147	\$ 191,496	\$ (342,651)	-64%

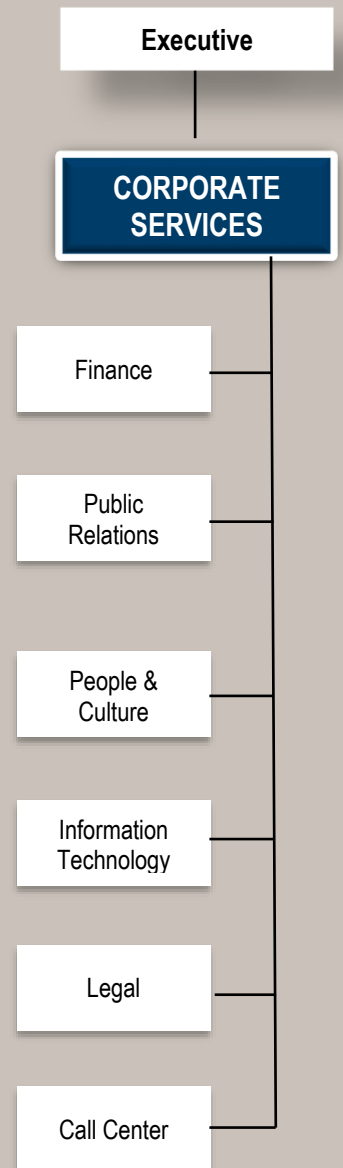
4.3 CENTRAL OFFICE COST CENTER

Fund Overview

The COCC is composed of the Corporate Services departments that have oversight of the organization. The following areas make up the COCC:

- Finance is responsible for transacting and recording all financial aspects of INLIVIAN, culminating in accurate and dependable timely information for INLIVIAN staff and the Board of Commissioners. Finance includes the oversight of the Accounting, Budget, Procurement, Section 3 and Compliance functions.
- Public Relations is responsible for providing information that keeps the community informed about INLIVIAN services and programs in order to increase awareness and encourage individuals to engage with the agency.
- People & Culture (Human Resources) is dedicated to working with all areas of the organization to maximize and develop the potential of our greatest asset—our human capital.
- Information Technology works to connect staff processes and data content through the effective use of reliable information, computing, telecommunications and technology consulting services.
- Legal provides all aspects of legal services, risk management, and Resident Safety.
- Executive Office is responsible for the overall management and direction of INLIVIAN and its subsidiaries.
- The Call Center was created during the pandemic to provide a way for residents, participants and stakeholders to be able to connect easier with staff, and to schedule any necessary appointments to maintain business continuity.

The COCC generates revenue by charging internal fees for management services per HUD regulations. The major revenue sources in the COCC consist of the sharing of Property Management, Bookkeeping/IT and Asset Management fees. The COCC also collects 30% of the projected cost of Horizon Development, First Ward Case Managers and CORE as a fee.



Annual Objectives

Annual Objectives are linked to one of the six Agency Goals (see Section 2.3)

Agency

Goal #

Objective

1

Implement automatic billing/payment through Yardi (financial system)

1

Continue expansion of information technologies to allow for adapting remote environments

1

Expand employee benefits to attract and retain high performing talent

1

Expand internal communications that will engage and activate employees to optimize performance and drive positive business results

6

Continue agency-wide trainings on customer service, leadership, wellness, and business skills

Performance Measurements

Performance Measurements are linked to one of the six Agency Goals (see Section 2.3)

Output	FY22 Actual	FY23 Estimated
# of help desk tickets completed	5,372	5,500
# of payroll processed (bi-weekly)	26	26
# of call center completed calls	29,010	30,000
# of bi-monthly video news releases produced	6	6
# of monthly newsletters produced	12	12

Agency Goal #	Effectiveness or Efficiency	FY22 Actual	FY23 Estimated	FY24 Goal
1	% of help desk tickets completed within 3 business days	100%	100%	100%
1	% of purchase orders completed within 5 business days of receipt by Purchasing	100%	100%	100%
1	% of payroll processed on time	100%	100%	100%
5	% of video news letters produced and distributed on time	100%	100%	100%
5	% of monthly newsletters produced and distributed on time	100%	100%	100%

Central Office Cost Center – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ -	\$ -	\$ -	\$ -	0%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	4,517,447	4,953,632	5,230,405	276,773	6%
Other Revenues	2,221,143	2,335,109	2,563,935	228,826	10%
Fund Balance Appropriated	350,000	30,000	135,000	105,000	350%
Other Sources	10,000	10,000	50,000	40,000	400%
REVENUE TOTAL	7,098,590	7,328,741	7,979,340	650,599	9%
EXPENSES					
Administrative	6,153,761	6,440,295	6,961,429	521,134	8%
Tenant & Social Services	158	2,549	2,400	(149)	-6%
Utilities	96,500	99,600	102,156	2,556	3%
Ordinary Maintenance & Operations	535,729	435,289	440,475	5,186	1%
Protective Services	228,481	241,012	279,845	38,833	16%
General Expenses	49,414	49,076	58,035	8,959	18%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	4,547	20,920	-	(20,920)	-100%
Property Improvements	30,000	40,000	135,000	95,000	238%
EXPENSE TOTAL	7,098,590	7,328,741	7,979,340	650,599	9%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ -	\$ -	\$ -	\$ -	0%





4.4 MOVING TO WORK

Fund Overview

The MTW Fund Budget is comprised of one remaining public housing property, the HCV program, and the MTW program.

Major revenue sources for this fund are HCV Administrative and HAP subsidies, Public Housing Operating Subsidies, Capital Funds, and Portable Housing Assistance Payments (HAP) revenue. The Other Revenue Category represents revenues recorded from fraud recovery. Fund Balance Appropriated consists of funds for real estate development and capital projects.

The \$119.5 million in HCV Operating Subsidies is based on an estimated 3% inflation factor and 99% proration and also includes HUD-held reserves to be used towards various property improvements and development. The HCV Administrative Fee revenue is based on an estimated 85% proration factor to total \$5.2 million in FY2024.

The \$13.4 million Fund Balance appropriation will be used towards various HDP Development Projects (see Section 5.2). The offsetting expense is a restricted donation in the Other Uses expense category.

The FY2024 Budget includes \$77.6 million in Housing Assistance Payments (HAP) to HCV Housing Providers/landlords and \$3.6 million in Portable vouchers. Over the last year and half, INLIVIAN absorbed almost 400 existing portable vouchers, which reduced the estimate for Portables. Moreover, the FY2024 Budget includes the unexpended balance of Emergency Housing Vouchers issued by HUD plus the 49 new vouchers issued last year.

**Chief Operating
Officer**

Administrative
Operations

Moving to Work
Program

Housing Choice Voucher (HCV) Program

The HCV program is the federal government's major program for assisting extremely low and very low-income families, the elderly, and the disabled to afford decent and safe housing in the private rental market. Since housing assistance is provided on behalf of the participant, families may choose their own housing, including single-family homes, townhouses or apartments. The participant is free to occupy any housing that meets the requirements of the program.

INLIVIAN manages various types of vouchers:

Tenant-Based Vouchers

Tenant-Based Vouchers provide voucher holders the opportunity to go into the private rental market and select their own housing. This increases affordable housing choices for low / extremely low-income families and helps INLIVIAN decrease the concentration of poverty in the county.

With these vouchers, INLIVIAN administers contracts with independent Housing Providers/landlords who own residential property for rent by program participants. INLIVIAN subsidizes the voucher holder's rent through a HAP contract with the Housing Provider/landlord on behalf of the participant. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides annual contributions funding to enable INLIVIAN to administer the program and provide rental assistance to eligible families. The rental assistance allows the family to identify and select their own affordable housing options. Under this program, a family's tenant rent is equal to 30% and may go up to 40% of the households' annual adjusted gross income.

Special Purpose Vouchers (Tenant-Based Vouchers)

INLIVIAN has five types of Special Purpose Vouchers, where the voucher can only be issued to a specific sub-set of those needing affordable housing.

1. The Family Unification Program (FUP) receives referrals from the Mecklenburg County Department of Social Services, Youth and Family Services Division. Eligible families are those for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care (e.g. foster care) or the delay in the discharge of the child or children to the family from out-of-home care. Additionally, the program assists youths, who have exceeded the age requirement to remain in foster care, receive adequate housing for up to 18 months.
2. The Veterans Administration Supportive Housing (VASH) Program is a program which receives referrals from the local Veterans Administration Medical Center for eligible homeless veterans and their families to provide rental assistance subsidy in conjunction with case management services in order to obtain and sustain permanent housing.
3. The Non-Elderly Disabled (NED) program provides assistance to non-elderly persons with disabilities.
4. The Mainstream Voucher Program provides vouchers for low-income families that include a person(s) with disabilities between the ages of 18 and 61 years old.
5. The Emergency Housing Voucher (EHV) program was created and issued in 2021 in response to the COVID-19 pandemic. These vouchers assist families and individuals who are experiencing homelessness, at risk of experiencing homelessness, fleeing or attempting to flee domestic violence.

Portables (Tenant-Based Vouchers)

A participant can port (move) from one locality to another based on the rules and regulations established by HUD and the associated Public Housing Authority (PHA). Eligible participants use portability to relocate to other cities which may offer employment and educational opportunities to meet their specific needs. However, it is at the discretion of the receiving PHA to determine whether they will absorb or bill the initial PHA which they will determine based on their budget and/or voucher utilization.

Project-Based Vouchers (Traditional and RAD)

Project-Based Vouchers (PBV) are a component of INLIVIAN's HCV program where the voucher subsidy is designated for specific developments/units rather than with a person. A PHA can attach up to twenty percent (20%) of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units. Where applicable, the 20% restriction can be waived if the PHA attaches services to a PBV project.

Under the RAD Program, INLIVIAN has converted its public housing units to RAD PBV's.

Community Based Rental Assistance Program (CBRA)

INLIVIAN's CBRA program encompasses traditional PBV units, special needs units (elderly, disabled, supportive housing, supportive service and homeless), and pilot local rental subsidy programs. INLIVIAN determines the percentage of tenant-based assistance that it sets aside under the CBRA program based on organizational strategic goals and/or City/County revitalization efforts. The CBRA Policy is also applicable to units converted to PBVs under the RAD program.

INLIVIAN's overall plan for the HCV Program is designed to achieve three major objectives:

1. Provide affordable housing opportunities to eligible participants in diverse communities who would otherwise not have the opportunity to reside in a de-concentrated or minority impacted community.
2. Provide improved living conditions for low-income families while maintaining their rent payments at an affordable level.
3. Encourage families to participate in the INLIVIAN Family Self-Sufficiency Program.

The HCV program is a major part of the MTW fund. This budget also includes costs for the administration and other services of the program. Those services include Compliance, Resident Safety, and Accounting.

MTW funds are utilized to pay for operating costs of the program since the administrative fees do not cover the full cost of the program. MTW Funds are also utilized for payments to landlords for Housing Providers/HAP contracts of all voucher types. MTW funds are identified as an Operating Transfer In.

Annual Objectives

Annual Objectives are linked to one of the six Agency Goals (see Section 2.3)

Agency

Goal # Objective

2

Increase contract rent for housing providers

2

Increase housing options in high and very high opportunity areas in order to encourage family mobility through Opportunity Housing program

4

Increase housing provider participation and retention of current providers:

- Housing Provider Awareness Campaign
- Increase use of program incentives
- Host annual housing provider symposium
- Conduct point of service surveys

4

Increase understanding of INLIVIAN mission/vision and influence with elected officials

Performance Measurements

Performance Measurements are linked to one of the six Agency Goals (see Section 2.3)

Output	FY22 Actual	FY23 Estimated
# of MTW Base Vouchers Allocated	4,243	4,243
# of Special Program Vouchers Allocated	905	905
# of Recertifications Completed	3,137	2,292
# of Inspections Completed	6,852	3,387

Agency Goal #	Effectiveness or Efficiency	FY22 Actual	FY23 Estimated	FY24 Goal
1	% of Base Vouchers Utilized	96.46%	95.90%	95%
1	% of Special Program Vouchers Utilized	79.45%	88.00%	70%
1	% of Recertifications Completed	98.25%	96.83%	95%

Moving to Work – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ 140,896	\$ -	\$ -	\$ -	0%
Public Housing Operating Subsidies	611,583	210,032	562,946	352,914	168%
HCV Operating Subsidies	110,538,028	120,911,421	119,471,859	(1,439,562)	-1%
HCV Administrative Fees	4,617,340	4,896,886	5,174,533	277,647	6%
Capital Fund	2,871,162	2,648,824	2,434,373	(214,451)	-8%
Portable HAP Revenue	7,669,447	7,413,798	3,078,612	(4,335,186)	-58%
Portable HAP Administrative Fees	460,167	444,828	188,640	(256,188)	-58%
Fee Revenue	-	-	-	-	0%
Other Revenues	170,170	219,663	219,663	-	0%
Fund Balance Appropriated	14,066,570	5,839,992	19,909,676	14,069,684	241%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	141,145,363	142,585,444	151,040,302	8,454,858	6%
EXPENSES					
Administrative	10,682,084	11,054,889	12,070,007	1,015,118	9%
Tenant & Social Services	325,292	5,501,459	5,617,790	116,331	2%
Utilities	88,594	-	-	-	0%
Ordinary Maintenance & Operations	935,924	129,263	1,735,319	1,606,056	1242%
Protective Services	-	-	-	-	0%
General Expenses	52,927	29,000	8,180	(20,820)	-72%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	70,121,471	75,397,633	77,586,965	2,189,332	3%
HAP Expense - Portables	7,669,447	7,413,798	3,577,992	(3,835,806)	-52%
Other Uses	51,269,624	43,059,401	50,444,049	7,384,648	17%
Future Year's Appropriations	-	-	-	-	0%
Property Improvements	-	-	-	-	0%
EXPENSE TOTAL	141,145,363	142,585,443	151,040,302	8,454,859	6%
OPERATING TRANSFERS					
Operating Transfers In	70,822,675	74,951,739	77,686,965	2,735,226	4%
Operating Transfers Out	70,822,675	74,951,739	77,686,965	2,735,226	4%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ -	\$ -	\$ -	\$ -	0%





4.5 CORE

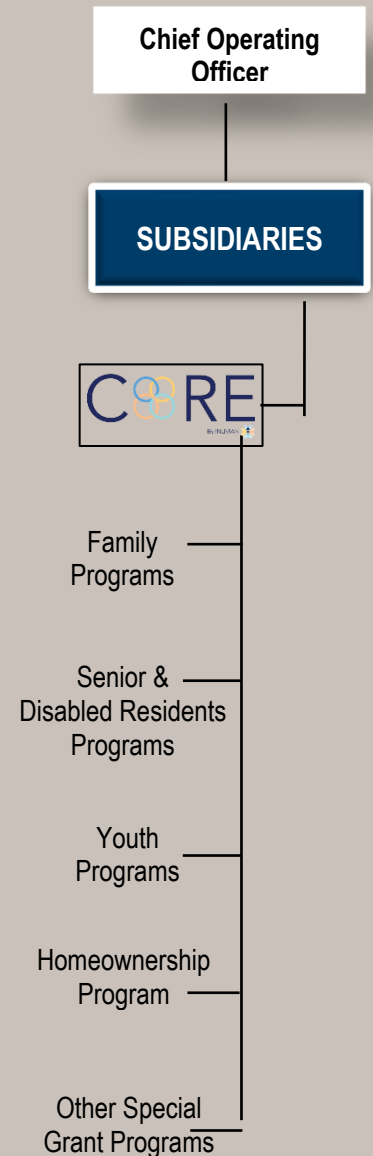
Fund Overview

CORE is a non-profit, tax exempt 501(c)(3) subsidiary and stands for *Creating Opportunity for Resident Empowerment*. The entity was formerly named Gateway Supportive Services, Inc. and was organized in December 2001. CORE is a wholly owned entity of INLIVIAN. It has no employees. All functions are provided by employees of INLIVIAN and then recorded in the appropriate entity. INLIVIAN's Board of Commissioners also serves as the Board for CORE.

CORE consists of the Client Services Department, which is responsible for delivering supportive services to able-bodied residents, elderly residents and disabled residents that are intended to increase the resident's quality of life. Overall goals of CORE include addressing employment barriers for able-bodied residents, addressing academic achievement and providing educational opportunities to INLIVIAN youth and quality of life and aging in place for senior and disabled residents per the approved INLIVIAN strategic plan, and CORE business plan.

CORE's business strategy is ***to deliver supportive services to INLIVIAN residents that move along a continuum of steps to self-sufficiency and independence.***

The FY2024 Budget for CORE reflects Fund Balance reappropriation of the Renaissance West Community Initiative (RWCI) endowment and other ongoing grants. The offsetting expenses for these grants are primarily in the Tenant and Social Services category.



CORE Strategic Goals

1. **RESIDENTS:** Strengthen infrastructure to include tailored, longer-term services to residents.
Increase number of residents enrolled in Life Coaching and involved in resident programs.
2. **PARTNERSHIPS:** Design a new Community Partnership Initiative to offer on-site opportunities and referrals.
Develop new partnerships that bring expertise, resources and value.
3. **CULTURE:** Encourage residents to build healthy safe communities where residents value each other.
Increase the rates of resident satisfaction, pride, and volunteerism.
4. **RESOURCES:** Align resources to strategic priorities, invest in staff expertise, and demonstrate social impact.
Secure gifts/grants from philanthropic and other sources.

Revenues for CORE are funded from the MTW fund and fees collected from the properties. The Fund Balance Appropriated category include funds from unspent grants from Fifth Third Bank, Wells Fargo Bank and the RWCI endowment. Jobs Plus, and Youth Initiative funding are also from MTW funds.

The expenses for CORE are primarily in the Tenant and Social Services category. CORE will continue providing tenant transportation resources, childcare subsidy, funding for the With Every Heartbeat is Life program, Getting Ahead program training, employment programming, and program funds for the services provided to the elderly and disabled.

CORE provides case management services for minimum renters at the properties and in the HCV program. The goal is to offer services to this population that will support work activities and increase the number of participants who work.

All proposed initiatives by CORE are consistent with assisting INLIVIAN in meeting its strategic goals.

Destination HomeOwnership

The Destination Homeownership program provides HCV holders the opportunity to purchase a home. The HAP is paid to the lender in satisfaction of the mortgage payment on behalf of an assisted buyer. If a participant is able-bodied and in good standing with their property provider and the HCV program, they may qualify for 15 years of monthly financial assistance out of a 30-year fixed term mortgage. If they are a senior or disabled, they may qualify for 30 years of monthly assistance out of a 30-year fixed term mortgage. HUD authorizes tenant-based assistance to eligible families.

Annual Objectives

Annual Objectives are linked to one of the six Agency Goals (see Section 2.3)

Agency

Goal #

Objective

3

Continue to maintain grant funding levels from current third parties and actively seek new grants to sustain programs.

