

**COMMUNITY HOUSING  
SERVICES AGENCY, INC.**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**DECEMBER 31, 2024**

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors  
Community Housing Services Agency, Inc.  
Savannah, Georgia

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of the **Community Housing Services Agency, Inc.** (the "Agency"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Agency as of December 31, 2024, and the respective changes in financial position and cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Management has omitted the Management's Discussion and Analysis ("MD&A") that GAAP requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board ("GASB") who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements as listed in the table of contents is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Information**

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position of the Agency as of and for the year ended December 31, 2023, and have issued our report thereon dated April 8, 2024, which contained an unmodified opinion on the respective financial statements of the Agency.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2025, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Savannah, Georgia  
May 28, 2025

## **BASIC FINANCIAL STATEMENTS**

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## STATEMENT OF NET POSITION DECEMBER 31, 2024

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<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 14,945,731
Accounts receivable, net of allowance	4,754
Accrued interest receivable	5,767
Current portion of loans receivable	742,681
Real estate held for sale	1,499,373
Total current assets	<u>17,198,306</u>
Noncurrent assets:	
Loans receivable, net of allowance	4,947,366
Capital assets	
Non-depreciable	280,000
Depreciable, net of accumulated depreciation	2,663,198
Total noncurrent assets	<u>7,890,564</u>
Total assets	<u>\$ 25,088,870</u>
<b>LIABILITIES AND NET POSITION</b>	
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 6,151
Current portion of leases payable	4,984
Current portion of notes payable	1,455,735
Total current liabilities	<u>1,466,870</u>
Long-term liabilities	
Leases payable	16,714
Notes payable	362,343
Total long-term liabilities	<u>379,057</u>
Total liabilities	<u>1,845,927</u>
<b>NET POSITION</b>	
Investment in capital assets	2,943,198
Unrestricted	20,299,745
Total net position	<u>23,242,943</u>
Total liabilities and net position	<u>\$ 25,088,870</u>

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

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2024

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Operating revenues:	
Contributions and grants	\$ 4,698,187
Interest, late charges and other fees on loans	130,382
Gain on sale of real estate	350,018
Other	235,672
Total operating revenues	<u>5,414,259</u>
Operating expenses:	
Salaries and benefits	259,419
City of Savannah in-kind	202,263
Administrative expenses	249,058
Operating expenses	2,036,738
Interest expense on loans	2,961
Amortization expense	443,760
Total operating expenses	<u>3,194,199</u>
Operating income	<u>2,220,060</u>
Nonoperating revenues (expenses):	
Interest income	768,816
Interest expense	(969)
Total nonoperating revenues (expenses)	<u>767,847</u>
Change in net position	<u>2,987,907</u>
Net position, beginning of year	<u>20,255,036</u>
Net position, end of year	<u>\$ 23,242,943</u>

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

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

Cash flows from operating activities:	
Program income	\$ 5,409,871
Salaries and benefits	(259,419)
City of Savannah in-kind	(202,263)
Administrative expenses	(249,058)
Operating expenses	(2,054,505)
Proceeds from property sales	1,241,500
Property purchases	(1,954,261)
Loans receivable (payments)	(1,844,324)
Loans proceeds (payments), net	574,075
Net cash provided by (used in) operating activities	<u>661,616</u>
Cash flows from capital and related financing activities:	
Principal payments on lease payable	(4,625)
Acquisition of assets	(237,081)
Interest paid	(969)
Net cash provided by (used in) capital and related financing activities	<u>(242,675)</u>
Cash flows from investing activities:	
Interest income	768,816
Net cash provided by (used in) investing activities	<u>768,816</u>
Change in cash and cash equivalents	1,187,757
Cash and cash equivalents, beginning of year	<u>13,757,974</u>
Cash and cash equivalents, end of year	<u>\$ 14,945,731</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>2,220,060</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	443,760
Changes in assets and liabilities:	
Increase in receivables and other assets	(4,388)
Increase in loan receivables	(1,665,979)
Increase in property held for resale	(712,761)
Decrease in accounts payable	(14,806)
Increase in loans payable	395,730
Total adjustments	<u>(1,558,444)</u>
Net cash provided by operating activities	<u>\$ 661,616</u>