1

Enhance existing system or purchase new data management system

1

Implement HUD Certified Agency Plan

1

Expand FSS Program portfolio

6

Develop a new 5-year Strategic Operating Plan for CORE.

Performance Measurements

Performance Measurements are linked to one of the six Agency Goals (see Section 2.3)

Output	FY22 Actual	FY23 Estimated
# of participants – FSS Program	754	346
# of participants – HCV Moving Forward Program	390	347
# of participants – Moving Forward Program – Site Based	261	231

Agency Goal #	Effectiveness or Efficiency	FY22 Actual	FY23 Estimated	FY24 Goal
1	% of Participants that are minimum renters – FSS Program	23.74%	24.28%	25%
1	% of Participants that are minimum renters – HCV Moving Forward Program	34.36%	30.55%	40%
1	% of Participants that are minimum renters – Moving Forward Program – Site Based	29.89%	22.94%	35%
1	% of Participants that are working households – FSS Program	80.24%	78.61%	75%
1	% of Participants that are working households – HCV Moving Forward Program	78.97%	84.44%	60%
1	% of Participants that are working households – Moving Forward Program	62.07%	64.94%	60%

CORE – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ -	\$ -	\$ -	\$ -	0%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	1,290,902	1,409,167	1,465,397	56,230	4%
Other Revenues	4,909,555	4,883,894	5,464,941	581,047	12%
Fund Balance Appropriated	958,644	940,000	846,000	(94,000)	-10%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	7,159,101	7,233,061	7,776,338	543,277	8%
EXPENSES					
Administrative	1,615,438	1,731,315	1,836,181	104,866	6%
Tenant & Social Services	5,464,363	5,403,866	5,837,121	433,255	8%
Utilities	-	-	-	-	0%
Ordinary Maintenance & Operations	64,800	83,380	97,404	14,024	17%
Protective Services	-	-	-	-	0%
General Expenses	14,500	14,500	5,631	(8,869)	-61%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	-	-	-	-	0%
Property Improvements	-	-	-	-	0%
EXPENSE TOTAL	7,159,101	7,233,061	7,776,337	543,276	8%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ -	\$ -	\$ -	\$ -	0%



4.6 BLUE HORIZON

Fund Overview

Blue Horizon was created to carry out property management activities for all INLIVIAN and Horizon Development-owned properties, as well as establish third-party property management opportunities. Blue Horizon is the “Doing Business As” name for Horizon Development’s property management division. The mission of the organization is to manage sustainable and economically diverse communities and promoting high quality standards for our residents and owners. Keeping property management in-house reduces expenses and increases revenue streams.

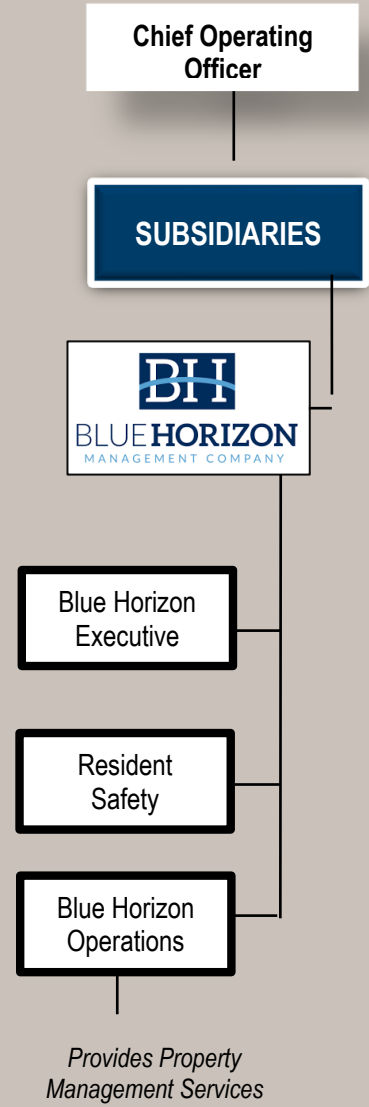
Under this structure, Blue Horizon will have the ability to reach other jurisdictions to provide consulting and property management services not available to INLIVIAN. Furthermore, Blue Horizon is anticipated to receive grant funding and other funding opportunities in the future that INLIVIAN would otherwise not be able to obtain.

Revenue for Blue Horizon is comprised of fees paid by the properties for management services. Blue Horizon shares these fees with the COCC for services rendered, which is represented as a fee expense in the Administrative Expense category.

Expenses reflect the operating costs for executive and administrative oversight for Blue Horizon.

Costs for site-specific property management and maintenance, including site staffing, are expensed at the property account level in the Horizon Acquisition and Horizon Development Funds.

To better align security services with the properties, the Resident Safety department will now be re-organized under BHMC’s management. This change will create greater operational efficiencies with closer collaboration between security services and property operations.



Annual Objectives

Annual Objectives are linked to one of the six Agency Goals (see Section 2.3)

Agency

Goal #

Objective

5

Build the Blue Horizon Management Company brand through website updates, marketing and relationships with other organizations

2

Implement beautification and curb appeal at property sites

6

Provide ongoing education in property management and maintenance through partnerships with organizations and vendors

Performance Measurements

Performance Measurements are linked to one of the six Agency Goals (see Section 2.3)

Output	FY22 Actual	FY23 Estimated
# of units managed	3994	3,995
# of routine work orders completed	20,555	19,014
# of emergency work orders completed	8,212	7,881
# of recertifications completed	1,826	1,059

of units managed decreased due to the demolition of Dillehay

Agency Goal #	Effectiveness or Efficiency	FY22 Actual	FY23 Estimated	FY24 Goal
1	% of Occupancy Rate	94.69%	93.39%	94%
1	% of Rent Collections	93.28%	93.27%	90%
1	Average # of days for unit turn around	101	131	90
1	Average # of days to complete routine work orders	2.02	2.67	3
1	% of emergency work orders completed within 24 hours	100%	100%	100%
	% of recertifications completed	96.82%	98.60%	95%

Rent collection goal has been reduced to reflect the impact of the COVID pandemic. The goal is estimated to remain around the low 90% range for next year

Blue Horizon – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ -	\$ -	\$ -	\$ -	0%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	2,185,707	2,170,316	2,334,015	163,699	8%
Other Revenues	-	-	-	-	0%
Fund Balance Appropriated	95,000	-	-	-	0%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	2,280,707	2,170,316	2,334,015	163,699	8%
EXPENSES					
Administrative	2,180,244	2,090,250	2,134,094	43,844	2%
Tenant & Social Services	-	-	219	219	0%
Utilities	-	-	-	-	0%
Ordinary Maintenance & Operations	24,250	30,920	149,687	118,767	384%
Protective Services	-	-	-	-	0%
General Expenses	11,390	11,945	10,764	(1,181)	-10%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	-	-	-	-	0%
Property Improvements	-	-	-	-	0%
EXPENSE TOTAL	2,215,884	2,133,115	2,294,764	161,649	8%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ 64,823	\$ 37,201	\$ 39,252	\$ 2,051	6%





4.7 HORIZON ACQUISITION

Fund Overview

Horizon Acquisition is a for-profit corporation created to acquire, construct, develop, operate and/or hold title to affordable housing properties. Horizon Acquisition is a wholly owned entity of Horizon Development. It has no employees and all functions are provided by employees of INLIVIAN and then recorded in the appropriate entity. INLIVIAN's Board of Commissioners also serves as the Board for Horizon Acquisition.

Horizon Acquisition includes Strawn Parktowne, LLC and LR Charlotte, LP.

Strawn Parktowne, LLC was formed in 2011 to provide for the complete rehabilitation of two aging towers. These towers provide desperately needed affordable housing for our seniors. The tax credit/bond deal not only allowed INLIVIAN to preserve 333 apartment homes for seniors at Strawn Towers and Parktowne Terrace, but it allowed INLIVIAN to modernize and upgrade these units at that time.

Little Rock Apartments is a 242-unit multi-family HUD-administered Section 8 development located adjacent to The Renaissance. Horizon Acquisition purchased a general partner interest in Little Rock in June 2011.

Horizon Acquisition – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ 5,403,931	\$ 5,466,180	\$ 5,737,609	\$ 271,429	5%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	-	110,000	125,000	15,000	14%
Other Revenues	320,027	125,002	127,380	2,378	2%
Fund Balance Appropriated	-	-	-	-	0%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	5,723,958	5,701,182	5,989,989	288,807	5%
EXPENSES					
Administrative	1,522,251	1,493,061	1,592,650	99,589	7%
Tenant & Social Services	229,760	226,275	246,579	20,304	9%
Utilities	610,941	595,068	636,636	41,568	7%
Ordinary Maintenance & Operations	1,709,016	1,888,953	1,813,879	(75,074)	-4%
Protective Services	21,324	21,324	13,891	(7,433)	-35%
General Expenses	503,987	610,280	548,162	(62,118)	-10%
Reserve Deposits	225,327	231,908	238,992	7,084	3%
Reserve Draws	(52,663)	(356,258)	(567,668)	(211,410)	59%
Debt Service	604,378	607,269	615,300	8,031	1%
Housing Assistance Payments (HAP)	-	-	72,000	72,000	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	-	-	68,627	68,627	0%
Property Improvements	185,483	356,258	567,668	211,410	59%
EXPENSE TOTAL	5,559,804	5,674,138	5,846,716	172,578	3%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ 164,154	\$ 27,044	\$ 143,273	\$ 116,229	430%



4.8 HORIZON DEVELOPMENT

Fund Overview

Horizon Development is a non-profit, tax exempt 501(c)(3) subsidiary organized in March 2001. Horizon Development was created to provide affordable housing to qualified individuals. Horizon Development is a wholly owned subsidiary of INLIVIAN. It has no employees and all functions are provided by employees of INLIVIAN and then recorded in the appropriate fund budget. INLIVIAN's Board of Commissioners also serves as the Board for Horizon Development.

With the conversion to RAD, public housing units were converted to Project-Based Vouchers. Ownership of these units was transferred from INLIVIAN to individual special purpose entities whose sole member is Horizon Development. This change of ownership also changed the regulations under which the properties are operated. Management moved from a public housing environment (HUD asset management regulations) to a private management platform.

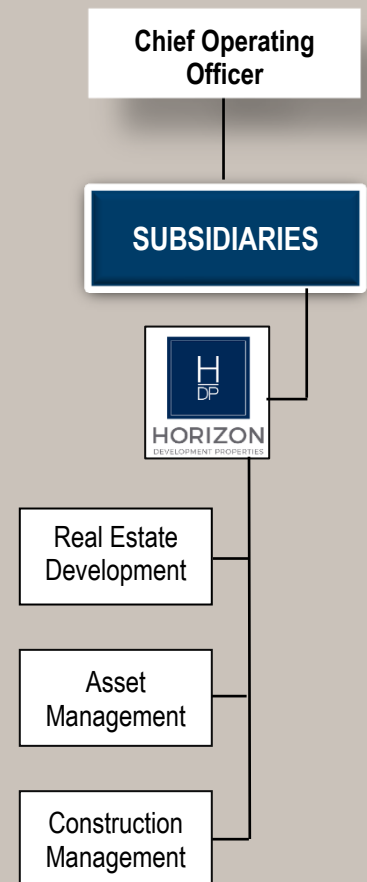
The Horizon Development fund includes the operations of the Horizon Development-owned properties as well as the budget for the Real Estate Development, Asset Management, and Construction Management departments.

Property management services are provided by Blue Horizon. Although services are rendered and managed by Blue Horizon, the cost of labor, materials, maintenance and other operational needs are expensed in the Horizon Development Fund for each property.

All properties have established replacement reserve accounts to meet the needs of the property and accomplish their long-term capital needs.

The Real Estate Development (RED) Division budget is included in the overall Horizon Development budget. The RED Division has three sections: Real Estate Development, Asset Management, and Construction Management.

Revenue for the RED division is from developer fees earned, bond issuance and compliance fees, and asset management fees. The Administrative expense section represents cost for salaries, benefits, pursuit cost and professional services.



Annual Objectives

Annual Objectives are linked to one of the six Agency Goals (see Section 2.3)

Agency

Goal # Objective

2

Continue implementing HDP Development Pipeline Projects

Performance Measurements

Performance Measurements are linked to one of the six Agency Goals (see Section 2.3)

Output	FY22 Actual	FY23 Estimated
Total dollar amount of bonds issued	\$249,722,000	\$215,000,000
Total # of units created/preserved by bonds (excluding HDP self-develop or P3 deals)	1852	2005

Agency Goal #	Effectiveness or Efficiency	FY22 Actual	FY23 Estimated	FY24 Goal
2	% of capital projects completed (budget vs actuals)	<50%	<50%	90%
2	% of capital projects with change orders less than 10% of original cost	100%	<90%	90%

Horizon Development Property Listing

*Property Listing and Dwelling Unit Composition
As of December 31, 2022*

Development	Address	Breakdown of Units					
		Tax Credits	PB Section 8	RAD PB Section 8	Affordable/Market Rate	Off-Line	Totals
940 BREVARD	BREVARD STREET	-	60	40	-	-	100
ARBOR GLEN 50	CLANTON ROAD	-	-	25	25	-	50
ARBOR GLEN I	SPRING FOREST DRIVE	84	-	60	-	-	144
ARBOR GLEN II	CLANTON DRIVE	51	-	40	-	-	91
ARBOR GLEN III	CARONIA STREET	11	-	12	-	-	23
ARCHDALE FLATS FAMILY	ARCHDALE DRIVE	166	-	36	-	-	202
AUTUMN PLACE	NORTH DAVIDSON STREET	-	-	68	-	-	68
CEDAR KNOLL	GREEN NEEDLES COURT	-	-	49	-	-	49
CHARLOTTETOWN TERRACE	BAXTER STREET	-	-	161	-	-	161
CLAREMONT	COLISEUM DRIVE	-	-	50	-	-	50
EDWIN TOWERS	WEST 10TH STREET	-	-	176	-	-	176
EVOKE LIVING AT WESTERLY HILLS	WESTERLY HILLS DRIVE	156	-	-	-	-	156
FAIRMARKET SQUARE	FAIRMARKET PLACE	-	-	16	44	-	60
GLADEDALE	OLDE PROVIDENCE ROAD	-	-	49	-	-	49
GLEN COVE	PINEBURR ROAD	-	-	10	40	-	50
GROVE PLACE	WT HARRIS BOULEVARD	-	-	-	36	-	36
HAMPTON CRESTE	NORTH WENDOVER ROAD	-	-	60	153	-	213
LANDING AT PARK ROAD	MARSH ROAD	-	92	-	-	-	92
LEAFCREST	LEAFCREST LANE	-	-	48	-	-	48
MALLARD RIDGE	AXMINSTER COURT	-	-	35	-	-	35
MCALPINE TERRACE	PINEBURR ROAD	-	-	26	87	-	113
MCMULLEN WOOD	WALSH BLVD	34	-	21	-	-	55
MEADOW OAKS	FLORENCE AVENUE	-	-	32	-	-	32
MILL POND	LAUREL MILL ROAD	-	51	-	117	-	168
MONTGOMERY GARDENS	MONTGOMERY GARDENS DRI	56	-	20	-	-	76
NIA POINT	MAYFIELD TERRACE DRIVE	52	-	29	-	-	81
OAK VALLEY	McRAE STREET	-	-	-	50	-	50
OAKS AT CHERRY	LUTHER STREET	-	-	81	-	-	81
PARK AT OAKLAWN	STROUD PARK COURT	89	-	89	-	-	178
ROBINSDALE	MARGIE ANN DRIVE	-	-	30	-	-	30
SAVANNA WOODS	LEASIDE LANE	-	-	49	-	-	49
SENECA WOODS	SENECA PLACE	32	-	17	-	1	50
SOUTHSIDE HOMES	GRIFFITH STREET	-	-	392	-	-	392
SPRINGFIELD GARDENS	SPRINGFIELD GARDEN DRIVE	64	-	22	-	-	86
SUNRIDGE	SUNRIDGE LANE	-	-	44	-	-	44
TARLTON HILLS	FRAZIER AVENUE	-	-	50	-	-	50
VALLEY VIEW	HICKORY VALLEY COURT	-	-	-	49	1	50
VICTORIA SQUARE	CLARKSON STREET	-	-	31	-	1	32
VISTAS AT 707	SEIGLE AVENUE	-	-	-	190	-	190
WALLACE WOODS	WALLACE WOOD	-	-	48	-	-	48
WOODLAWN HOUSE	E WOODLAWN ROAD	-	-	104	-	-	104
Totals		795	203	2,020	791	3	3,812

The above list only includes properties owned by HDP. Other properties owned by INLIVIAN (such as public housing or other entities) are not listed.