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

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2024

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The Community Housing Services Agency, Inc. (“CHSA” or the “Agency”) was incorporated by the State of Georgia on May 19, 1989, and began operation on January 1, 1990. The Agency is governed by a Board of Directors. As a Community Development Financial Institution (“CDFI”), and administrators of the Savannah Affordable Housing Fund (“SAHF”), CHSA provides financing and technical assistance to individuals and businesses. CHSA is focused on creating, improving, and retaining real estate – workforce and affordable housing, in minority, low income, and disinvested communities in Chatham County.

As part of the Agency, the SAHF is an innovative and meaningful way for banks, businesses, non-profits and local governments to expand housing opportunities for Savannah’s modest-wage workforce and seniors. The SAHF was established in 2012 by the City of Savannah at the urging of StepUp Savannah with support from the Savannah Economic Development Authority, the Savannah Area Chamber of Commerce and other business and community leaders. It helps Savannah address its local housing needs and opportunities. It also helps leverage significant private investments. The Agency has administered the SAHF since its inception. On June 13, 2022, the City of Savannah and the Agency entered into a formal memorandum of understanding for the SAHF. For reporting purposes, SAHF is included with the Agency.

#### CHSA Development, Inc. (the “Subsidiary”)

The CHSA Development, Inc. (the “Subsidiary”) was incorporated by the State of Georgia on August 28, 1991, and began operation on January 1, 1992. The Subsidiary is governed by a Board of Directors. The purpose of the Subsidiary is to consult, buy, construct and operate apartment houses, office buildings and buildings and structures of all kinds in furtherance of the prevention of blight and deterioration, and the promotion of economic reinvestment, development and revitalization within neighborhoods of Savannah, Georgia. The Subsidiary is considered a blended component unit of the CHSA due to the five Board members for the Subsidiary are also on the CHSA Board of Directors.

The financial statements of the Agency have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **B. Fund Accounting**

The accounts of the Agency are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. The assets, liabilities and net position of the Agency are reported in one self-balancing operating fund, which includes restricted and unrestricted resources representing the portion of expendable funds that are available for support of Agency operations. Operating funds restricted by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenues when the Agency has incurred expenses in compliance with the specific restrictions. Such amounts received but not yet earned are reported as restricted deferred inflows of resources.

#### **C. Other Accounting Policies**

All gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets are accounted for in the fund that owned the assets. Ordinary income from investments, receivables and the like is accounted for in the fund owning the assets.

#### **D. Donated Services**

The Agency reported \$202,263 of donated services from the City of Savannah (the "City") in the form of accounting services, facilities, and staffing. Additionally, a substantial number of volunteers donate significant amounts of their time in the Agency's program services. This donated time has not been reflected in the accompanying financial statements as there is no objective basis available to measure the value of such services.

#### **E. Real Estate Held for Resale**

Real estate held for resale is stated at cost. Gains or losses are recognized when the sale of the real estate is finalized.

#### **F. Revenue Recognition**

The Agency follows the accrual basis of accounting.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### G. Leases

The Agency is a lessee for noncancellable leases of property. The Agency recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. The Agency recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Agency initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Agency determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments:

- The Agency uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Agency generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Agency is reasonably certain to exercise.