Horizon Development – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Tenant Rental Revenues	\$ 34,312,214	\$ 35,212,347	\$ 39,643,995	\$ 4,431,648	13%
Public Housing Operating Subsidies	-	-	-	-	0%
HCV Operating Subsidies	-	-	-	-	0%
HCV Administrative Fees	-	-	-	-	0%
Capital Fund	-	-	-	-	0%
Portable HAP Revenue	-	-	-	-	0%
Portable HAP Administrative Fees	-	-	-	-	0%
Fee Revenue	4,525,637	4,498,950	3,982,168	(516,782)	-11%
Other Revenues	24,282,892	21,537,560	22,618,029	1,080,469	5%
Fund Balance Appropriated	-	5,273,549	7,279,879	2,006,330	38%
Other Sources	-	-	-	-	0%
REVENUE TOTAL	63,120,743	66,522,406	73,524,071	7,001,665	11%
EXPENSES					
Administrative	11,647,968	12,711,553	14,509,844	1,798,291	14%
Tenant & Social Services	1,086,241	978,261	1,312,483	334,222	34%
Utilities	4,925,756	4,853,217	4,880,902	27,685	1%
Ordinary Maintenance & Operations	10,798,687	11,729,102	11,355,524	(373,578)	-3%
Protective Services	181,044	190,462	245,152	54,690	29%
General Expenses	2,600,076	2,746,328	3,158,120	411,792	15%
Reserve Deposits	1,673,023	1,705,563	1,770,332	64,769	4%
Reserve Draws	(2,898,530)	(5,088,038)	(7,447,346)	(2,359,308)	46%
Debt Service	4,196,718	4,066,046	4,721,508	655,462	16%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	4,800,000	5,273,549	6,018,845	745,296	14%
Future Year's Appropriations	991,870	239,731	1,208,277	968,546	404%
Property Improvements	22,133,509	26,329,235	30,680,253	4,351,018	17%
EXPENSE TOTAL	62,136,362	65,735,009	72,413,895	6,678,886	10%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ 984,381	\$ 787,397	\$ 1,110,176	\$ 322,779	41%

Real Estate Development – Budget by Category

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
REVENUES					
Fee Revenue					0%
Asset Management Fees	351,656	364,732	337,289	(27,443)	-8%
Bond Application Fees	-	15,000	20,000	5,000	33%
Bond Issuance Fees	987,500	1,156,250	1,201,250	45,000	4%
Bond Monitoring Fees	461,072	549,510	767,393	217,883	40%
Construction Management Fees	333,862	115,568	-	(115,568)	-100%
Developer Fees	2,294,850	2,265,918	1,185,336	(1,080,582)	-48%
Other Fee Revenue	-	-	-	-	0%
Other Revenues	-	-	-	-	0%
Fund Balance Appropriated	-	-	1,261,034	1,261,034	0%
REVENUE TOTAL	4,428,940	4,466,978	4,772,302	305,324	7%
EXPENSES					
Administrative	3,394,989	4,169,434	4,713,609	544,175	13%
Tenant & Social Services	-	-	-	-	0%
Utilities	-	-	-	-	0%
Ordinary Maintenance & Operations	64,731	55,814	57,093	1,279	2%
Protective Services	-	-	-	-	0%
General Expenses	13,290	2,000	1,600	(400)	-20%
Reserve Deposits	-	-	-	-	0%
Reserve Draws	-	-	-	-	0%
Debt Service	-	-	-	-	0%
Housing Assistance Payments (HAP)	-	-	-	-	0%
HAP Expense - Portables	-	-	-	-	0%
Other Uses	-	-	-	-	0%
Future Year's Appropriations	991,870	239,731	-	(239,731)	-100%
Property Improvements	-	-	-	-	0%
EXPENSE TOTAL	4,464,880	4,466,979	4,772,302	305,323	7%
OPERATING TRANSFERS					
Operating Transfers In	-	-	-	-	0%
Operating Transfers Out	-	-	-	-	0%
TRANSFERS IN (OUT) TOTAL	-	-	-	-	0%
NET INCOME	\$ (35,940)	\$ -	\$ -	\$ -	0%

Real Estate Development – Expense Budget by Section

	FY2022 Budget	FY2023 Budget	FY2024 Budget	FY2024 vs FY2023	
				\$ Variance	% Variance
Asset Management	\$ 683,885	\$ 683,864	\$ 729,537	\$ 45,673	6.7%
Construction Management	500,055	754,517	903,242	148,725	19.7%
Real Estate Development	3,280,940	3,028,598	3,139,523	110,925	3.7%
EXPENSE TOTALS	\$ 4,464,880	\$ 4,466,979	\$ 4,772,302	\$ 305,323	6.8%

Horizon Development – Budget by Properties

REVENUES	940 Brevard	Grove Place	Oak Valley	Valley View	Arbor Glen 50	Arbor Glen I
Tenant Rental Revenues	\$ 651,245	\$ 326,844	\$ 464,727	\$ 493,212	\$ 426,304	\$ 1,208,724
Fee Revenue	-	-	-	-	-	-
Other Revenues	8,400	-	684	960	480	3,000
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	659,645	326,844	465,411	494,172	426,784	1,211,724
EXPENSES						
Administrative	254,103	99,051	116,604	121,772	125,130	352,757
Tenant & Social Services	21,168	4,800	2,400	270	4,200	56,000
Utilities	50,274	29,328	49,008	45,771	72,012	109,896
Ordinary Maintenance & Operations	213,220	156,081	204,931	233,888	142,471	388,260
Protective Services	6,697	2,407	3,349	3,349	3,349	9,653
General Expenses	71,768	34,103	45,992	43,604	45,876	92,176
Reserve Deposits	42,072	-	-	-	22,896	42,132
Reserve Draws	(54,000)	(35,596)	(119,000)	(75,400)	(36,996)	(164,000)
Debt Service	-	-	-	-	-	-
Future Year's Appropriations	-	-	-	-	-	85,850
Property Improvements	54,000	35,596	119,000	75,400	36,996	164,000
EXPENSE TOTAL	659,302	325,770	422,284	448,654	415,934	1,136,724
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 343	\$ 1,074	\$ 43,127	\$ 45,518	\$ 10,850	\$ 75,000

REVENUES	Arbor Glen II	Arbor Glen III	Autumn Place	The Renaissance Retreat -	Cedar Knoll	Charlottetown Terrace	Claremont
Tenant Rental Revenues	\$ 755,136	\$ 209,056	\$ 817,849	\$ -	\$ 604,524	\$ 1,821,285	\$ 642,902
Fee Revenue	-	-	-	-	-	-	-
Other Revenues	1,800	240	1,848	-	1,740	15,000	636
Other Sources	-	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-	-
REVENUE TOTAL	756,936	209,296	819,697	-	606,264	1,836,285	643,538
EXPENSES							
Administrative	232,042	61,865	221,781	-	159,175	449,381	144,200
Tenant & Social Services	42,000	10,850	53,440	-	30,780	34,995	30,830
Utilities	118,932	26,892	89,484	-	118,848	195,420	123,432
Ordinary Maintenance & Operations	232,446	50,371	332,791	-	217,952	502,646	213,843
Protective Services	6,095	1,544	4,552	-	3,297	10,804	3,349
General Expenses	68,493	26,075	68,273	-	44,404	154,299	48,529
Reserve Deposits	40,248	9,876	41,616	-	30,132	83,496	30,744
Reserve Draws	(134,800)	(44,800)	(219,010)	-	(261,660)	(284,395)	(223,000)
Debt Service	-	21,700	-	-	-	428,076	-
Future Year's Appropriations	-	-	-	-	-	-	-
Property Improvements	134,800	44,800	219,010	-	261,660	253,000	223,000
EXPENSE TOTAL	740,256	209,173	811,937	-	604,588	1,827,722	594,927
Operating Transfers In	-	-	-	100,000	-	-	-
Operating Transfers Out	-	-	-	100,000	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-	-
NET INCOME	\$ 16,680	\$ 123	\$ 7,760	\$ -	\$ 1,676	\$ 8,563	\$ 48,611

	Fairmarket		First Ward		First Ward	
REVENUES	Edwin Towers	Square	First Ward 1	First Ward 2	Recap	The Gaston
Tenant Rental Revenues	\$ 2,063,059	\$ 567,467	\$ 1,904,904	\$ 404,968	\$ 616,461	\$ 1,693,408
Fee Revenue	-	-	-	-	-	-
Other Revenues	771,480	5,762,558	500,000	500,000	-	-
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	2,834,539	6,330,025	2,404,904	904,968	616,461	1,693,408
EXPENSES						
Administrative	453,736	155,937	354,846	85,924	122,242	320,077
Tenant & Social Services	38,352	23,141	8,884	-	-	50,058
Utilities	223,956	69,396	172,792	62,246	47,853	75,644
Ordinary Maintenance & Operations	613,145	141,985	358,369	71,861	62,110	127,242
Protective Services	11,798	4,029	-	-	-	-
General Expenses	172,066	54,309	147,997	31,032	59,676	206,930
Reserve Deposits	91,524	37,620	-	-	-	37,080
Reserve Draws	(241,552)	(532,500)	-	-	-	-
Debt Service	462,576	-	178,304	61,664	-	876,377
Future Year's Appropriations	-	6,649	998,392	500,000	249,580	-
Property Improvements	956,200	6,294,458	110,320	22,460	-	-
EXPENSE TOTAL	2,781,801	6,255,025	2,329,904	835,187	541,461	1,693,408
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 52,738	\$ 75,000	\$ 75,000	\$ 69,781	\$ 75,000	\$ -

	Hampton		Carole Hoefener		Little Rock	
REVENUES	Gladedale	Glen Cove	Creste	Center	Leafcrest	Apartments
Tenant Rental Revenues	\$ 635,668	\$ 544,699	\$ 2,367,176	\$ 19,368	\$ 551,606	\$ 2,607,398
Fee Revenue	-	-	-	-	-	-
Other Revenues	500,828	816	4,320	597,204	-	300
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	1,136,496	545,515	2,371,496	616,572	551,606	2,607,698
EXPENSES						
Administrative	146,073	149,706	569,965	284,235	127,009	526,081
Tenant & Social Services	4,639	18,190	4,500	-	31,680	2,400
Utilities	167,736	39,180	312,864	34,836	117,528	303,120
Ordinary Maintenance & Operations	239,961	197,106	888,066	149,957	208,699	673,626
Protective Services	3,297	3,349	14,283	-	3,218	-
General Expenses	38,282	46,509	165,245	35,200	31,515	291,016
Reserve Deposits	29,256	33,204	264,504	17,256	30,432	64,500
Reserve Draws	(74,992)	(245,000)	(697,782)	-	(212,404)	(206,864)
Debt Service	-	14,004	66,816	50,000	-	615,300
Future Year's Appropriations	-	-	10,254	-	-	-
Property Improvements	574,992	245,000	697,782	-	212,404	206,864
EXPENSE TOTAL	1,129,244	501,248	2,296,496	571,484	550,082	2,476,044
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 7,252	\$ 44,267	\$ 75,000	\$ 45,088	\$ 1,524	\$ 131,654

	McAden Park				McMullen	
REVENUES	The Landings	Mallard Ridge	Apartments	McAlpine	Wood	Meadow Oaks
Tenant Rental Revenues	\$ 960,564	\$ 484,100	\$ 409,351	\$ 1,002,054	\$ 453,336	\$ 395,281
Fee Revenue	-	-	-	-	-	-
Other Revenues	12,336	200,216	1,001,500	7,005,604	673,300	771,160
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	972,900	684,316	1,410,851	8,007,658	1,126,636	1,166,441
EXPENSES						
Administrative	273,169	122,961	119,132	306,611	150,438	101,661
Tenant & Social Services	35,010	21,876	1,058	87,165	4,365	20,646
Utilities	41,508	96,900	52,800	140,196	44,004	66,960
Ordinary Maintenance & Operations	330,892	178,356	148,007	313,391	172,458	127,507
Protective Services	6,174	2,355	4,029	7,587	3,689	2,146
General Expenses	87,679	35,210	246	85,250	36,415	32,645
Reserve Deposits	29,100	21,732	29,220	53,976	32,844	21,732
Reserve Draws	(37,700)	(179,442)	(88,050)	(1,031,000)	(364,887)	(56,204)
Debt Service	63,324	-	54,732	8,604	9,180	-
Future Year's Appropriations	31,043	-	-	-	-	-
Property Improvements	37,700	379,442	1,088,050	8,031,000	1,037,791	827,364
EXPENSE TOTAL	897,900	679,391	1,409,224	8,002,780	1,126,297	1,144,457
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 75,000	\$ 4,925	\$ 1,627	\$ 4,878	\$ 339	\$ 21,984

	Montgomery					
REVENUES	Mill Pond	Gardens	Nia Point	Oaks at Cherry	Parktowne	Park at Oaklawn
Tenant Rental Revenues	\$ 2,228,766	\$ 607,490	\$ 629,142	\$ 840,521	\$ 1,501,368	\$ 1,514,350
Fee Revenue	-	-	-	-	-	-
Other Revenues	7,200	2,700	3,396	1,200	8,400	7,200
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	2,235,966	610,190	632,538	841,721	1,509,768	1,521,550
EXPENSES						
Administrative	530,008	127,326	141,713	221,715	424,851	438,438
Tenant & Social Services	7,200	2,238	2,300	48,751	121,191	2,796
Utilities	119,004	86,324	103,920	92,172	144,204	201,612
Ordinary Maintenance & Operations	503,169	191,589	192,323	279,657	585,464	585,774
Protective Services	11,275	5,101	-	5,442	10,935	10,632
General Expenses	121,434	48,387	52,844	85,267	127,240	113,278
Reserve Deposits	52,416	31,716	33,792	36,480	87,264	52,848
Reserve Draws	(179,196)	(99,996)	(93,000)	(55,000)	(194,004)	(223,700)
Debt Service	449,510	96,300	104,052	70,992	-	78,228
Future Year's Appropriations	366,950	-	-	-	-	-
Property Improvements	179,196	99,996	93,000	55,000	194,004	223,700
EXPENSE TOTAL	2,160,966	588,981	630,944	840,475	1,501,149	1,483,606
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 75,000	\$ 21,209	\$ 1,594	\$ 1,246	\$ 8,619	\$ 37,944

	Springfield					
REVENUES	Robinsdale	Savanna Woods	Seneca Woods	Southside	Gardens	Strawn
Tenant Rental Revenues	\$ 382,010	\$ 635,944	\$ 523,029	\$ 5,008,268	\$ 775,316	\$ 1,628,843
Fee Revenue	-	-	-	-	-	-
Other Revenues	-	840	250,600	4,320	4,740	7,680
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	382,010	636,784	773,629	5,012,588	780,056	1,636,523
EXPENSES						
Administrative	88,729	169,343	164,209	912,102	220,704	405,717
Tenant & Social Services	17,760	31,980	33,480	189,504	47,090	122,988
Utilities	73,716	129,996	40,500	744,000	66,420	189,312
Ordinary Maintenance & Operations	96,894	216,033	165,238	1,027,802	241,263	554,789
Protective Services	3,297	3,349	26,290	26,292	11,406	2,956
General Expenses	29,292	46,092	45,722	332,727	66,606	129,906
Reserve Deposits	18,648	30,432	30,432	203,832	40,272	87,228
Reserve Draws	(70,604)	(135,904)	(381,496)	(303,000)	(137,000)	(166,800)
Debt Service	-	-	7,500	1,191,529	85,740	-
Future Year's Appropriations	-	-	-	309,801	-	68,627
Property Improvements	70,604	135,904	631,496	303,000	137,000	166,800
EXPENSE TOTAL	328,335	627,225	763,371	4,937,588	779,501	1,561,523
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 53,675	\$ 9,559	\$ 10,258	\$ 75,000	\$ 555	\$ 75,000

	Woodlawn					
REVENUES	Sunridge	Tarlton Hills	Victoria Square	Vistas at 707	Wallace Woods	House
Tenant Rental Revenues	\$ 462,879	\$ 647,940	\$ 482,443	\$ 2,248,653	\$ 564,566	\$ 1,335,991
Fee Revenue	-	-	-	470,900	-	-
Other Revenues	600	600	600	4,406,920	420	7,092
Other Sources	-	-	-	-	-	-
Fund Balance Appropriated	-	-	-	-	-	-
REVENUE TOTAL	463,479	648,540	483,043	7,126,473	564,986	1,343,083
EXPENSES						
Administrative	131,176	151,354	130,056	511,299	160,120	265,499
Tenant & Social Services	28,262	30,530	19,842	-	31,080	88,120
Utilities	89,472	165,816	107,484	131,040	95,196	161,208
Ordinary Maintenance & Operations	155,142	198,378	165,131	176,023	195,007	419,190
Protective Services	3,349	2,146	3,218	-	6,985	6,000
General Expenses	31,397	44,283	32,412	166,020	42,608	102,828
Reserve Deposits	21,648	29,856	19,668	50,156	29,832	62,088
Reserve Draws	(86,000)	(71,500)	(56,130)	-	(65,200)	(163,500)
Debt Service	-	-	-	672,000	-	15,000
Future Year's Appropriations	-	-	-	-	-	148,150
Property Improvements	86,000	71,500	56,130	5,393,632	65,200	163,500
EXPENSE TOTAL	460,446	622,363	477,811	7,100,170	560,828	1,268,083
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TRANSFERS IN (OUT) TOTAL	-	-	-	-	-	-
NET INCOME	\$ 3,033	\$ 26,177	\$ 5,232	\$ 26,303	\$ 4,158	\$ 75,000



5.0 CAPITAL PROJECTS

5.1 PROPERTY IMPROVEMENTS

In order to keep assets in good operating condition and marketable, property improvements will be accomplished that contribute to the preservation of affordable housing units. Property Improvements include major repairs, renovations, replacements and general capital expenditures. The FY2024 Budget includes major work such as interior and exterior renovations, system replacements, and other major improvements to maintain the sustainability and viability of each asset.

Identifying Capital Needs

One of the requirements of the RAD program involved an independent third-party assessment of the physical needs required for the upkeep of each property over a twenty-year period. From this effort, a Physical Needs Assessment (PNA) was created and is used as a general planning tool for property improvements. In 2023, an updated PNA was commissioned to get a more current look at the properties and their respective needs. Any critical needs identified in the updated study are included in this budget to ensure the continued success of the property.

After careful site visits and reviews, it was recommended that certain properties needed major renovations. To achieve economies of scale, minimize disruption to residents, and minimize mobilization efforts, these projects will be completed in their entirety, versus stretching over multiple years. To accomplish this, both property replacement reserves and MTW funds are being utilized in the FY2024 Budget to fund the anticipated property improvements.

Impact on Operations

Nonrecurring capital expenditures in this budget are anticipated to impact future operating budgets to include lower long-term maintenance cost. With innovative designs and more recent approaches, renovations at the various sites are estimated to reduce routine maintenance expenses in future operating budgets. Most projects identified under "Work performed by site staff" includes replacement of appliances, which will reduce repair and maintenance in the initial year and will increase efficiencies in utilities (electricity, water, gas) in the long run.

Schedule of Property Improvements

Property	FY2024
	Total Budget
400 East Boulevard Administration	\$ 35,004
940 Brevard	\$ 54,000
Grove Place	\$ 35,596
Oak Valley	\$ 119,000
Valley View	\$ 75,400
Arbor Glen 50	\$ 36,996
Arbor Glen I	\$ 164,000
Arbor Glen II	\$ 134,800

Continue from prior page

Property	FY2024
	Total Budget
Arbor Glen III	\$ 44,800
Autumn Place	\$ 219,010
Cedar Knoll	\$ 261,660
Charlottetown Terrace	\$ 253,000
Claremont	\$ 223,000
Edwin Towers	\$ 956,200
Fairmarket Square	\$ 6,294,458
First Ward 1	\$ 110,320
First Ward 2	\$ 22,460
Gladedale	\$ 574,992
Glen Cove	\$ 245,000
Hampton Creste	\$ 697,782
Information Technology	\$ 99,996
Leafcrest	\$ 212,404
Little Rock Apartments	\$ 206,864
The Landings	\$ 37,700
Mallard Ridge	\$ 379,442
McAden Park Apartments	\$ 1,088,050
McAlpine	\$ 8,031,000
McMullen Wood	\$ 1,037,791
Meadow Oaks	\$ 827,364
Mill Pond	\$ 179,196
Montgomery Gardens	\$ 99,996
Nia Point	\$ 93,000
Oaks at Cherry	\$ 55,000
Parktowne	\$ 194,004
Park at Oaklawn	\$ 223,700
Robinsdale	\$ 70,604
Savanna Woods	\$ 135,904
Seneca Woods	\$ 631,496
Southside	\$ 303,000
Springfield Gardens	\$ 137,000
Strawn	\$ 166,800
Sunridge	\$ 86,000
Tarlton Hills	\$ 71,500
Victoria Square	\$ 56,130
Vistas at 707	\$ 5,393,632
Wallace Woods	\$ 65,200
Woodlawn House	\$ 163,500
Contingency	\$ 2,000,000
Grand Total	\$ 32,603,751

Description of Property Improvements

Below are descriptions of some of the major property improvements included in the FY2024 Budget.

Fairmarket Square: The capital project includes interior renovation of all 60 apartment units, installation of backflow preventor, shutoff valves for all units in the community and exterior improvements on the property.

Glen Cove: The capital project includes building a retaining wall near the parking lot to help fix the erosion issues under the concrete drainage trough. Regrading will also be completed to move water away from the buildings to prevent moisture intrusion.

McAlpine Terrace: Interior renovations of all units to include new finishes, kitchen and bathroom cabinets, new sinks and appliances, and new lighting. Exterior patching and repainting of existing EIFS system. Replace existing HVAC units with new PTAC units in all residential units and run condensate lines appropriately to a central location. Replace exterior windows throughout the building (resident units only) and incorporate the PTAC units into the overall design. Add retaining wall to mitigate erosion, replace exterior lighting at front entry.

Meadow Oaks: Renovate interiors of all units over the course of next five years. FY2023 Budget includes Phase 1, which would include 8 units. Scope of work includes new finishes, kitchen and bathroom cabinets, new sinks and appliances, new lighting and bathtub replacement. Reroofing of buildings, replace gutters and add gutter guards. Remove old playground and clothesline areas; add seating and grill area. Replace existing unit exhaust fans and switch with lights. Replace damaged storage room doors.

McMullen Wood: Replace patio deck and railings at damaged locations, approximately 33 units. Rebuild the property signage with electrical.

5.2 REAL ESTATE DEVELOPMENTS

Horizon Development is a real estate development firm aggressively seeking innovative ways to expand and preserve the supply of affordable housing in the City of Charlotte. Development projects are primarily composed of the following initiatives:

	USES			SOURCES			
	Total Project Budget	Previously Approved Budget	FY2024 Appropriations	Horizon Development	Moving to Work	Business Activities	FY2024 Sources of Funding
Strawn Master Plan	\$ 2,763,887	\$ 2,763,887	\$ 102,895		\$ 102,895		\$ 102,895
Tall Oaks	\$ 22,536,996	\$ 22,536,996	\$ 108,500		\$ 108,500		108,500
Renaissance	200,000	200,000					-
JT Crawford Community Center	2,000,000	2,000,000					-
Dillehay Phase II Relocation, Demolition, Predevelopment	3,500,000	3,500,000	3,224,809		3,224,809		3,224,809
8th and Tryon - Market	32,000,000	32,000,000	3,433,055			3,433,055	3,433,055
8th and Tryon - Affordable	13,800,000	13,800,000	5,327,845	5,327,845			5,327,845
Grove Place	1,285,592	500,000	785,592		785,592		785,592
Oak Valley	5,072,743	1,000,000	4,072,743		4,072,743		4,072,743
Valleyview	2,091,008	1,000,000	1,091,008		1,091,008		1,091,008
Little Rock	6,225,660		6,225,660		6,225,660		6,225,660
Baxter/Morehead Land Swap	500,000		500,000		500,000		500,000
Prosperity Creek Seniors	500,000		500,000		500,000		500,000
First Ward Recap Phase 1	25,933,175	23,933,175	2,000,000		2,000,000		2,000,000
Ashley Square	20,000		20,000		20,000		20,000
Gladedale Rezoning	80,000		80,000	80,000			80,000
Future Projects			6,911,000	611,000	6,300,000		6,911,000
	\$ 118,509,061	\$ 103,234,058	\$ 34,383,107	\$ 6,018,845	\$ 24,931,207	\$ 3,433,055	\$ 34,383,107

Development Projects

Document Legend

AMI	Area Median Income
CHOIF	Charlotte Housing Opportunity Investment Funds
HDP	Horizon Development Properties, Inc. a development affiliate wholly-owned by INLIVIAN
HTF	Housing Trust Funds awarded competitively by the City of Charlotte
LIHTC	Low Income Housing Tax Credits
NCHFA	North Carolina Housing Finance Agency
P3	Public Private Partnership
TOA	Transfer of Assistance
TPV	Tenant Protection Voucher
RAD	Rental Assistance Demonstration
ROFR	Right of First Refusal

1. Strawn Master Plan: P3 with The Fallon Company



Artist's Rendering of the New Office Building at Centre South

Strawn Cottages, now known as Centre South, is envisioned to be a \$330 million mixed-use, mixed-income development. It is expected to feature new apartments, office space, retail space, a hotel, townhomes, and a public park. The first phase was initially conceived to include the office building for financial reasons; however the market for office and hotel space has caused the developer to pivot to building the residential component first. While waiting for the office and hotel markets to recover.

2. Trella (formerly known as Hall House): P3 with Urban Atlantic



Artist's Rendering of the College Street Façade

The plan of development for Trella Uptown (identified as 8th and Tryon) includes the construction of a new multi-family rental project with approximately 353 total units. The unit mix will follow a concept of 70/30/30. Meaning, of the total units, 70% (247) will be market rate and 30% (106) will be affordable to households earning up to 80% AMI. Of the 30% affordable units, 30% will be available to households earning 30% of the AMI. The property closed in December 2022 and is currently under construction. HDP received commitments for \$6MM from the County and \$3.2MM from the City. The state housing finance agency approved bond volume cap and 4% Low Income Housing Tax Credits (LIHTC).

3. Tall Oaks Phase II

The rezoning that kicked off in 2015 continues to be deferred while we work to build on our current presence as a good neighbor in the Cherry community. We will work to strengthen our relationships with the community leaders and move forward at the appropriate time.

4. The Gaston at North End (Dillehay Courts Redevelopment)

Artist's Rendering of the Gaston



Dillehay Courts Phase I closed May 7, 2021. This first phase project consisted of demolishing 36 units, followed by new construction. A grand opening was held in August 2023, with units beginning occupancy in November 2023.

Redevelopment has resulted in 144 residential units in one 4 -story elevator building with surface parking. The units will be available to households that earn 30% to 80% of the AMI. There will be 36 regular PBV units subsidizing the operations of the 30% AMI units in the project. This project is being

funded with tax-exempt bonds, 4% tax credits, a City Housing Trust Fund loan and an HDP loan.

5. First Ward Place, Phase I

Horizon Development is recapitalizing First Ward Place through multiple 9% LIHTC Applications to the North Carolina Housing Finance Agency (NCHFA) for the financing, acquisition, and rehabilitation of the community. The project is anticipating the execution to be in multiple phases to capitalize on the existing units and to increase the total number of units in the community to right-size the overall percentage of 30% AMI units. The parcels, bounded by North Caldwell Street, North Davidson Street, East 9th and East 10th Street, have a combined unit count of 283 apartments. Phase I of the Project recapitalizes 71 of the total 283 units.

Due to the current age and condition of the units, all interior finishes from the floor plane to the ceiling plane need to be replaced, including all furnishings, fixtures, and equipment. Exterior work includes replacement of windows, roofing (including gutters and downspouts), and siding. The rehabilitation work also brings the buildings into compliance with current codes. FMK Architects is the Architect of Record, Cleveland Construction is the general contractor. The scope of work for this Phase I was developed along with FMK, as a result of an on-site inspection, and a market study to inform the amenities required by the upper limits of the rent scale (80% AMI). Closing occurred in July 2021, with construction commencing shortly after. The city is also supporting this project with a \$2MM Housing Trust Fund commitment.

6. Abbington On Mt. Holly: P3 with Rea Ventures Group (RVG)



Architect's Colored Elevation of one Building

In 2019, Horizon Development and Rea Ventures Group (RVG) entered into a Joint Venture Agreement (the "JV") to develop a site located at 3230 Mt. Holly Huntersville Rd. There is a 4% LIHTC allocation application with bond volume cap that was accepted by NCHFA and the project was awarded HTF and CHOIF funds. HDP is acting as co-developer (20%) and as the majority managing member. RVG is serving as the lead (80%) developer and is providing all guarantees with the exception of the lease-up and tax credit guarantees.

The property will be 3rd party managed. HDP will have the Right Of First Refusal (ROFR) to purchase the property as well as the interest of all of the members at the end of the initial (15-year) compliance period.

This Project is a new construction, family development on 8.57 acres, improved with garden-style walk-up, 3-story buildings with amenities in a stand-alone clubhouse. The setting is highly practical in that it will enjoy superb centrality for highways and shopping in the growing north side of Charlotte and be located directly off a major thoroughfare (Mt. Holly-Huntersville Road and Brookshire Boulevard) that leads directly to an interchange with Interstate 485 within a half mile. It is in walking distance to multiple shopping centers containing grocery stores, retail, pharmacies, banks, healthcare, and multiple restaurants and the site also provides sidewalk access to a bus stop and numerous commercial and health service providers along Mt. Holly- Huntersville Road, which also has paved sidewalks on both sides of the road.

This project closed June 23, 2021 and construction has been completed. The new apartments will be available to households earning 30% to 70% of the AMI, income averaged to 60% AMI. There will be 26 PBV units subsidizing the operations of the 30% AMI units. Bedroom sizes will be available from one to three bedrooms.

7. Archdale Flats Family and Archdale Flats Seniors: P3 with Elmington Capital Group



Artists Rendering of Archdale Flats Seniors

This development is the result of two separate LIHTC and bond applications. The 11.32-acre site is located at 330 Archdale Drive in Charlotte, North Carolina. The site was subdivided to create two separate projects. Each is located on its own subdivided parcel with financing supported with separate collateral. These are two distinct communities. The first is Archdale Flats Senior which is a 131-unit project with 1-bedroom units only, 100% of which are age

restricted to seniors (55 and older) and 100% of which will be subject to income and rent restrictions (the “Seniors Development”). The second is Archdale Flats Family; a 202-unit family project with a mix of 1BR, 2BR, and 3BR units, 100% of which are designated for families and subject to income and rent restrictions (the “Family Development”).

The site is located on Archdale Drive in the Montclair South neighborhood of Charlotte and abuts a High Opportunity Area. It is located in close proximity to South Blvd and is less than a quarter mile from I-77. The site will enjoy the benefit of two bus stops situated at the site and sits within a mile of the Lynx Blue Line Archdale Station, enabling residents to take the bus directly from the site to the Lynx Blue Line for access to much of the City. By virtue of the public transportation at the site, the site has access to an abundance of amenities. Residents will enjoy easy access to employment, as well as excellent options for grocers, dining, and retail.

Along with proximity to city-wide amenities, services, jobs, and transportation, the Family Development is less than a mile from the new Waddell Language Academy, which will serve students from kindergarten through eighth grade, and will offer Chinese, French, German, and Japanese language immersion. When complete, it will enroll about 1,300 students and serve the southern portion of Mecklenburg County. The Senior Development will enjoy the same proximity to amenities, services, jobs, and transportation, and will also benefit from being 2.5 miles from the Tyvola Senior Center. Both Projects are in close proximity to medical services.

With the strong employment opportunities, the close proximity to retail and services, and the convenience of two bus stops at the property and the LYNX Blue Line, both Projects will provide much needed affordable housing that will be quickly absorbed by the Charlotte market.

Horizon Development is partnering with Elmington Capital Group (ECG) (HDP 25%/ECG 75%) and Horizon Development is serving as the majority managing member in both owner entities. Preliminary Applications for both were submitted in January 2019; the financing closed in December 2019 with construction commencing shortly after. Archdale Flats Family began leasing units in late 2021, while Archdale Flats Seniors began leasing in 2022. INLIVIAN issued the bonds. The 36 Dillehay Courts RAD subsidies were transferred to support the operations of the 36 units that are serving 30% AMI households.

8. Evoke Living at Arrowood: P3 with Crosland Southeast

Evoke Living at Arrowood is a 168-unit multifamily housing located at 325 W. Arrowood Road. HDP is co-developing this Project in a P3 with Crosland Southeast. HDP is acting as the majority managing member and will have the ROFR to purchase the units at the end of the compliance period. The financing for this project closed April 16, 2021, with construction completed in 2023.

The development consists of (8) 3-story walk-up garden style residential apartment buildings plus a separate clubhouse. The unit mix is comprised of (36) 1-bedroom units, (108) 2-bedroom units, and (24) 3-bedroom units. All units will be rent restricted for families making 30% to 80% of Area Median Income.

The project provides good transportation access with convenient access to I-77 and I-485 (approx. 1 mile West), the Arrowood light rail station (approx. 1.3-mile East), and downtown Charlotte (approx. 15 minutes by car). The Arrowood bus route has a covered bus stop just south of the property on W. Hebron street, and provides easy access to the Arrowood light rail station, the Whitehall Commons shopping center (Walmart, Publix, Lowes, etc.), and connection to other bus routes.

The development is convenient to shopping and other amenities as listed in the Amenities section below. In addition, the Harper Campus of Central Piedmont Community College (CPCC) is across Hebron Street from the site. CPCC will provide significant educational opportunities to the adult and teenage tenants through their many programs, including early college classes for high school students.

9. Evoke Living at Westerly Hills: P3 with Crosland Southeast

Evoke Living at Westerly Hills is a 156-unit multi-family housing community located at 2503 Westerly Hills Drive. Horizon Development is co-developing this project, will act as the majority managing member and will have the ROFR to purchase the units and the interest of all members at the end of the compliance period.

Westerly Hills is comprised of 36 1-bedroom units, 96 2-bedroom units, and 24 3-bedroom units. All units are rent restricted for families making 80% of Area Median Income or below. The project consists of 7 3-story walk-up garden style residential buildings plus a separate clubhouse.



The location provides good transportation access. Wilkinson Boulevard, which is 1 block south of the property, is the primary connector between downtown Charlotte (approx. 3 miles to the east) and the airport (approx. 3 miles to the west). I-77 and I-85 are both easily accessible from the property. Residents will be able to get on the Airport bus route on Wilkinson Boulevard which provides easy access to downtown or the airport, including a stop at the main transportation center downtown where residents can transfer to other bus routes. Residents will also be able to get on the Jackson Park bus route on Wilkson Boulevard which provides access to various locations and amenities in the local area (e.g., Central Piedmont Community College, shopping, etc.).

This project closed May 22, 2020, with construction completing in 2023.

10. Freedom Flats: P3 with Elmington Capital Group

Horizon Development is partnering with Elmington Capital Group (ECG) and is serving as the majority managing member in the owner entities. A LIHTC/bond Preliminary Application was submitted in January 2020; the financing closed October 7, 2020 and with construction completed in 2023.

The property is located at 4925 Freedom Dr Charlotte, NC 28208. This development will be the first phase of a mixed income, mixed-use development that will include single family homes, townhomes, and retail development along with the affordable multifamily project being developed by special purpose entities. The ownership and involvement in the development will be strictly limited to the multifamily portion of the master development. The entire site is approximately 60 acres, of which 10 acres will be developed for the affordable housing piece. The site boasts an excellent location with high visibility on Freedom Dr. and a straight 4-mile drive down Freedom to Uptown Charlotte. The site offers easy access to retail, services, and employment. There is already a bus stop on site, and CATS is planning to implement “enhanced bus service” along Freedom. These features will connect the residents with even more access to service, shopping, and employment opportunities.



The site is less than two miles from a Food Lion and other shopping, parks, services and healthcare facilities. Furthermore, the site is walking distance from two elementary schools- Thomasboro Elementary School and Allenbrook Elementary School, which will greatly benefit the families with students at our development.

11. Ashley Flats: P3 with Elmington Capital Group

Horizon Development is partnering with Elmington Capital Group (ECG) and is serving as the majority managing member in the owner entities. A LIHTC/bond Preliminary Application was submitted in September 2020; the financing closed in May 3, 2021, with construction completed in 2023.

This is a 150-unit family project with a mix of 1BR, 2BR, and 3BR units, 100% of which will be designated for families and subject to income and rent restrictions. 95% of the units will be available to households earning up to 60% AMI and 5% is available to households earning 30% AMI. The property consists of 6 garden style residential buildings spanning about 5.8 acres. The entire development will be targeted towards families.

The property is located at 2104 Ashley Rd. Charlotte, NC 28208. It has an excellent location that is centrally located in Charlotte, NC, as it is less than 2 miles from uptown Charlotte, and it is less than a mile from both the Freedom Drive corridor and the Wilkinson Blvd corridor. As a result, it enjoys close proximity to retail, services, education, healthcare, places of worship, and employment. Additionally, the project will benefit from having two bus transit stops, one at each end of the property on Ashley Rd., via the Ashley Park/ Scaleybark Bus Route. The proximity to public transit along with the close proximity to employment, services, amenities, education, places of worship, etc., will provide walk-ability and transportation options to the tenants that reduces the need for automobile usage. Additionally, the city has plans to install a future LYNX Silver Line Transit Stop at Ashley Rd and Wilkinson Blvd, less than 1 mile from the development.

This site is located in an extremely lively area benefiting from a lot of private investment and private development. The site is located one mile from a Walmart Super center and less than one mile from other shopping, services, medical facilities, parks, and schools. The site is also less than one mile from Harding University High, which would greatly benefit families living at this proposed development.



**Artist's
Rendering of
Ashley Flats**



6.0 STAFFING SUMMARY

Staffing is measured using Full-Time Equivalents (FTE). An FTE is the number of hours worked by an employee on a full-time basis, assuming 40-hours per week is full-time. This concept is used to convert the hours worked by part-time employees into the hours worked by full-time employees.

In FY2024, there is a net increase of 8.50 FTE over the prior year, for a new total of **268.00** FTEs.