The Agency monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

### NOTE 2. CASH AND INVESTMENTS

#### Unrestricted

A majority of the Agency's cash is held in the City of Savannah's Investment Fund. Due to the large amounts of cash invested by the City, a better rate of return is attainable, so the pooling provides a better rate of return for the Agency. The City's bank accounts were appropriately collateralized. Also, the City donates accounting services to the Agency.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### NOTE 3. ACCOUNTS RECEIVABLES

Accounts receivables as of December 31, 2024 are as follows:

	<u>CHSA, Inc.</u>	<u>Savannah Affordable Housing Fund</u>	<u>CHSA Development, Inc.</u>	<u>Total Consolidated</u>
Trade receivable	\$ 899	\$ -	\$ 3,855	\$ 4,754
Interest receivable	5,767	-	-	5,767
Total accounts receivables	<u>\$ 6,666</u>	<u>\$ -</u>	<u>\$ 3,855</u>	<u>\$ 10,521</u>

### NOTE 4. LOANS RECEIVABLE

As of December 31, 2024, the Agency had mortgage agreements with varying terms that had been finalized and are classified below as mortgage loans receivable. The balance of mortgage loans receivable at December 31, 2024 is as follows:

	<u>CHSA, Inc.</u>	<u>Savannah Affordable Housing Fund</u>
Short-term	\$ 306,192	\$ 436,489
Long-term	2,392,365	3,485,307
	2,698,557	3,921,796
Allowance for doubtful loans	(275,572)	(654,734)
Total loans receivable	<u>\$ 2,422,985</u>	<u>\$ 3,267,062</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2024 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets not being depreciated/amortized:					
Land	\$ -	\$ 280,000	\$ -	\$ -	\$ 280,000
Total	<u>-</u>	<u>280,000</u>	<u>-</u>	<u>-</u>	<u>280,000</u>
Capital assets, being depreciated/amortized:					
Buildings	-	3,079,929	-	-	3,079,929
Leases	34,569	-	-	-	34,569
Total	<u>34,569</u>	<u>3,079,929</u>	<u>-</u>	<u>-</u>	<u>3,114,498</u>
Less accumulated depreciation/amortization for:					
Buildings	-	(439,990)	-	-	(439,990)
Leases	(7,540)	(3,770)	-	-	(11,310)
Total	<u>(7,540)</u>	<u>(443,760)</u>	<u>-</u>	<u>-</u>	<u>(451,300)</u>
Total capital assets, being depreciated/amortized, net	<u>27,029</u>	<u>2,636,169</u>	<u>-</u>	<u>-</u>	<u>2,663,198</u>
Total capital assets, net	<u>\$ 27,029</u>	<u>\$ 2,916,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,943,198</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM LIABILITIES

#### A. Notes Payable – CHSA, Inc.

The Agency has a note payable due to the City of Savannah at December 31, 2024 in the amount of \$60,000. The loan bears 0% interest and is due in 2025.

#### B. Notes Payable and Interfund Loans (Long-Term) – CHSA Development, Inc.

There are outstanding loans obtained from the Mayor and Alderman of the City of Savannah. The proceeds of such loans were used to purchase land and for construction of residential real property to be held for sale. The loans bear 0% interest and are due within 12 months of the loan agreements or when the property is sold.

The following is a summary of the foregoing notes payable as of December 31, 2024:

Development loans payable	\$	1,758,078
		1,758,078
Total	\$	1,758,078

#### C. Lease Liability

The Agency has entered into lease agreements for leasing property. The leases have been recorded at the present value of the future minimum lease payments as of the date the lease for property began. The Agency uses the implicit interest rate of 6% to compute the net present value. Lease terms on the lease is five years with the option to renew for two additional five-year terms.

A summary of lease liability activity for the Agency for the year ended December 31, 2024 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Lease liability	\$ 26,323	\$ -	\$ 4,625	\$ 21,698	\$ 4,984
Total	\$ 26,323	\$ -	\$ 4,625	\$ 21,698	\$ 4,984

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

#### C. Lease Liability (Continued)

Lease payment maturities are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,984	\$ 777	\$ 5,761
2026	5,363	571	5,934
2027	5,706	349	6,055
2028	5,645	111	5,756
	<u>\$ 21,698</u>	<u>\$ 1,808</u>	<u>\$ 23,506</u>

### NOTE 7. INCOME TAXES

The Agency is exempt from federal income tax under Section 501 (a) of the Internal Revenue Code as a Publicly Supported organization as described in Section (c) (3).