Strategic Business Area	FY2022			FY2023			FY2024			Change FY23 vs FY24
	Full Time	Part Time	Total FTE	Full Time	Part Time	Total FTE	Full Time	Part Time	Total FTE	
CORE / Client Services										
Client Services	40.00	2.00	42.00	42.00	1.00	43.00	42.00	1.00	43.00	
Subtotal - CORE	40.00	2.00	42.00	42.00	1.00	43.00	42.00	1.00	43.00	-
HDP / Real Estate Development										
Asset Management	4.00	-	4.00	3.00	-	3.00	3.00	-	3.00	
Administration / Development	7.00	-	7.00	6.00	-	6.00	5.00	-	5.00	
Construction Management	1.00	-	1.00	6.00	-	6.00	6.00	-	6.00	
Subtotal - HDP	12.00	-	12.00	15.00	-	15.00	14.00	-	14.00	(1.00)
Blue Horizon / Real Estate Mgmt										
Executive	2.00	-	2.00	2.00	-	2.00	2.00	-	2.00	
Property Management - Admin	7.00	-	7.00	7.00	-	7.00	11.00	-	11.00	
Property Management - Sites	84.00	-	84.00	89.00	-	89.00	98.00	-	98.00	
Subtotal - Blue Horizon	93.00	-	93.00	98.00	-	98.00	111.00	-	111.00	13.00
Housing Choice Voucher Program										
Administration	3.00	-	3.00	2.00	-	2.00	1.00	-	1.00	
Housing Choice Voucher Program	54.00	-	54.00	49.00	-	49.00	48.00	-	48.00	
Subtotal - Administrative Op	57.00	-	57.00	51.00	-	51.00	49.00	-	49.00	(2.00)
Corporate Services										
Executive	10.00	0.50	10.50	3.00	-	3.00	5.00	-	5.00	
Finance	20.00	-	20.00	22.00	-	22.00	22.00	-	22.00	
Information Technology	6.00	-	6.00	6.00	-	6.00	6.00	-	6.00	
Legal	6.00	-	6.00	7.00	-	7.00	3.00	-	3.00	
People & Culture	4.00	-	4.00	12.50	-	12.50	13.50	(0.50)	13.00	
Public Relations	2.00	-	2.00	2.00	-	2.00	2.00	-	2.00	
Subtotal - Corporate Services	48.00	0.50	48.50	52.50	-	52.50	51.50	(0.50)	51.00	(1.50)
GRAND TOTAL	250.00	2.50	252.50	258.50	1.00	259.50	267.50	0.50	268.00	8.50

Staffing Change Highlights

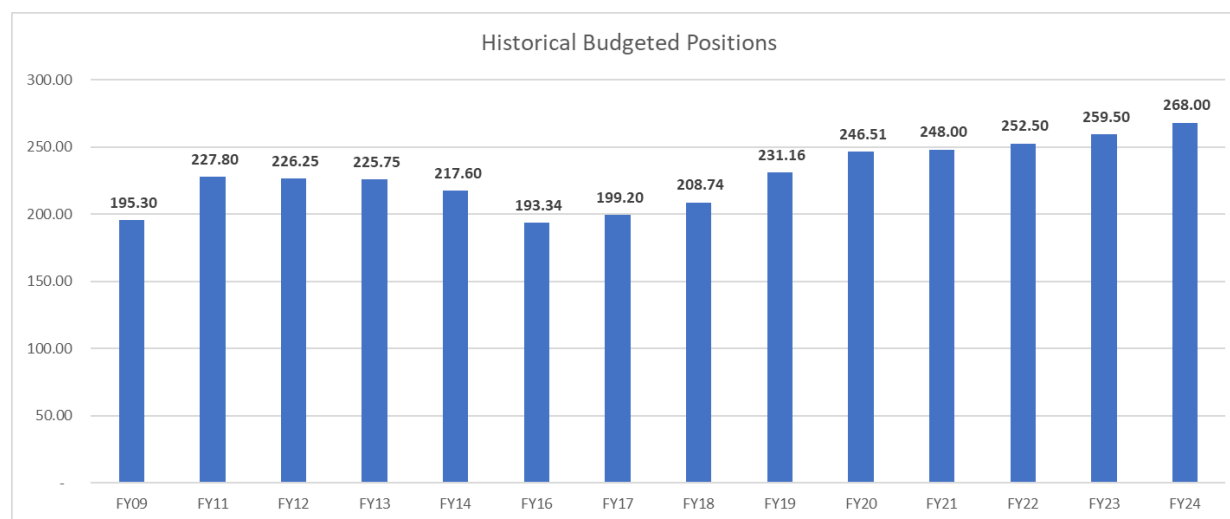
Horizon Development Properties (HDP) decreased its staffing by eliminating a vacant Relocation Coordinator. HDP's staffing for FY2024 is now 14.00 FTEs.

In 2023, Little Rock Apartments transitioned from a third-party management company to Blue Horizon Management Company (BHMC), which increased BHMC's staffing by 6.00 FTEs. Moreover, the newly constructed property, The Gaston at North End, was also added to BHMC's management portfolio, which increased staffing by another 3.00 FTEs. In efforts to align security service needs with property operations, 3.00 FTEs in the Resident Safety department will now report to BHMC. With growing maintenance needs, BHMC converted an existing SVP of Maintenance into two floating maintenance positions: Floating Maintenance Supervisor and Floating Maintenance Technician. This change resulted in a net increase of 1.0 FTE. Overall, BHMC's staffing increased by a net 13.00 FTEs for a new total of 111.00 FTEs for FY2024.

Housing Choice Voucher Program converted two vacant Project Based Voucher Specialists in order to fund a new Trainer position. This resulted in a net decrease of 1.0 FTE. Additionally, the Executive Assistant position moved to the COO office, now reporting under the Executive department. The Housing Choice Voucher Program's new total FTE is 49.00.

In Corporate Services, the Executive department now includes two transferred positions: the SVP of Strategy (formerly under Legal) and an Executive Assistant (formerly under Housing Choice Voucher). The Legal department decreased by 3.0 Resident Safety staff (moved to BHMC) and 1 SVP of Strategy (moved to Executive). A Human Resource Generalist was added to the People & Culture department and a part-time Mail Clerk was eliminated. Overall, the Corporate Services new FTE total is now 51.00.

Below is a chart illustrating historical budgeted positions.





7.0 SUPPLEMENTAL INFORMATION

7.1 OVERVIEW OF THE CHARLOTTE COMMUNITY

Located in the Piedmont region of North Carolina, Charlotte is two hours east of the Appalachian Mountains and three hours west of the Atlantic Ocean. Charlotte's strategic location makes the area only a two-hour plane ride from more than 50 percent of the U.S. population. The connectivity of the city through its international airport, interstate roadways, and railroads makes it appealing to both companies and residents.

During 2019 Charlotte was the headquarters to eighteen Fortune 1,000 publicly traded companies, employing around 45,000 workers. The Health Care industry continues to be the largest sector for employment, with over 142,000 health care and life science workers in Charlotte (the "City"). This is spurred by two nationally ranked hospitals located in the heart of the city, along with the necessary support functions.

After ranking 16th in 2021, Charlotte has returned to the list of the top 15 largest cities. With a population of nearly 897,720 as of July 2022. Charlotte ranked 8th (of cities with populations 50,000 or more) in top 10 places to live. Charlotte was boosted by adding more than 15,000 people between 2021 and 2022. The Charlotte-Mecklenburg area is consistently ranked among the top 10 moving destinations in the United States, and the population increase is a direct result of this.

Charlotte continues to be one of the nation's most affordable metros with a cost-of-living index of only 98.9 percent of the national average, making it the 13th least expensive city among the largest 40 metro areas. This has been another reason for the population increase in Charlotte and has resulted in a 45% increase in rents since 2010. Wages, on the other hand, have not increased by the same amount, thus making it difficult for many to find affordable housing and putting an added burden on the working class. New apartments continue to be built in the city, but the rent focus is more on the higher end of the rent spectrum, resulting in a widening need of affordable housing. This is being translated into an affordable housing crisis. The City and its partners, including INLIVIAN, are trying to assess the issue and come up with possible strategies to mitigate this growing crisis.

The city estimates a deficit of 34,000 affordable housing units. Compounding this issue is the reduction of naturally occurring affordable housing. To address this critical need, the city created the *Housing Charlotte* framework. Knowing that no one entity can address the affordable housing need, the framework was established to focus on community efforts. In addition to this, Charlotte voters approved a \$50 million affordable housing bond in November 2018. INLIVIAN is relying on its innovative roots to create new programs and initiatives which will assist in the efforts to improve this outcome.

7.2 INLIVIAN – OUR HISTORY

Established in December 1938 and incorporated in June 1939, INLIVIAN, formerly the Housing Authority of the City of Charlotte, is a non-profit real estate holding company with a public purpose. That public purpose is to provide decent, safe and affordable housing to low and moderate-income families while supporting their efforts to achieve self-sufficiency. INLIVIAN's mission is to create innovative housing solutions in desirable communities for residents of diverse incomes and facilitate access to services to help them succeed.

INLIVIAN provides housing subsidies to families in the City and Mecklenburg County. INLIVIAN's portfolio is comprised of public housing, HCV, PBV, tax credit, affordable and market rate units.

As one of North Carolina's leaders in affordable housing, INLIVIAN has a noble legacy of providing affordable housing for over 80 years to those most vulnerable in our community. The families we serve are at the heart of everything we do and as a result, INLIVIAN has propelled the development and services of our region's poor and working families. Guided by our mission, INLIVIAN seeks to help families become self-sufficient, ensure that seniors can age in place with dignity and enable the homeless in our community to find a safe harbor. While keeping this mission at the forefront, we are also a proud member of the Charlotte business community and play a significant role as an economic driver.

INLIVIAN continues to be an innovative industry leader in the national affordable housing arena. In an effort to sustain and preserve affordable housing in Charlotte, INLIVIAN entered the RAD Program. This program allowed INLIVIAN to convert public housing units into PBV units. The RAD conversion allows for a more stable stream of income, thus enabling us to preserve the long-term affordability of its units without increasing the rental cost to the residents.

As INLIVIAN continues to evolve, the need to be efficient is essential. INLIVIAN has adapted an entrepreneurial approach and created its own development and property management companies. The creation of these entities enables INLIVIAN to perform akin to the private market, thus creating cash flow for the preservation of affordable housing.

To carry out the mission, INLIVIAN created separate, locally incorporated entities, creating a fully functional "Family of Companies":

Horizon Development is a non-profit, tax exempt 501 (c)(3) subsidiary that was organized in March 2001, guided by a mission to develop, operate, and provide housing in sustainable communities of choice for residents of diverse incomes. Horizon Development's most recently developed communities include The Landing at Park Road and the redevelopment of Tall Oaks into The Oaks at Cherry.

Horizon Acquisition is a for-profit subsidiary that was organized in March 2001. Horizon Development has 100% stock ownership. The mission of this organization is to acquire, construct, develop, operation and/or hold title to affordable housing property, interests in property, and interests in entities that own and operate affordable housing property.

Blue Horizon was organized in August 2016 and is the "Doing Business As" name for Horizon Development's property management division. The mission of the organization is to manage sustainable and economically diverse communities, promoting high quality standards for our residents and owners. Keeping property management in-house reduces expenses and increases revenue streams.

C.O.R.E. Programs, Inc. (CORE) is a non-profit, tax exempt 501 (c)(3) subsidiary. The entity was formerly named Gateway Supportive Services, Inc. and was organized in December 2001. The mission of the organization is to assist affordable (low income) housing residents in achieving economic independence through educational and other support services.

INLIVIAN's oversight is provided by a seven-member Board of Commissioners comprised of a resident from INLIVIAN's low-income portfolio, and persons from community organizations and business entities in the Charlotte-Mecklenburg community. The Commissioners are selected by the City's Mayor and Council. Commissioners may serve two terms, with each term lasting three years. The day-to-day operations are directed by the Chief Executive Officer, and carried out by staff.

7.3 BUDGET ADOPTION PROCESS

Creating the Budget

The budget process begins with the preparation of the budget calendar then followed by the issuance of the Budget Manual, which gives general instructions for the operating budget to be developed for the next budget year. The calendar lists due dates to ensure that the budget is approved by the end of the fiscal year. If the budget is not approved by the first business day of the new fiscal year, all INLIVIAN spending would be suspended on that day.

Each property manager/department is charged with the responsibility of preparing a budget for the upcoming budget year. Staff is invited to attend training and budget work sessions with the Budget staff. Based on the calendar, a date is set when all budget information must be entered into the Budget System. The Budget staff analyzes and prepares data for submission to the INLIVIAN senior leadership team for review and comments. The budget is also reviewed with the Chief Executive Officer (CEO) and prepared for adoption by the Board of Commissioners. The budget is ready for staff on the first day of the new fiscal year after approval by the Board.

Budgetary Control

The Budget Office is responsible for monitoring budgeted resources for INLIVIAN during the fiscal year, approving transfers between budget lines within a department or division, and monitoring budgets on an on-going basis to ensure that the departments are operating within budgeted levels. Budget changes can be done after the budget has been adopted by the Board of Commissioners, beginning the first day of the new fiscal year.

Board Amendments

The Budget Office is responsible for preparing budget amendments that affect all budgets in INLIVIAN. Generally, any movement of funds between budget categories over \$100,000 for grant and operating budgets (e.g. Administration to Property Improvements or an increase/decrease in one of the budgets mentioned above) constitutes the necessity of a budget amendment.

Preparing Reports

The Budget Office is responsible for preparing quarterly Budget-to-Actual reports (BAR) to the Board of Commissioners as well as monthly internal financial reports.

Budget Adoption Process

INLIVIAN maintains budgetary control over all funds, as required by the North Carolina General Statutes. An annual operating budget is produced by staff and then adopted by the Board of Commissioners. A public notice is issued in which interested parties can review the budget document and speak at the public hearing before the budget is adopted. A certification of the adoption of the budget is forwarded to the Greensboro, North Carolina HUD field office and the adopted budgets are included in the MTW Annual Plan. Expenses may not exceed appropriations at the category level for the annual budget. The management of INLIVIAN may not increase the amount of any annual budgets without the approval of the Board of Commissioners.

FY2024 Budget Calendar

02/17/2023	Issue Budget Info sheet for development of the FY2024 Budget
04/03/2023	New Position Requests & Internal Fees due to Budget Office
04/03/2023	Complete Upload of Salaries/Benefits into Budget System
05/15/2023	Budget System Open to Users
May/June 2023	Leadership Budget Retreat
May/June	MANDATORY Budget Boot Camps for Blue Horizon and CORE Staff
07/21/2023	Budgets Due in Budget System; both Operating and Capital Budgets
07/21/2023- 09/16/2023	Budget Reviews
09/18/2023	INLIVIAN Management review of Draft Budget
11/02/2023	Finance & Audit Committee Meeting
11/03/2023- 11/20/2023	Public Review Period
11/21/2023	Public Hearing on Budget
12/19/2023	Board Adoption of Budget

7.4 FINANCIAL MANAGEMENT

The INLIVIAN accounts are organized based on funds, each of which are considered a separate accounting entity and has a separate set of self-balancing accounts comprised of its assets, liabilities, net assets, revenues and expenses. The financial statements of INLIVIAN are reported using the economic resources measurement focus and the accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. INLIVIAN's budgets are adopted on a modified accrual basis. Annual appropriated budgets are adopted and all annual appropriations lapse at INLIVIAN's year-end.

INLIVIAN has developed an internal control structure to ensure that INLIVIAN's assets are managed honestly and efficiently. Internal controls are subject to periodic evaluation by management and independent auditors. In addition to management, budgetary, debt, cash management and risk management controls are in place. INLIVIAN's automated systems provide allowances for purchase orders based on budgets and accounts. INLIVIAN has received the Government Finance Officers Association of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the last fourteen consecutive years. INLIVIAN has a debt policy in place which specifies that debt will not be used to finance current operations. INLIVIAN also manages cash through strict policies and risk through control standards.

INLIVIAN receives funding from the Housing Choice Voucher Program (housing assistance payments made to landlords on behalf of eligible low-income residents), the Public Housing Operating Program and the Capital Fund Program. Each of these programs are administered by HUD.

In 1996, Congress passed legislation establishing the MTW program, under which HUD was authorized to select a small number of PHAs to participate in a demonstration that permits PHAs to combine certain HUD funds and to use those funds more flexibly by authorizing waivers of most provisions of the 1937 Act. INLIVIAN's participation in MTW was authorized in 1999, and INLIVIAN executed an interim agreement with HUD in December 2006, an original MTW Agreement in December 2007, and a Standard MTW Agreement with HUD in 2008, which extended INLIVIAN's participation in MTW until the end of its 2018 fiscal year (the "MTW Agreement"), which describes the terms under which INLIVIAN may exercise MTW authority. In 2016 the MTW agreement was extended to 2028. Among these is the authority to use certain HUD funds more flexibly and to operate annually under a MTW Plan. INLIVIAN is one of the original 39 housing authorities nationwide selected for participation in the MTW Demonstration Program. During INLIVIAN's MTW term, INLIVIAN is required to develop and submit to HUD an annual MTW Plan that articulates INLIVIAN's key policies, objectives and strategies for the administration of its federal housing programs to most effectively address local needs, in accordance with the terms of INLIVIAN's MTW Agreement.

INVESTMENT POLICY OVERVIEW

PURPOSE:

This procedure outlines the portfolio management program and is intended for use by staff, investment institutions that inquire about it and external auditors, as applicable.

The Executive Vice President of Finance, or their designee, shall maintain a daily analysis of INLIVIAN's cash balance to determine whether there are available funds on hand for investment. They shall also determine any cash need requiring any investment liquidation. It is the responsibility of the Finance Department to ensure INLIVIAN funds are invested at the highest rate of return possible within the guidelines established.

PHILOSOPHY:

The investment of idle INLIVIAN funds shall be made, keeping in mind that the investment security purchased by the Chief Financial Officer or their designee shall be made under the following guidelines:

1. The investment must be “safe”.
2. The preservation of principal is paramount.
3. The investment shall be liquid.
4. The rate of return shall be the highest possible, keeping in mind the preceding restrictions.
5. The amounts deposited or invested are restricted as follows:
 - a. Maximums in any one investment or any one institution plus current accrued interest shall be as follows:
 - i. Commercial bank account – unlimited if adequately collateralized.
 - ii. Commercial paper – no more than 25% of portfolio and no more than \$5 million in one issuer.
 - iii. Bankers Acceptances – no more than 25% of portfolio and no more than \$5 million in one issuer.
 - iv. North Carolina Capital Management Trust – no more than 50% of portfolio.
 - v. Agencies – unlimited on fixed security with no more than 20% of portfolio in a single agency (\$5 million if portfolio under \$25 million) – no more than 20% in non-fixed securities.
 - vi. Treasuries – unlimited with no more than 20% of portfolio in a single maturity issue (\$5 million if portfolio under \$25 million).
 - vii. No more than 50% of the portfolio may be in ii, iii, and iv at any one time combined.
 - b. Deposits must be collateralized as required by North Carolina General Statutes 159-31 and investments held at the highest level of custody attainable
 - c. No deposit or investment may have a maturity date of greater than seven (7) years.

SCOPE:

This policy shall apply to all funds invested by INLIVIAN.

REFERENCES:

North Carolina General Statutes 159-30 and 159-31.

CAPITALIZATION POLICY

INLIVIAN will record fixed assets at cost or, if cost is not practicably determined, at established cost. Donated fixed assets shall be recorded at their estimated fair value at the time received. In general, any expenditure which provides service potential with an estimated useful life of more than one (1) year shall be capitalized. Costs related to maintenance, cleaning, or minor repairs will be expensed in the current period and not capitalized.

Building costs to be capitalized will include cost of the structure plus the cost of all permanent equipment and fixtures necessary for the intended use of the structure. All cost necessary to obtain the building and get it into condition for its intended use shall be included in the total cost to be capitalized. Interest expense incurred during the construction period of a building shall be included as part of the cost of the asset.

On the basis of materiality, INLIVIAN will capitalize assets, including improvements, based on the preceding criteria in excess of \$3,000. This amount will apply to asset acquisitions in the following classifications:

- Land
- Buildings
- Building Improvements
- Dwelling furniture and fixtures
- Administrative furniture and fixtures
- Dwelling equipment
- Administrative and Maintenance equipment

Acquisitions of assets in excess of \$3,000 will be recorded on INLIVIAN's financial statements as capital fixed assets and will be depreciated based on GAAP. INLIVIAN will establish a custodial inventory system for items with a dollar value between \$50 and \$3,000 and for all appliances. The items in the custodial inventory system will be capitalized and fully depreciated in the year of purchase. The intent of the custodial inventory system is to track and monitor purchases.

DEPRECIATION POLICY

INLIVIAN will depreciate capital fixed assets over their estimated useful lives. Factors considered in estimated useful life will include normal wear and tear and potential usefulness to INLIVIAN, as well as economic factors such as obsolescence, inadequacy, and economic changes.

Depreciation will not apply to land or permanent land improvements as its usefulness does not diminish with time. Proposed useful lives to be applied are as follows:

- Buildings: 30 years
- Building Improvements: 10 years
- Building Furniture and Equipment: 5 years
- Maintenance/Administrative Equipment: 5 years
- Vehicles: 5 years

These periods may be adjusted in the future based on INLIVIAN's experience and realistic assessment of the expected life of the item.

PURCHASING CARD

Purchasing Cards (P-Card) are assigned to individual employees and cannot be transferred to, assigned to, or used by anyone other than the designated employee. The P-Card is not a personal expense account and the use for personal purchases is strictly prohibited. The P-Card cannot be used as payment for certain restricted items. Fraudulent use and/or misuse of the P-Card is grounds for revoking the card privileges and may lead to disciplinary action, up to and including termination of employment. Temporary employees are not eligible for P-Cards.

Purchases made on the P-Card will be managed via the Yardi Purchase Order system and Fifth Third Bank. All purchases made with the Fifth Third Bank P-Card must be documented and approved on a Yardi Purchase Order prior to any expense of funds. Cardholders, department heads and / or managers will be able to view charges on-line to review all purchases. The Fifth Third Bank card site will typically list all charges made on the P-Card within two to three days of the actual purchase.

ACCOUNTS RECEIVABLE

All payments received and processed during the day are deposited into the bank account the following morning per state regulations.

ACCOUNTS PAYABLE

Payments to vendors are processed on a weekly basis. INLIVIAN payment terms are net 30 days.

FISCAL YEAR

The fiscal year for INLIVIAN begins on January 1 of each year and ends on December 31 of that year.

BALANCED BUDGET POLICY

The INLIVIAN operating budget will be balanced with current revenues and fund balances available for the program. The Board of Commissioners, INLIVIAN's governing body, adopts the annual budget by Resolution. Horizon Development, Blue Horizon and Horizon Acquisition fund budgets will have cash flows.

AUDIT POLICY

INLIVIAN participates in an audit of its financial statements each fiscal year. This audit is conducted by an auditor independent of INLIVIAN. The independent auditor is chosen by the Board of Commissioners and reports to the Finance and Audit Committee, a committee of the Board of Commissioners.

WRITE OFF POLICY

According to GAAP, organizations must periodically review outstanding receivables. Any receivables found uncollectible must be written off. Quarterly, the tenant accounts receivable for residents who have vacated during the previous quarter are assessed and written off. Writing-off uncollectible tenant accounts receivable from INLIVIAN's accounting records does not affect the tenant's liability to INLIVIAN or INLIVIAN's efforts to collect the liability.

OPERATING RESERVE AND SPENDING POLICY

PURPOSE

To provide the foundation for fiscal management of INLIVIAN resources, guiding the Board of Commissioners and staff in making sound financial decisions and in maintaining the fiscal stability of INLIVIAN.

OBJECTIVE

1. To maintain good internal controls in the financial management of INLIVIAN.
2. To ensure that adopted policies are implemented in an efficient and cost-conscious manner, while continuing to ensure compliance with contractual, regulatory and statutory requirements.
3. To align INLIVIAN's long-term financial planning with short-term daily operations.
4. To maintain INLIVIAN's stable financial position.
5. To encourage an organizational culture that creates safe, healthy and risk-free work and operational environments.
6. To protect INLIVIAN from emergency fiscal crisis by ensuring the continuance of service even in the event of an unforeseen occurrence.

OPERATING RESERVE

INLIVIAN will maintain an uncommitted reserve (fund) balance in operating funds. These funds will be used to avoid cash-flow interruptions, generate interest income, eliminate the need for short-term borrowing, provide funding flexibility for unanticipated needs and opportunities and sustain operations during unanticipated emergencies and disasters. Properties maintain separate operating reserve accounts where allowed.

1. Any utilization of reserves must be approved by the Board.
2. Funds not appropriated for expenses in a fiscal year are part of the fund balance (reserves). Such funds will be invested in accordance with INLIVIAN's 'Investment Policy' adopted by the Board.
3. INLIVIAN will strive to maintain a minimum reserve level of four months of prior year expenditures in each operating fund.

SPENDING

INLIVIAN shall ensure that all funds are properly budgeted and accounted for. These funds shall be spent in accordance with the MTW Plan and/or the Strategic Plan.

INLIVIAN will establish and maintain its accounting systems to, at a minimum, satisfy such requirements as may be prescribed by federal and/or state laws, regulations, or guidelines.

1. INLIVIAN will maintain annual operating budgets, which will be prepared in accordance with federal regulations and guidelines, and North Carolina General Statutes.
2. INLIVIAN shall maximize the use of all monies in the best interest of INLIVIAN.
3. INLIVIAN will retain monies for investment for the longest appropriate period of time.

BASIS OF ACCOUNTING AND BASIS OF BUDGETING

INLIVIAN accounts are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets deferred outflows of resources, liabilities, deferred inflows on resources, net position, revenues and expenses.

INLIVIAN reports as a special purpose government engaged only in business-type activities (enterprise funds). Enterprise funds are accounted for on the flow on economic resources measurement focus and the accrual basis of accounting. In this type of fund, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place.

All funds of INLIVIAN are maintained on the modified accrual basis during the year. The basis of budgeting is modified accrual. The financial statements for INLIVIAN are reported on the accrual basis. Under this basis, revenue is recorded when earned and expenses are recorded when incurred. In converting from the modified accrual basis to the full accrual basis, the changes required may include adjustments for unpaid interest, depreciation, prepaid tenant rents, payment of principal on outstanding debt and capital outlay.

BUDGETARY COMPLIANCE

INLIVIAN maintains budgetary controls over all funds, as required by North Carolina General Statutes and the terms of INLIVIAN's Annual Contributions Contract ("ACC") with HUD. An annual budget is adopted for all enterprise funds, except for capital projects, development projects, and the HOPE VI Grant, which are multi-year capital projects, and the Jobs Plus Pilot Grant, which is a multi-year grant. A multi-year budget is adopted separately for these funds. Expenditures may not exceed appropriations at the functional level for the annual budget or at the HUD Budget Line Item ("BLI") level for the capital projects, development projects and other grant funds. The management of INLIVIAN may transfer appropriations within a fund up to \$100,000 without Board approval.

7.5 FEDERAL FINANCIAL ASSISTANCE

Fiscal Year	Low Rent Housing Program	Housing Choice Vouchers	Housing Choice Voucher Cluster	Section 8 Housing Assistance Program Cluster	Public Housing Drug Elimination Program	Capital Fund Program	HOPE VI Program	ROSS Grants	Misc Federal Grants	Total
3/31/2013	\$10,277,011	\$44,301,889	\$1,920,547	\$ -	-	\$4,705,647	\$2,857,816	\$288,165	\$ -	\$64,351,075
3/31/2014	10,046,259	46,853,002	1,818,065	-	-	1,897,931	5,080,438	290,533	-	65,986,228
3/31/2015	10,828,668	45,979,266	2,955,244	-	-	3,121,076	1,791,654	373,391	-	65,049,299
12/31/2016 (1)	19,002,491	79,175,447	5,265,467	-	-	13,002,644	8,446,947	444,326	1,774,617	127,111,939
12/31/2017	6,501,084	69,354,920	3,198,911	-	-	267,110	-	1,658	2,652,512	81,976,195
12/31/2018	1,280,914	67,028,858	3,237,533	-	-	66,375	-	-	2,379,890	73,993,570
12/31/2019	1,264,615	66,303,306	3,750,949	-	-	2,183,461	-	-	2,362,032	75,864,363
12/31/2020	1,084,869	70,196,170	3,717,257	-	-	1,613,609	-	-	2,201,935	78,813,840
12/31/2021	898,086	76,923,086	5,782,679	-	-	889,708	-	116,170	2,240,684	86,850,413
12/31/2022	642,527	79,814,873	5,225,245	-	-	816,146	-	219,663	2,174,164	88,892,618

Source: INLIVIAN records.

(1) 12/31/2016 is a 21-month transition fiscal year

7.6 OPERATING REVENUES BY SOURCE

Fiscal Year	Tenant Revenue		Other Revenue		HUD Operating Grants and Subsidies		Total Operating Revenue	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
3/31/2013	\$ 10,118,584	12%	\$ 13,560,515	15%	\$ 62,449,902	73%	\$ 86,129,001	100%
3/31/2014	11,777,047	14%	13,136,313	15%	62,214,353	71%	87,127,713	100%
3/31/2015	12,562,858	14%	14,719,825	15%	62,375,245	71%	89,658,928	100%
12/31/2016 (1)	20,860,529	13%	24,945,092	16%	113,973,292	71%	159,778,913	100%
12/31/2017	18,838,608	21%	13,574,960	13%	72,370,326	69%	104,783,894	100%
12/31/2018	15,397,915	17%	11,092,894	12%	66,486,060	71%	92,976,869	100%
12/31/2019	15,565,960	16%	12,066,726	13%	67,816,637	71%	95,449,323	100%
12/31/2020	19,900,612	19%	13,801,794	13%	69,780,025	68%	103,482,431	100%
12/31/2021	20,001,199	18%	11,773,445	11%	79,007,797	71%	110,782,441	100%
12/31/2022	23,079,591	17%	30,492,122	23%	81,695,295	60%	135,267,008	100%

Source: INLIVIAN records.

(1) 12/31/2016 is a 21-month transition fiscal year

7.7 DEBT SERVICES

Bond Issuance

INLIVIAN does not have any bond issuance for its housing programs, therefore this budget document does not include information typically related to bond issuance such as bond ratings.

Mortgages

All mortgages are considered to be direct borrowings. Principal and interest payments due on all mortgages payable in each of the following years are as follows:

Year ending December 31,	Principal	Interest	Total
2023	\$ 87,260,280	\$ 4,245,562	\$ 91,505,842
2024	2,418,673	4,169,507	6,588,180
2025	2,499,277	4,358,721	6,857,998
2026	7,966,527	4,200,642	12,167,169
2027	2,726,161	4,046,431	6,772,592
2029-2032	23,037,588	18,401,505	41,439,093
2033-2037	23,772,203	36,003,742	59,775,945
2038-2042	108,224,909	9,585,866	117,810,775
2043-2047	19,174,112	5,896,836	25,070,948
2048-2052	18,346,171	3,524,148	21,870,319
2053-2057	4,006,771	1,266,671	5,273,442
2058-2062	7,726,388	508,551	8,234,939
Mortgages Payable	\$ 307,159,060	\$ 96,208,182	\$ 403,367,242

A \$959,124 Horizon Development mortgage note payable to the North Carolina Housing Finance Agency ("NCHFA") on 940 Brevard, collateralized by the property. The note is interest free. The maturity date is February 1, 2038. No principal or interest payments are required. The outstanding principal balance at December 31, 2022 is \$959,124.

A \$15,000,000 in INLIVIAN Multifamily Housing Revenue Bonds, Series 2021 on Abbington on Mount Holly, collateralized by the property. The bonds bear interest at 4.15% until the stabilization date, and 4.35% thereafter. The maturity date is December 1, 2060. Monthly principal and interest payments are required in the amount of \$51,806 beginning August 2026, with monthly interest only payments required until that time. The outstanding principal balance at December 31, 2022 is \$15,000,000, with accrued interest of \$32,301.

A construction loan up to \$2,000,000 to the City of Charlotte ("City") on Abbington on Mount Holly, collateralized by the property, with an interest rate of 2%. The note requires interest only payments made from available cash flow beginning August 1, 2023. The note matures July 1, 2043. Outstanding principal balance at December 31, 2022 is \$1,800,000.

A \$1,775,000 not payable to the Charlotte Housing Opportunity Investment Fund, LLC ("CHOIF") on Abbington on Mount Holly, collateralized by the property. The note bears interest at 3.25%. Quarterly interest only payments made from available cash flow. The note matures June 24, 2039. Outstanding principal balance at December 31, 2022 is \$1,775,000. Interest expense for the year ended December 31, 2022, was \$28,953.

A \$188,021 mortgage note payable to the NCHFA on Arbor Glen III, collateralized by the property. The note is interest free. The maturity date is January 1, 2035. No principal or interest payments are required. The outstanding principal balance at December 31, 2022 is \$188,021.

A \$230,000 Horizon Development mortgage note payable to the City on Arbor Glen III, collateralized by the property, with an interest rate of 2%. The note requires monthly principal and interest payments of \$1,163. The note matures 20 years after payments begin. The outstanding principal balance at December 31, 2022 is \$48,253.

A \$121,380 Horizon Development mortgage note payable to KeyBank National Association on Arbor Glen III, collateralized by the property, pursuant to the Federal Home Loan Bank ("FHLB") Affordable Housing Program ("AHP"). The note bears interest at 2% per annum and requires monthly payments of principal and interest. The loan matures 20 years from the loan opening date, as defined in the loan agreement. The outstanding principal balance at December 31, 2022 is \$21,843, with accrued interest of \$118.

A \$31,794,107 Horizon Development construction loan payable to Fifth Third Bank on Archdale Family. The loan bears interest at the one-month LIBOR rate plus 250 basis points per annum and is collateralized by the land, property, buildings and improvements, and tenant rents. Payments of interest only are due until conversion on June 30, 2023. The total outstanding balance of the loan as of December 31, 2022 is \$30,273,697 and accrued interest of \$0. Interest expense for the year ended December 31, 2022 was \$367,120.

\$21,161,000 in Multifamily Housing Tax-Exempt Mortgage-Backed Bonds, Series 2019A on Archdale Flats-Family, collateralized by the Cash Collateral Reserve and other escrows. The bonds bear interest at 2.6%. Payments are monthly interest only through the maturity date of January 1, 2038. The outstanding principal balance at December 31, 2022 is \$21,161,000.

\$6,480,000 in Housing Taxable Revenue Bonds, Series 2019B on Archdale Flats-Family, collateralized by the property. The bonds bear interest at 3.02%. Payments are monthly interest only through the maturity date of January 1, 2038. The outstanding principal balance at December 31, 2022 is \$6,480,000.

A \$15,829,412 Horizon Development construction loan payable to Fifth Third on Archdale Seniors. The loan bears interest at the one-month LIBOR rate plus 250 basis points per annum and is collateralized by the land, property, buildings and improvements, and tenant rents. Payments of interest only are due until conversion on June 30, 2023. The total outstanding balance of the loan as of December 31, 2022 is \$14,653,946 and accrued interest \$0. Interest expense for the year ended December 31, 2022 was \$342,757.

\$10,672,000 in Multifamily Housing Tax-Exempt Mortgage- Backed Bonds, Series 2019A on Archdale Flats-Seniors, collateralized by the Cash Collateral Reserve and other escrows. The bonds bear interest at 2.6%. Payments of interest only are due monthly through the maturity date of January 1, 2038. The outstanding principal balance at December 31, 2022 is \$10,672,000.

\$1,995,000 in Multifamily Housing Taxable Revenue Bonds, Series 2019B on Archdale Flats-Seniors, collateralized by the property. The bonds bear interest at 3.02%. Payments are monthly interest only through the maturity date of January 1, 2038. The outstanding principal balance at December 31, 2022 is \$1,995,000.

A \$20,500,000 construction loan payable to Truist Bank on Ashley Flats. The loan bears interest at the higher of (i) the per annum rate which the lender publicly announces from time to time to be its prime lending rate, plus an amount per annum to approximate the most recent LIBOR Index Rate and Applicable Margin (but not less than 0%), or (ii) the Federal Funds Rate plus .50% per annum, collateralized by the property. Payments of interest only are due monthly through the maturity date of May 1, 2041. The total outstanding balance of the loan as of December 31, 2022 is \$20,354,708 and accrued interest \$0. Interest expense for the year ended December 31, 2022 was \$489,906.

An \$18,000,000 Horizon Development mortgage note payable to Bellwether Enterprise Real Estate Capital, LLC, on Charlottetown Terrace and Edwin Towers, collateralized by the properties, with an interest rate of 3.34%, pursuant to the HUD 223(f) program, which closed on September 15, 2017. The maturity date is October 1, 2052. The mortgage note payable is due in monthly installments of principal and interest in the amount of \$72,733. The outstanding principal balance at December 31, 2022, is \$16,470,696, with accrued interest of \$45,843.

\$19,800,000 in INLIVIAN Multifamily Housing Revenue Bonds, Series 2021 on Evoke Living at Arrowood, collateralized by the property. The loan bears interest at the one-month LIBOR rate plus 2.5% per annum. Payments of interest only are due monthly through the maturity date of April 1, 2039. The outstanding principal balance at December 31, 2022 is \$17,540,796.

A \$2,000,000 mortgage note payable to the City, on Evoke Living at Arrowood, collateralized by the property, with an interest rate of 1%. The note requires annual interest payments from available cash flow, as defined, following the issuance of a certificate of occupancy or no later than December 1, 2023. The note matures 20 years from the date of issuance of a certificate of occupancy, but not later than November 1, 2043. The outstanding principal balance at December 31, 2022 is \$1,800,000.

A \$2,800,000 construction loan payable to Truist Bank on Evoke Living at Arrowood. The loan bears interest at 0% prior to stabilization and 1% after stabilization and is collateralized by the property. Payments of interest only are due monthly. The total outstanding balance of the loan as of December 31, 2022 is \$2,850,000. Interest expense for the year ended December 31, 2022 was \$471,729.

A \$2,000,000 mortgage note payable to the City, on Evoke Living at Westerly Hills, collateralized by the property, with an interest rate of 1%. The note requires annual interest payments from available cash flow, as defined, following the issuance of a certificate of occupancy or no later than May 31, 2022. The note matures on April 30, 2042. The outstanding principal balance at December 31, 2022 is \$1,338,527. Accrued interest at December 31, 2022 is \$12,568.