It is the Agency's policy to account for any uncertainties in income tax law in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 clarifies the accounting for uncertain income tax positions and requires that the Agency recognize the impact of such a tax position in its financial statements if, upon ultimate settlement, that position is more likely than not to be sustained. Management has evaluated the Agency's tax positions and concluded that the Agency has maintained its tax-exempt status and has taken no uncertain tax positions that require adjustment of the financial statements. As a result, no provision or liability for income taxes has been included in the financial statements. The Agency files a 990 Return of Organization Exempt from Income Tax.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### NOTE 8. REVENUES AND SUPPORT

Government contributions and grants are reported on the financial statements as combined revenues. The following is a breakdown of contributed cash by contributor.

	<u>CHSA, Inc.</u>	<u>Savannah Affordable Housing Fund</u>	<u>CHSA Development, Inc.</u>	<u>Total</u>
City of Savannah loan grant	\$ -	\$ -	\$ 280,000	\$ 280,000
City of Savannah ("SAHF")	-	2,500,000	-	2,500,000
City of Savannah in-kind	148,963	-	-	148,963
Contributions by banks	126,000	-	-	126,000
CDBG grant revenue	-	-	164,953	164,953
Donations from private	43,171	124,908	-	168,079
HOME contributions	-	-	22,095	22,095
Fee income	64,058	-	86,709	150,767
Other contributions	-	750,000	-	750,000
Total	<u>\$ 382,192</u>	<u>\$ 3,374,908</u>	<u>\$ 553,757</u>	<u>\$ 4,310,857</u>

### NOTE 9. INTERFUND TRANSFERS

Interfund transfers as of December 31, 2024 are as follows:

	<u>CHSA, Inc.</u>	<u>CHSA Development, Inc.</u>
Transfer - administrative expenses	\$ 140,415	\$ (140,415)
	<u>\$ 140,415</u>	<u>\$ (140,415)</u>

### NOTE 10. CONTINGENT LIABILITIES

#### Grants

The Agency receives a number of grants which are subject to program compliance audits by the grantors. Noncompliance with the terms and provisions of these grant agreements could result in contingent liabilities to the grantor agencies.

Grants from the federal government to the Agency did not exceed \$750,000 for the year ended December 31, 2024, thus a single audit was not required.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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### **NOTE 11. SUBSEQUENT EVENTS**

The Agency has evaluated events and transactions that occurred between December 31, 2024 and May 28, 2025, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

## **SUPPLEMENTARY INFORMATION**

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## COMBINING STATEMENT OF NET POSITION DECEMBER 31, 2024

	CHSA, Inc.	Savannah Affordable Housing Fund	Total CHSA, Inc.	CHSA Development, Inc.	2024 Total	2023 Total
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 1,963,785	\$ 11,935,933	\$ 13,899,718	\$ 1,046,013	\$ 14,945,731	\$ 13,757,974
Accounts receivable, net of allowance	899	-	899	3,855	4,754	-
Accrued interest receivable	5,767	-	5,767	-	5,767	6,133
Current portion of loans receivable	306,192	436,489	742,681	-	742,681	528,187
Real estate held for sale	-	-	-	1,499,373	1,499,373	3,629,460
Total current assets	2,276,643	12,372,422	14,649,065	2,549,241	17,198,306	17,921,754
Noncurrent assets						
Loans receivable, net of allowance	2,116,793	2,830,573	4,947,366	-	4,947,366	3,495,881
Capital assets						
Non-depreciable	-	-	-	280,000	280,000	-
Depreciable, net of accumulated depreciation	-	-	-	2,663,198	2,663,198	27,029
Capital assets, net	-	-	-	2,943,198	2,943,198	27,029
Total noncurrent assets	2,116,793	2,830,573	4,947,366	2,943,198	7,890,564	3,522,910
Total assets	\$ 4,393,436	\$ 15,202,995	\$ 19,596,431	\$ 5,492,439	\$ 25,088,870	\$ 21,444,664
<b>LIABILITIES AND NET POSITION</b>						
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 5,650	\$ -	\$ 5,650	\$ 501	\$ 6,151	\$ 20,957
Current portion of leases payable	-	-	-	4,984	4,984	4,625
Current portion of notes payable	60,000	-	60,000	1,395,735	1,455,735	320,000
Total current liabilities	65,650	-	65,650	1,401,220	1,466,870	345,582
Long-term liabilities:						
Leases payable	-	-	-	16,714	16,714	21,698
Notes payable	-	-	-	362,343	362,343	822,348
Total long-term liabilities	-	-	-	379,057	379,057	844,046
Total liabilities	65,650	-	65,650	1,780,277	1,845,927	1,189,628
<b>NET POSITION</b>						
Investment in capital assets	-	-	-	2,943,198	2,943,198	-
Unrestricted	4,327,786	15,202,995	19,530,781	768,964	20,299,745	20,255,036
Total liabilities and net position	\$ 4,393,436	\$ 15,202,995	\$ 19,596,431	\$ 5,492,439	\$ 25,088,870	\$ 21,444,664