A \$18,100,000 construction loan payable to Pinnacle Bank on Evoke Living at Westerly Hills. The loan bears interest at the one-month LIBOR rate plus 2.25% per annum with a floor of 3.25% and is collateralized by the land, property, buildings and improvements, and tenant rents. Payments of interest only were due until conversion on June 22, 2022. The total outstanding balance of the loan as of December 31, 2022 is \$0 and accrued interest \$0. Interest expense for the year ended December 31, 2022 was \$299,564.

A \$14,200,000 mortgage note payable to Bearings Affordable Housing Mortgage Fund III LLC on Evoke Living at Westerly Hills, collateralized by the property, with an interest rate of 2.25%. Payment of principal and interest of \$48,882 are due monthly. The note matures May 1, 2039. The outstanding principal balance at December 31, 2022 is \$14,088,299. Interest expense for the year ended December 31, 2022, was \$149,177.

A \$2,923,371 note payable to the CHOIF on Evoke Living at Westerly Hills. The note bears interest at 2.00%. Monthly payments of principal and interest of \$16,916, are due until May 1, 2039, when all outstanding principal and accrued but unpaid interest are due. The outstanding principal balance of the loan at December 31, 2022 is \$2,862,951. Interest expense for the Year end December 31, 2022, was \$25,784.

A \$1,275,000 Horizon Development mortgage note payable to the City on Fairmarket Square, collateralized by the property. The note is interest free. No principal payments are required until maturity unless the project is sold or refinanced. The maturity date is August 18, 2028. The total outstanding principal balance of the loan as of December 31, 2022 is \$1,275,000.

A \$900,000 third mortgage payable to DreamKey Partners formerly known as Charlotte Mecklenburg Housing Partnership on First Ward Phase I, collateralized by the property. The note bears interest at 2% and matures on December 31, 2028. Interest payments of 2% shall be made monthly from cash flow, as available. The outstanding principal balance at December 31, 2022 was \$900,000.

A \$1,844,379 refinanced mortgage note payable to TowneBank on First Ward Place Phase I, collateralized by the property. The note bears interest at 2.05% and matures on May 26, 2026. Interest only payments are due monthly. The outstanding principal balance at December 31, 2022 was \$1,840,991.

A \$200,000 third mortgage payable to DreamKey Partners on First Ward Phase II, collateralized by the property. The note bears interest at 2% and matures on December 31, 2028. Interest payments of 2% shall be made monthly from cash flow, as available. In July 2022, this note was paid through the closing of FWP Recap Phase I. The outstanding principal balance at December 31, 2022 was \$0.

A \$798,756 refinanced mortgage note payable to TowneBank, on First Ward Place Phase II, collateralized by the property. The note bears interest at 2.05% and matures on May 26, 2026. Interest only payments are due monthly. The outstanding principal balance at December 31, 2022 was \$278,465.

A \$27,831,000 construction loan payable to Citibank on Freedom Flats. The loan bears interest at the onemonth LIBOR rate plus 275 basis points per annum and is collateralized by the land, property, buildings and improvements, and tenant rents. Payments of interest only are due until conversion on April 1, 2023. The total outstanding balance of the loan as of December 31, 2022 is \$27,254,708. Interest expense for the year ended December 31, 2022 was \$483,344.

A \$2,000,000 construction loan to the City of Charlotte's Housing Trust Fund Program which is funded from proceeds of City of Charlotte Housing bonds for FWP Recap Phase I. The loan bears interest at 1.00% annually and is non-compounding. Payments of accrued interest shall be made from available cash flow. Annual payments shall begin 12 months following the issuance of the certificate of occupancy, but no later than November 1, 2025. The outstanding principal balance at December 31, 2022 is \$478,965. Interest expense for the year ended December 31, 2022 was \$637 which remains payable.

A \$1,400,000 construction loan to Truist Bank on FWP Recap Phase I, collateralized by the property. Prior to stabilization, the loan does not bear interest. After stabilization, interest is 1.00%. The loan matures on the earlier if (1) July 20, 2042, (2) the market rate construction loan, or (3) the date on which the principal amount of the loan has been declared of automatically has become due and payable. The outstanding principal balance at December 31, 2022 is \$1,058,384.

A \$13,750,000 construction loan payable to Fifth Third Bank on The Gaston at North End. The loan bears interest at 2.5% per annum and is collateralized by the land, property, buildings and improvements, and tenant rents. Payments of interest only are due until conversion on November 1, 2023. The total outstanding balance of the loan as of December 31, 2022 is \$12,749,970. Interest expense for the year ended December 31, 2022 was \$387,931.

A \$1,335,375 Horizon Development mortgage note payable to the City on Glen Cove Apartments, collateralized by the property with an interest rate of 1%, pursuant to the City's Housing Trust Fund ("HTF") program. An interest only payment of \$13,354 is due annually. The maturity date is February 28, 2028. Total outstanding balance of the loan and interest as of December 31, 2021 is \$1,309,831.

A \$3,232,909 mortgage note payable to TowneBank on Hampton Creste, collateralized by a deed of trust and security agreement with an interest rate of 2%. Payments of interest only are due monthly. The maturity date is July 15, 2026. The outstanding principal balance of the loan as of December 31, 2022 is \$3,232,909, with accrued interest of \$5,568.

A \$1,300,000 mortgage note payable to the City on Hampton Creste, collateralized by a deed of trust and security agreement, pursuant to the City's Neighborhood Stabilization Program ("NSP") grant. The note is interest free. The maturity date is July 16, 2030. The outstanding principal balance of the loan as of December 31, 2022 is \$1,300,000.

A \$893,381 Horizon Development promissory note payable to the Community Investment Corporation of the Carolinas (CICCAR) on The Landing at Park Road. The loan bears interest at an interest rate of 5.86% and matures on June 1, 2036. The total outstanding principal balance of the loan as of December 31, 2022 is \$837,042, with accrued interest of \$4,088.

A \$1,380,000 Horizon Development mortgage note payable to the City on The Landing at Park Road, collateralized by the property, with an interest rate of 1%, pursuant to the City's HTF program. The maturity date is December 31, 2036. Payments are made from cash flow, as available. The total outstanding principal balance of the loan as of December 31, 2022 is \$1,380,000, with accrued interest of \$13,800.

A \$380,593 Horizon Development mortgage note payable to the NCHFA on The Landing at Park Road, collateralized by the property. The loan is interest free and matures on August 1, 2047. No payments of principal are made until the maturity date. The total outstanding principal balance of the loan as of December 31, 2022 is \$380,593.

A \$9,390,000 Horizon Acquisition mortgage loan agreement with the County of Mecklenburg, North Carolina (the Issuer) and First Citizens Bank & Trust (the Trustee) on Little Rock Apartments, which was funded through Multifamily Housing Revenue Bonds (Little Rock Apartments), Series 2003. The bonds consist of two ratably secured component portions: (1) a \$390,000 portion (the IRP Portion) and a \$9,000,000 portion (the NOI portion). With respect to the IRP Portion the interest rate was 3.700% per annum for the period from May 1, 2003 (the Accrual Date) to December 1, 2005 (the Conversion date), and increased to 4.40% per annum for the period from the Conversion Date to November 1, 2011 (the IRP End Date). With respect to the NOI Portion, the interest rate was 5.53% per annum for the period beginning on the Accrual Date to the Conversion Date and increased to 6.23% per annum for the period from the Conversion Date to the date on which the Mortgage is paid in full. With respect to the NOI portion, principal and interest is payable in consecutive monthly installments in the amount of \$41,475 through the Conversion Date and increased to \$55,297 until the Mortgage Note is paid in full, but no later than December 1, 2035. The outstanding principal balance of the loan as of December 31, 2022 is \$5,877,867, with accrued interest of \$26,969. The unamortized premium on these bonds at December 31, 2022 is \$157,069.

A \$3,181,101 component unit mortgage note payable to the City on McAden Park, collateralized by the property, with an interest rate of 1.5%. The maturity date is February 1, 2037. All outstanding principal and accrued interest is due at maturity. The total outstanding principal balance of the loan as of December 31, 2022 is \$ 3,181,101. As of December 31, 2022, accrued interest related to this loan was \$0.

A \$720,081 Horizon Development second mortgage note payable to the City on McAlpine Terrace, collateralized by the property with an interest rate of 1%, pursuant to the City's HTF program. An interest only payment of \$7,201 is due annually. The maturity date is February 28, 2028. Total outstanding balance of the loan and interest as of December 31, 2022 is \$712,468.

A \$1,836,000 Horizon Development mortgage note payable to the City on McMullen Wood Apartments, collateralized by the property, with a .5% interest rate. Interest only payments are required monthly. The maturity date is December 31, 2030. The outstanding balance of the loan as of December 31, 2022 is \$1,836,000 with accrued interest of \$765.

A \$250,000 Horizon Development mortgage note payable to the NCHFA on McMullen Wood Apartments, collateralized by the property. The note is interest free. No principal payments are required until maturity unless the project is sold or

refinanced. The maturity date is February 1, 2030. The total outstanding balance of the loan as of December 31, 2022 is \$239,342.

A \$9,127,500 Horizon Development mortgage note payable to Berkadia Commercial Mortgage on Mill Pond, collateralized by the property. The mortgage bears interest at 3.45% and requires monthly payments of principal and interest of \$37,459. The total outstanding balance of the loan as of December 31, 2022 is \$8,446,978, with accrued interest of \$24,285.

A \$642,183 Horizon Development mortgage note payable to the NCHFA on Montgomery Gardens, collateralized by the property. The note is interest free. No principal payments are required until maturity. The maturity date is August 1, 2036. The note is secured by a deed of trust, assignment of rents and leases, and security agreement. The total outstanding balance of the loan as of December 31, 2022 is \$642,183.

A \$1,140,000 Horizon Development mortgage note payable to the City on Montgomery Gardens, collateralized by the property, with an interest rate of 2%, pursuant to the HUD HOME program. The maturity date is December 31, 2026. Monthly payments of principal and interest in the amount of \$5,767 are required. The total outstanding principal balance of the loan as of December 31, 2022 is \$265,534. As of December 31, 2022, accrued interest related to this loan was \$443.

A \$342,000 Horizon Development mortgage note payable to Bank of America on Montgomery Gardens, collateralized by the property, with an interest rate of 5%, through the AHP. The maturity date is August 1, 2028. Payments of principal and interest of \$2,257 are required. The outstanding principal balance at December 31, 2022 is \$137,093. As of December 31, 2022, accrued interest related to this loan was \$591.

A \$1,215,000 Horizon Development mortgage note to the City on Nia Point, collateralized by the property, with an interest rate of 2%, pursuant to the U.S. Department of Housing and Urban Development HOME program. The maturity date is December 1, 2026. Monthly payments of principal and interest in the amount of \$6,146 are required. The total outstanding principal balance of the loan as of December 31, 2022 is \$283,009. As of December 31, 2022, accrued interest related to this loan was \$472.

A \$728,855 Horizon Development mortgage note payable to the NCHFA on Nia Point, collateralized by the property. The note is interest free. The maturity date is July 1, 2036. The note is secured by a third lien deed of trust, assignment of leases, and security agreement. Pursuant to the loan agreement, the Project must comply with the affordability requirement of the North Carolina statutes, as defined. The total outstanding principal balance of the loan as of December 31, 2022 is \$728,855.

A \$204,252 Horizon Development mortgage note payable to the NCHFA on Nia Point, collateralized by the property. The loan is interest free. The maturity date is February 1, 2027. Monthly principal payments are required as outlined in the note agreement. The total outstanding principal balance of the loan as of December 31, 2022 is \$38,925.

A \$405,000 Horizon Development mortgage note payable to KeyBank National Association on Nia Point, collateralized by the property, with an interest rate of 2%, through the AHP. The loan monthly principal and interest payments to fully amortize the principal balance over 240 months. The note matures on May 1, 2027. The outstanding principal balance at December 31, 2022 is \$130,796. As of December 31, 2022, accrued interest related to this loan was \$225.

A \$1,215,000 Horizon Development mortgage note payable to the City on The Oaks at Cherry, collateralized by the property with an interest rate of 1%, pursuant to the City's HTF program. The maturity date is December 31, 2037. Payments are made from cash flow, as available. The total outstanding principal balance of the loan as of December 31, 2022 is \$1,215,000.

A \$640,000 Horizon Development second mortgage note payable to the City on Seneca Woods, collateralized by the property, with an interest rate of 2%, pursuant to the City's HTF program. No principal payments are required until maturity unless the project is sold or refinanced. The maturity date is February 24, 2049. The total outstanding balance of the loan as of December 31, 2022 is \$640,000. The total deferred interest as of December 31, 2022 is \$442,405.

A \$300,000 Horizon Development third mortgage note payable to the NCHFA on Seneca Woods, collateralized by the property. The note is interest free if compliance with loan and regulatory agreements is maintained. The maturity date is December 31, 2048. The total outstanding balance of the loan as of December 31, 2022 is \$300,000.

A \$750,000 Horizon Development fourth mortgage note payable to the City on Seneca Woods, collateralized by the property with an interest rate of 1%. An interest only payment of \$7,500 is due annually beginning January 2011. The maturity date is February 24, 2049. The total outstanding balance of the loan as of December 31, 2022 is \$750,000.

A \$24,126,600 Horizon Development mortgage note payable to Bellwether Enterprise Real Estate Capital, LLC, on Southside Homes, collateralized by the property with an interest rate of 3.47%, pursuant to the HUD 223(f) program, which closed on May 16, 2017. The maturity date is June 1, 2052. The mortgage note payable is due in monthly installments of principal and interest in the amount \$99,294. The loan is secured by a deed of trust. The total outstanding principal balance of the loan as of December 31, 2022 is \$21,982,770, with accrued interest of \$63,567.

A \$1,290,000 Horizon Development mortgage note payable to Bank of America on Springfield Gardens, collateralized by the property, with an interest rate of 2%. The maturity date is July 1, 2028. Payments of principal and interest in the amount of \$6,526 are required. The total outstanding principal balance of the loan as of December 31, 2022 is \$416,933, with accrued interest of \$718.

A \$135,000 Horizon Development mortgage note payable to the City on Springfield Gardens, collateralized by the property, with an interest rate of 5.5%. The maturity date is April 30, 2027. Simple interest only payments on the principal outstanding in an amount equal to the lesser of 1% interest on the outstanding principal balance or all surplus cash from the Project, shall be due and payable on April 30th of each year beginning in the year following the year 90% of the project units are leased. The total outstanding principal balance of the loan as of December 31, 2022 is \$74,449. As of December 31, 2022, accrued interest related to this note was \$17,031.

A \$746,962 Horizon Development mortgage payable to the NCHFA on Springfield Gardens, collateralized by the property. The note is interest free. The maturity date is September 1, 2037. No principal or interest payments are required. The total outstanding principal balance of the loan as of December 31, 2022 is \$746,962.

A \$22,809,700 Horizon Development mortgage note payable to Berkadia Commercial Mortgage on The Vistas at 707, collateralized by the property, with a 2.88% interest rate. Principal and interest payments of \$80,626 are due monthly. The maturity date is January 1, 2055. The total outstanding balance of the loan as of December 31, 2022 is \$20,245,007.

A \$1,500,000 Horizon Development mortgage note payable to the City on Woodlawn House Apartments, collateralized by the property with a 1% interest rate, pursuant to the City's NSP grant. Interest only payments are required annually. The maturity date is May 12, 2030. The total outstanding balance of the loan as of December 31, 2022 is \$1,500,000.

CONDUIT DEBT ISSUANCE

INLIVIAN issues tax-exempted multifamily housing revenue bonds on behalf of various third-party properties for the assistance in acquisition, construction, and equipping of all units. These bonds are secured by a deed of trust, security agreement and assignment of revenues from the project. Neither INLIVIAN, the State nor any political subdivision thereof, is obligated in any manner for the repayment of these bonds. Accordingly, the outstanding bonds are not reported as liabilities in INLIVIAN's financial statements.

7.8 LONG-RANGE FINANCIAL PLAN

Long-range financial planning (LRFP) provides a road map for where INLIVIAN wants to go financially and how it plans to get there by combining financial forecasting with financial strategizing. The LRFP includes the current proposed fiscal year budget along with forecast projections for the next five fiscal years. The LRFP shows total revenues summarized by major revenue sources; total expenditures summarized by major categories; the projected surplus or deficit for a given year as the net change in fund balances; and ending fund balance projections.

Revenue Assumptions:

The fiscal health of INLIVIAN is important because the agency relies on HUD to provide a significant portion of its operating budget, primarily to provide housing payments to landlords. The following revenue assumptions for the major categories are reflected in the LRFP:

- Tenant Rental Revenues are based on an annual 2% increase.
- HUD Revenues: HCV Operating Subsidies is based on an estimated inflation factor and proration while HCV Administrative Fee revenue is based on an estimated proration factor. Based on historical data, INLIVIAN estimates an annual inflation factor of 3% and proration of 98% for HCV Operating Subsidies. Administrative Fee revenue is based on 80%. With these, the estimated HUD revenues is projected to increase 2.5% overall.
- Fee Revenues are based on historical annual 3% increase.

Expense Assumptions:

Staffing costs are the main driver of INLIVIAN's operations. Staffing levels will be maintained to continue with the current level of service. The following expenditure assumptions for major categories are reflected in the LRFP:

- An annual increase of 3.0% for salary and benefits combined. INLIVIAN continues to be committed in provide competitive plans for its employees despite the rising costs for health benefits. Additionally, INLIVIAN intends to continue annual merit increases for its employees.
- An annual increase of 3.0% for services and supplies based on historical costs.
- An annual increase of 5.0% for utilities, based on historical cost.
- An annual increase of 3.0% for general expenses to reflect the increasing rate for general liability and property insurance.
- An annual increase of 2.5% for Housing Assistance Payments to reflect the estimated HUD Revenues expected to receive.

Some of those categories may be one-time revenues with an offsetting expense and not expected to impact the overall annual net income of the agency.

Long Term Financial Plan (Five-Years)

		FY2024 Budget	FY2025 Budget	FY2026 Budget	FY2027 Budget	FY2028 Budget
Multiplier	REVENUES					
1.050	Tenant Rental Revenues	\$ 48,120,195	\$ 50,526,205	\$ 53,052,515	\$ 55,705,141	\$ 58,490,398
1.025	Public Housing Operating Subsidies	562,946	577,020	591,445	606,232	621,387
1.030	HCV Operating Subsidies	119,471,859	94,458,655	96,820,122	99,240,625	101,721,641
1.030	HCV Administrative Fees	5,174,533	5,303,896	5,436,494	5,572,406	5,711,716
	Capital Fund	2,434,373				
1.000	Portable HAP Revenue	3,078,612	3,155,577	3,234,467	3,315,328	3,398,212
1.000	Portable HAP Administrative Fees	188,640	193,356	198,190	203,145	208,223
1.030	Fee Revenue	13,136,985	13,465,410	13,802,045	14,147,096	14,500,774
1.030	Other Revenues	32,133,487	6,590,776	6,755,546	6,924,434	7,097,545
	Fund Balance Appropriated	28,588,082				
	Other Sources	50,000				
	REVENUE TOTAL	252,939,713	174,270,896	179,890,824	185,714,407	191,749,896
	EXPENSES					
1.030	Administrative	40,008,784	41,209,048	42,445,319	43,718,679	45,030,239
1.030	Tenant & Social Services	13,307,417	13,706,640	14,117,839	14,541,374	14,977,616
1.050	Utilities	5,942,368	6,239,486	6,551,461	6,879,034	7,222,985
1.050	Ordinary Maintenance & Operations	16,324,348	17,140,565	17,997,593	18,897,473	19,842,347
1.030	Protective Services	542,917	559,205	575,981	593,260	611,058
1.030	General Expenses	4,003,367	4,123,468	4,247,172	4,374,588	4,505,825
1.030	Reserve Deposits	2,055,800	2,117,474	2,180,998	2,246,428	2,313,821
	Reserve Draws	(6,703,064)				
1.000	Debt Service	5,681,508	5,681,508	5,681,508	5,681,508	5,681,508
1.025	Housing Assistance Payments (HAP)	77,658,965	79,600,439	81,590,450	83,630,211	85,720,967
1.000	HAP Expense - Portables	3,577,992	3,577,992	3,577,992	3,577,992	3,577,992
	Other Uses	56,880,421				
	Future Year's Appropriations	2,320,940				
	Property Improvements	29,853,751				
	EXPENSE TOTAL	251,455,514	173,955,825	178,966,313	184,140,547	189,484,357
	OPERATING TRANSFERS					
	Operating Transfers In	77,972,525				
	Operating Transfers Out	77,972,525				
	TRANSFERS IN (OUT) TOTAL	-	-	-	-	-
	NET INCOME	\$ 1,484,199	\$ 315,071	\$ 924,510	\$ 1,573,860	\$ 2,265,539

7.9 DEMOGRAPHIC AND ECONOMIC TABLES

Year	Population	Total Personal Income	Per Capita Income	Unemployment Rate
2013	991,619	\$ 48,823,565	\$ 49,236	810.0%
2014	1,011,315	51,980,697	51,399	6.2
2015	1,034,442	55,925,668	54,064	5.7
2016	1,057,237	58,469,183	55,304	4.9
2017	1,076,837	61,775,890	57,368	4.3
2018	1,093,901	66,805,797	61,080	4.0
2019	1,115,571	69,830,164	62,890	4.1
2020	1,131,342	N/A	N/A	8.5
2021	1,138,138	N/A	N/A	4.9
2022	1,138,138	N/A	N/A	4.9

Source: Mecklenburg County Annual Comprehensive Financial Report, FY 06/30/21

Note: N/A= Data not available per Annual Report

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Atrium (formerly Carolinas HealthCare)	35,700	1	5.99 %	32,500	1	7.91 %
Wells Fargo	23,500	2	3.95	20,000	2	4.87
Charlotte-Mecklenburg Schools	18,495	3	3.11	18,120	3	4.41
Bank of America Corporation	15,000	4	2.52	15,000	4	3.65
Novant Health	11,698	5	1.96	10,573	6	2.57
American Airlines	11,000	6	1.85	7,060	10	1.72
Harris Teeter	8,239	7	1.38	-	-	-
Duke Energy	7,800	8	1.31	7,700	9	1.87
State of North Carolina	7,600	9	1.28	-	-	-
City of Charlotte	6,800	10	1.14	-	-	-
Wal-Mart Stores, Inc.	-	-	-	14,000	5	3.41
Food Lion, Inc. (Delhaize America)	-	-	-	8,700	7	2.12
Lowe's Companies, Inc.	-	-	-	8,500	8	2.07

Source: Mecklenburg County Annual Comprehensive Financial Report, FY 06/30/21

8.0 GLOSSARY OF TERMS AND ACRONYMS

8.1 GLOSSARY

Accrual Basis - The basis whereby transactions and events are recognized when they occur, regardless of when cash is received or paid.

Allocation - Distribution of expenses or revenues according to an approved formula.

Annual Contributions Contract - Agreement between a local housing authority and HUD, under the provisions of which the federal government guarantees permanent financing of public housing or certain Section 8 projects, as well as to make up the difference between project revenues and debt service on bonded indebtedness through an annual contribution of subsidy paid to the housing authority. The authority guarantees that it will maintain the low-rent character of the project.

Appropriation - An authorization made by INLIVIAN Board of Commissioners, which permits the INLIVIAN to incur obligations and to make expenditures of resources. An appropriation is a specified sum of money from a specified fund for a specific purpose.

Asset - Resources owned or held by an entity that has monetary value.

Balanced Budget – A budget in which revenues are equal to expenditures. Thus, neither a budget deficit nor a budget surplus exists.

Bond - A long-term IOU or promise to pay. It is a promise to repay a specific amount of money (the face value of the bond) on a particular future date (the maturity date). Bonds are generally used to finance capital projects.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of funding/financing them.

Budget Calendar - The schedule of key dates or milestones, which INLIVIAN follows in the preparation, adoption, and administration of the budget. The calendar begins with the issuance of the Budget Manual and ends with adoption by Resolution of the Budget by the INLIVIAN Board of Commissioners.

Budget Document - The instrument used by INLIVIAN to present a comprehensive financial program.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

Capital Budget - A plan of proposed expenditures that result in the acquisition of or addition to fixed assets, and the means for financing these expenditures.

Capital Fund Program - The Federal program provided by HUD to provide funds for Capital Improvement, to the Low Rent Housing Program.

Capital Improvements Program - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years.

Capital Outlays (or “Capitalized Items” or “Capital Expenditures”) - Expenditures which result in the acquisition of or addition to fixed assets.

Capitalized - Term used to describe the process of accounting for an outflow of funds as a fixed asset rather than an expense. The item is expensed over a period of time as depreciation is recorded.

Charges for Services (or “Fees for Services”) - A term used by an internal service fund for the income they receive for providing services to other funds.

Debt Service - The cost of paying principal and interest on debt according to a predetermined payment schedule.

Department (or “Division” or “Strategic Business Area” or “Section”) - An administrative area of INLIVIAN which indicates overall management responsibility for a group of related operations within a functional area.

Depreciation - The process of allocating the total cost of fixed assets over each period of their usefulness to the entity.

Encumbrance - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year.

Expenditure/Expense - This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

Family Self Sufficiency - A HUD program that utilizes rental assistance and public housing funds with public and private resources to provide supportive services, allowing INLIVIAN residents to achieve economic independence and self-sufficiency.

Federal Financial Assistance - Money received from the federal government, primarily the Department of Housing and Urban Development, to fund program costs.

Fiduciary Responsibility - The legal duty of an agent to act in the best interests of the beneficiary.

Fiscal Year - The time period designated by INLIVIAN signifying the beginning and ending period for recording financial transactions. INLIVIAN have specified January 1 to December 31 as their fiscal year.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Fund - A fiscal and accounting entity consisting of a balanced set of accounts in which cash and other assets, related liabilities, residual business, and changes therein are recorded and segregated.

Grant - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

Housing Choice Voucher (HCV)- Combines and replaces the Section 8 Certificate Program and the Section 8 Voucher Program.

INLIVIAN - Refers to the Housing Authority of the City of Charlotte, North Carolina.

INLIVIAN Board - Refers to the Board of Commissioners of INLIVIAN.

Internal Controls - A system of accounting procedures that establishes a method for initiating, recording and summarizing business transactions and provides for separation of duties and accountability for assets.

Investment Policy - A policy approved by the Board of Commissioners that states the investment goals and objectives of INLIVIAN and provides for maximizing interest income while maintaining the liquidity and safety of assets.

Line Item Budget - A budget that lists each category (Administrative, Utilities, etc.) separately, along with the dollar amount budgeted for each specified category.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Low Rent Housing Program - This program is the conventional public housing program whereby the Federal Government provides the funds to acquire or build housing for low-income people.

Management Fees - A fee paid to for managing their properties.

Mixed Income Development - Housing developments that are comprised of market rate and low-income units.

Modernization - For capital purposes it means to update the appearance or function of a building.

Net Income (or "Net Revenues/(Expenditures)") - The excess/ (deficiency) of revenues over the total of expenses.

Non-Dwelling Rent Income - Income generated from renting units or property for commercial use.

Non-Routine Expense (or "Non-recurring" Expense) - expense for repairs and services, which are not performed on a regular basis such as roof repair, tree removal and other unusual items. This category has the same character as 'extra-ordinary' maintenance.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and other routine and non-routine expenditures.

Operating Expenses - Fund expenses which are directly related to the fund's primary service activities.

Operating Revenue - Fund revenues which are directly related to the fund's primary service activities.

Operating Subsidy - Subsidy paid by the federal government to a local housing authority to compensate for the limitation on rent of 30 percent of a tenant's adjusted monthly income, as a result of funds the amount of the deficit between rents and expenses up to the difference between the annual contributions paid to the authority by the federal government.

Portables - A Housing Choice Voucher Program participant can port (move) to an area from another area based on the rules and regulations established by HUD and the associated Public Housing Authorities. Eligible participants use portability to relocate to other cities which may offer employment and educational opportunities to meet their specific needs. However, it is at the discretion of the receiving Public Housing Authority to determine whether they will absorb or bill the initial Public Housing Authority which they will determine based on their budget and/or voucher utilization

Protective Services (or “Resident Safety”) - Security services to ensure the safety and welfare of staff and residents.

Revenue - Funds that the government receives as income. It includes such items as fees from specific services, tenant rent, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Reserve - An account used to indicate that a portion of a fund's assets are restricted for a specific purpose and is, therefore, not available for general appropriation.

Risk Management - An organized attempt to protect a government's assets against accidental loss in the most economical method.

Section 3 - A section of the HUD Act of 1968 whereby Housing Authorities are required to provide training and employment opportunities to public housing residents and to make efforts to ensure that individuals or firms located in or owned in substantial part by persons residing in the area of a Housing Authority project are awarded contracts when possible.

Section 8 Housing Assistance Payment (HAP) Program -Originally known as Section 23 leased housing when it was established by the 1965 housing act. Section 8 was established by Section 201 of the Housing and Community Development Act of 1974, under Title II Assisted Housing. The program is essentially the same as Section 23; however, the 1974 act enables HUD to enter into contracts directly with owners of eligible housing and to perform certain functions otherwise assigned to a local housing authority in areas where a public housing agency is unable to implement the program. Eligible sponsors (or owners) of Section 8 housing include private builder-developers, cooperatives, and public agencies. Owners of Section 8 housing assume all ownership, management, tenant selection, and maintenance responsibilities which functions may be contracted to any entity (including a local housing authority) approved by HUD. Section 8 Housing Assistance Payment Contracts, also known as a “HAP payment”. This is a written contract between a public housing authority and an owner of Section 8 housing, to provide housing assistance payments on behalf of a family eligible to receive the HAP subsidy.

Section 8 Housing Vouchers - One of the types of assistance to low-income individuals provided in the Section 8 Program.

Section 8 Program - A housing program which INLIVIAN administers. The qualified low-income person/family rents a unit from a private landlord. INLIVIAN subsidizes the rent based on a Fair Market Rent (FMR) established by HUD. The client is obligated to pay rent to the landlord based on the client's income.

Source of Revenue - Revenues are classified according to their source or point of origin.

8.2 ACRONYMS

AMI	Area Median Income
BHMC	Blue Horizon Management Company
CARES	Coronavirus Aid, Relief, and Economic Security
CHA	Charlotte Housing Authority (former name of INLIVIAN)
CHOIF	Charlotte Housing Opportunity Investment Funds
COCC	Central Office Cost Center
CORE	C.O.R.E. Inc
CBRA	Community Based Rental Assistance Program
FUP	Family Unification Program
HAP	Housing Assistance Payment
HCV	Housing Choice Voucher
HDP	Horizon Development Properties, Inc.
HTF	Housing Trust Funds
HUD	The United States Department of Housing and Urban Development
LIHTC	Low Income Housing Tax Credits
M/WBE	Minority / Women-owned Business Enterprises
MTW	Moving To Work
NCHFA	North Carolina Housing Finance Agency
P3	Public Private Partnership
PBV	Project-Based Voucher
PHA	Public Housing Authority
RAD	Rental Assistance Demonstration Program
RED	Real Estate Department
TOA	Transfer of Assistance
TPV	Tenant Protection Voucher
VASH	Veterans Administration Supportive Housing

8.3 SCHEDULE OF CHANGES BETWEEN PROPOSED BUDGET AND FINAL BUDGET

After the proposed budget was presented at the November 21, 2023 Board meeting, further discussions led to changes in the Component Units and Moving to Work budget to include the following:

- A. **First Ward Recapitalization Phase 1**
Due to unforeseen conditions encountered at the project site, an additional \$2.0 million is added to the MTW budget. The MTW funds will be granted to Horizon Development Properties, Inc. (HDP), then HDP will take the necessary actions to loan the funds to the First Ward Recapitalization Phase 1 Capital Project budget.
- B. **First Ward 1 and 2 Potential Operating Deficit**
An additional \$1.0 million is added to the MTW budget to fund potential operating deficits at First Ward 1 and 2. The property has been struggling with cashflow issues due primarily to significant loss to lease revenue. In conjunction with the work being done for First Ward Recapitalization Phase 1, the relocation of residents and issues with vacancies continue to contribute to the operating issues at this site. The MTW funds are being appropriated in anticipation of potential insufficient cashflow at First Ward.
- C. **Fairmarket Renovations**
The original scope for the Fairmarket Square capital project included interior renovations for 20 units. After further review of the project, the remaining 40 units will also be renovated increasing the estimated project total by \$2.0 million. As a result, an additional \$2.0 million is added to the MTW budget and will be granted to HDP to fund the Fairmarket Square capital project.
- D. **Contingency**
In light of the increasing need for property improvements, the capital projects contingency budget increased from \$500,000 to \$2,000,000. As such, the MTW budget is increased by the \$1.5 million difference.

The following tables shows the changes between the original proposed budget and final budget for Component Units, Moving to Work and Horizon Development Property Funds.

	FY2024 Proposed Budget January - December 2024 Component Units	Changes	FY2024 Final Budget January - December 2024 Component Units
REVENUES			
Tenant Rental Revenues	2,738,591		2,738,591
Other Revenues	1,598,704	1,000,000	2,598,704
REVENUE TOTAL	4,337,295	1,000,000	5,337,295
EXPENSES			
Administrative	844,136		844,136
Tenant & Social Services	9,942		9,942
Utilities	322,674		322,674
Ordinary Maintenance & Operations	728,194		728,194
Protective Services	4,029		4,029
General Expenses	214,475		214,475
Reserve Deposits	46,476		46,476
Reserve Draws	(88,050)		(88,050)
Debt Service	344,700		344,700
Future Year's Appropriations	498,392	1,000,000	1,498,392
Property Improvements	1,220,830		1,220,830
EXPENSE TOTAL	4,145,798	1,000,000	5,145,798
NET INCOME	191,497	-	191,497

	FY2024 Proposed Budget January - December 2024 Moving To Work	Changes	FY2024 Final Budget January - December 2024 Moving To Work
REVENUES			
Public Housing Operating Subsidies	562,946		562,946
HCV Operating Subsidies	119,471,859		119,471,859
HCV Administrative Fees	5,174,533		5,174,533
Capital Fund	2,434,373		2,434,373
Portable HAP Revenue	3,078,612		3,078,612
Portable HAP Administrative Fees	188,640		188,640
Other Revenues	219,663		219,663
Fund Balance Appropriated	13,409,676	6,500,000	19,909,676
REVENUE TOTAL	144,540,302	6,500,000	151,040,302
EXPENSES			
Administrative	12,070,007		12,070,007
Tenant & Social Services	5,617,790		5,617,790
Ordinary Maintenance & Operations	1,735,319		1,735,319
General Expenses	8,180		8,180
Housing Assistance Payments (HAP)	77,586,965		77,586,965
HAP Expense - Portables	3,577,992		3,577,992
Other Uses	43,944,049	6,500,000	50,444,049
EXPENSE TOTAL	144,540,302	6,500,000	151,040,302
OPERATING TRANSFERS			
Operating Transfers In	77,686,965		77,686,965
Operating Transfers Out	77,686,965		77,686,965
TRANSFERS IN (OUT) TOTAL	-	-	-
NET INCOME	-	-	-

	FY2024 Proposed Budget January - December 2024 Horizon Development Properties, Inc.	Changes	FY2024 Final Budget January - December 2024 Horizon Development Properties, Inc.
REVENUES			
Tenant Rental Revenues	39,643,995		39,643,995
Fee Revenue	3,982,168		3,982,168
Other Revenues	19,118,029	3,500,000	22,618,029
Fund Balance Appropriated	7,279,879		7,279,879
Other Sources	-		-
REVENUE TOTAL	70,024,071	3,500,000	73,524,071
EXPENSES			
Administrative	14,509,844		14,509,844
Tenant & Social Services	1,312,483		1,312,483
Utilities	4,880,902		4,880,902
Ordinary Maintenance & Operations	11,355,524		11,355,524
Protective Services	245,152		245,152
General Expenses	3,158,120		3,158,120
Reserve Deposits	1,770,332		1,770,332
Reserve Draws	(7,447,346)		(7,447,346)
Debt Service	4,721,508		4,721,508
Other Uses	6,018,845		6,018,845
Future Year's Appropriations	1,208,277		1,208,277
Property Improvements	27,180,253	3,500,000	30,680,253
EXPENSE TOTAL	68,913,894	3,500,000	72,413,894
OPERATING TRANSFERS			
Operating Transfers In	-		-
Operating Transfers Out	-		-
TRANSFERS IN (OUT) TOTAL	-	-	-
NET INCOME	1,110,177	-	1,110,177

Below are specific changes to pages in this budget document:

Page 9 Corrected Organization Chart to show “Policy / MTW” reporting under Corporate Services

Page 44 Corrected CORE Performance Measurements

Pages updated due to the changes to the budget:

- Page 1, Transmittal letter
- Page 18, Budget Overview
- Page 19-21, Budget Highlights
- Page 22, Consolidated Budget
- Page 23, Budget by Fund
- Page 31, Component Units – Budget by Category
- Page 40, Moving to Work – Budget by Category
- Page 55, Horizon Development – Budget by Category
- Page 58, Fairmarket Square, First Ward 1, First Ward 2 Property Budgets
- Page 62-63, Schedule of Property Improvements
- Page 64, Description of Property Improvements for Fairmarket Square
- Page 65, Real Estate Developments