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

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2024

	CHSA	Savannah Affordable Housing Fund	Total CHSA, Inc.	CHSA Development, Inc.	2024 Total	2023 Total
Operating revenues:						
Contributions and grants	\$ 354,901	\$ 3,683,819	\$ 4,038,720	\$ 659,467	\$ 4,698,187	\$ 6,338,162
Interest, late charges and other fees on loans	130,382	-	130,382	-	130,382	80,934
Gain on sale of real estate	-	-	-	350,018	350,018	261,413
Other	148,963	-	148,963	86,709	235,672	262,336
Total operating revenues	<u>634,246</u>	<u>3,683,819</u>	<u>4,318,065</u>	<u>1,096,194</u>	<u>5,414,259</u>	<u>6,942,845</u>
Operating expenses:						
Salaries and benefits	259,419	-	259,419	-	259,419	360,463
City of Savannah in-kind	202,263	-	202,263	-	202,263	169,636
Administrative expenses	249,058	-	249,058	-	249,058	136,189
Operating expenses	172,093	1,748,998	1,921,091	115,647	2,036,738	1,781,041
Interest expense on loans	2,961	-	2,961	-	2,961	10,082
Depreciation and amortization expense	-	-	-	443,760	443,760	3,770
Total operating expenses	<u>885,794</u>	<u>1,748,998</u>	<u>2,634,792</u>	<u>559,407</u>	<u>3,194,199</u>	<u>2,461,181</u>
Operating income (loss)	<u>(251,548)</u>	<u>1,934,821</u>	<u>1,683,273</u>	<u>536,787</u>	<u>2,220,060</u>	<u>4,481,664</u>
Non-operating revenues (expenses):						
Interest income	98,907	610,920	709,827	58,989	768,816	619,748
Interest expense	-	-	-	(969)	(969)	(1,147)
Total non-operating revenues	<u>98,907</u>	<u>610,920</u>	<u>709,827</u>	<u>58,020</u>	<u>767,847</u>	<u>618,601</u>
Interfund transfers	<u>140,415</u>	<u>-</u>	<u>140,415</u>	<u>(140,415)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(12,226)</u>	<u>2,545,741</u>	<u>2,533,515</u>	<u>454,392</u>	<u>2,987,907</u>	<u>5,100,265</u>
Net position, beginning of year	<u>4,340,012</u>	<u>12,657,254</u>	<u>16,997,266</u>	<u>3,257,770</u>	<u>20,255,036</u>	<u>15,154,771</u>
Net position, end of year	<u>\$ 4,327,786</u>	<u>\$ 15,202,995</u>	<u>\$ 19,530,781</u>	<u>\$ 3,712,162</u>	<u>\$ 23,242,943</u>	<u>\$ 20,255,036</u>

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

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## COMBINING STATEMENT OF CASHFLOW FOR THE YEAR ENDED DECEMBER 31, 2024

	CHSA, Inc.	Savannah Affordable Housing Fund	Total CHSA, Inc.	CHSA Development, Inc.	Total
Cash flows from operating activities:					
Program income	\$ 633,713	\$ 3,683,819	\$ 4,317,532	\$ 1,092,339	\$ 5,409,871
Salaries and benefits	(259,419)	-	(259,419)	-	(259,419)
City of Savannah in-kind	(202,263)	-	(202,263)	-	(202,263)
Administrative expenses	(249,058)	-	(249,058)	-	(249,058)
Operating expenses	(186,962)	(1,748,998)	(1,935,960)	(118,545)	(2,054,505)
Proceeds from property sales	-	-	-	1,241,500	1,241,500
Property purchases	-	-	-	(1,954,261)	(1,954,261)
Loans receivable (payments)	-	(1,844,324)	(1,844,324)	-	(1,844,324)
Loan proceeds (payments), net	178,345	-	178,345	395,730	574,075
Net cash provided by (used in) operating activities	(85,644)	90,497	4,853	656,763	661,616
Cash flows from noncapital financing activities:					
Interfund transfers	140,415	-	140,415	(140,415)	-
Net cash provided by (used in) investing activities	140,415	-	140,415	(140,415)	-
Cash flows from capital and related financing activities:					
Principal payments on lease payable	-	-	-	(4,625)	(4,625)
Acquisition of assets	-	-	-	(237,081)	(237,081)
Interest paid	-	-	-	(969)	(969)
Net cash used in capital and related financing activities	-	-	-	(242,675)	(242,675)
Cash flows from investing activities:					
Interest income	98,907	610,920	709,827	58,989	768,816
Net cash provided by investing activities	98,907	610,920	709,827	58,989	768,816
Change in cash and cash equivalents	153,678	701,417	855,095	332,662	1,187,757
Cash and cash equivalents, beginning of year	1,810,107	11,234,516	13,044,623	713,351	13,757,974
Cash and cash equivalents, end of year	\$ 1,963,785	\$ 11,935,933	\$ 13,899,718	\$ 1,046,013	\$ 14,945,731
Reconciliation of operating income to net cash provided (used in) operating activities:					
Operating income	\$ (251,548)	\$ 1,934,821	\$ 1,683,273	\$ 536,787	\$ 2,220,060
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	-	-	-	443,760	443,760
Changes in assets and liabilities:					
Increase in receivables	(533)	-	(533)	(3,855)	(4,388)
Decrease (increase) in loan receivables	178,345	(1,844,324)	(1,665,979)	-	(1,665,979)
Increase in property held for resale	-	-	-	(712,761)	(712,761)
Decrease in accounts payable	(11,908)	-	(11,908)	(2,898)	(14,806)
Increase in loans payable	-	-	-	395,730	395,730
Total adjustments	165,904	(1,844,324)	(1,678,420)	119,976	(1,558,444)
Net cash provided by (used in) operating activities	\$ (85,644)	\$ 90,497	\$ 4,853	\$ 656,763	\$ 661,616
Schedule of non-cash capital and related financing activities:					
Capital contributions	\$ -	\$ -	\$ -	\$ 2,842,848	\$ 2,842,848

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



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

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**To the Board of Directors  
Community Housing Services Agency, Inc.  
Savannah, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Community Housing Services Agency, Inc. (the "Agency") as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated May 28, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

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**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Mauldin & Jenkins, LLC*

Savannah, Georgia  
May 28, 2025

# COMMUNITY HOUSING SERVICES AGENCY, INC.

## SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP. Unmodified

Internal control over financial reporting:

Material weaknesses identified?  Yes  No

Significant deficiencies identified not considered to be material weaknesses?  Yes  No

Noncompliance material to financial statements noted?  Yes  No

#### **Federal Awards**

There was not an audit of major federal programs due to the total amount expended on federal programs being less than \$750,000.

### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

**COMMUNITY HOUSING SERVICES AGENCY, INC.**

**SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

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**SECTION III  
SCHEDULE OF PRIOR YEAR FINDINGS**

None reported.