



Boards of Commissioners Update

September 2023

Boards of Commissioners Update – September 2023

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BOARD UPDATE

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www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Tyrone R. Williams, CEO

SUBJECT: Agency Strategic Plan - Events Update

DATE: September 18, 2023

AUTHOR: Marc' Bady

Executive Summary

The purpose of this memo is to update the Board of Commissioners on the agency Strategic Plan efforts in incorporating community stakeholders in the feedback process. Fresno Housing has collaborated with Faith in the Valley, the Central Valley Housing Data Repository, Center for Community Justice, and Center for Community Voices to engage residents in the 5-year strategic planning process. A timetable outlining strategic plan events will be established in the form of an interactive gallery walk, centering on the following objectives:

- Engage with residents in different housing programs to ensure a diversity of voices are represented.
- Engage with residents in deep learning about the root causes of the housing crisis, the current state of housing, and innovative solutions.
- Create a space for residents to imagine a just world where everyone has safe, sustainable housing in equitable thriving communities.
- Foster authentic relationships *with* and *between* FH stakeholders to support the implementation, evaluation, and ongoing / iterative strategic planning process in the future.
- Engage residents through a Thought Exchange survey for feedback.
- Create publicly available results of the engagement in the Central Valley Housing Data Repository

The events will be hosted at multiple locations throughout Fresno County, involving participants from various Fresno Housing programs. Residents will have the chance to gain insights into the concept of a strategic plan, understand the advantages of participating in Fresno Housing's strategic plan, and explore the historical development of public housing in the United States. They will actively participate in activities aimed at nurturing their housing ecosystem by employing a mapping process and contribute their thoughts through an anonymous survey.

Below are the events currently scheduled and dates to be determined. Refer to agency website for the most updated information.

Upcoming Events

Date	Time	Property	Address	City	Zip
Wednesday, September 20th	5:00pm - 7:00pm	Cedar Courts	4326 E. Hamilton Ave.	Fresno	93702
Wednesday, September 27th	1:00pm - 3:00pm	Mendota RAD	191 Tuft Street	Mendota	93640
Saturday, October 14th	TBD	The Parks at Fig Garden	4085 N. Fruit Ave	Fresno	93705
Friday, October 20th	4:00pm - 6:00 pm	Legacy Commons	2255 S. Plumas St.	Fresno	93706
Thursday, November 2nd	1:00pm - 3:00pm	Oak Grove	595 Bigger Street	Parlier	93648
Friday, November 3rd	1:00pm - 3:00pm	Linnaea Commons	2530 Sierra Street	Kingsburg	93631
TBD	TBD	Summerset Village	2103 N Angus St	Fresno	93703
TBD	TBD	Tanager Springs	2187 S Maple Ave	Fresno	93725
TBD	TBD	Rio Villas	1238 P Street	Firebaugh	93622

BOARD MEMO

TO: Boards of Commissioners
FROM: Tyrone Roderick Williams, CEO
AUTHOR: Nicole Diaz
Director of Finance & Accounting
DEPARTMENT: Accounting & Finance
MEMO DATE: 9/14/2023
SUBJECT: Update on the 2022 Comprehensive Annual Financial Reports

Executive Summary

The purpose of this update is to provide the Boards of Commissioners with drafts of the 2022 Comprehensive Annual Financial Reports for the Housing Authority of the City of Fresno and the Housing Authority of Fresno County. Staff will be asking the Boards to receive and file the Annual Financial Reports at the September 26th Boards of Commissioner meeting. Draft materials are being provided in advance of said meeting, in order to provide additional time for the review, discussion, and acceptance of the 2022 audit.

The auditors and Agency staff are still in the process of making minor changes to the financial reports, including providing details on certain line items. The audit opinion letters are expected to be issued in September, which will include an unmodified, clean opinion. There are no findings related to the financial statements and no questioned costs for both City's and County's financial reports. The final results will be presented to the Audit Committee and the Boards of Commissioners this month.

Housing Authority of

Fresno County

Fresno, California

Annual Comprehensive Financial Report

Year Ended

December 31, 2022

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING ENGAGED
HOUSING RESIDENTS

HOUSING AUTHORITY OF FRESNO COUNTY

Annual Comprehensive Financial Report

For the Year Ended December 31, 2022

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

Issued by
Accounting & Finance Department

HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California
Year Ended December 31, 2022
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Housing Authority of

Fresno County

Fresno, California

Introductory Section:

Letter of Transmittal

Organizational Chart

List of Principal Officials

Certificate of Achievement for Excellence in
Financial Reporting



1331 Fulton Street
Fresno, California 93721

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(Report Date)

Members of the Board of Commissioners of
the Housing Authority of Fresno County:

We are pleased to present the Annual Comprehensive Financial Report for the Housing Authority of Fresno County (Agency) for the year ended December 31, 2022. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year end, financial statements presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The Agency's financial statements have been audited by CohnReznick, LLP, a firm of licensed independent auditors. The purpose of the independent audit is to provide reasonable assurance that the audited financial statements are free from material misstatement. The auditors issued unmodified opinion on the Housing Authority of Fresno County's financial statements for the year ended December 31, 2022. The data presented in this report is the responsibility of the management of Agency. To the best of our knowledge and belief, the data presented is accurate in all material aspects and is presented in a manner designed to fairly state the financial position and results of operations of the Agency. All disclosures necessary have been included to enable the reader to gain an understanding of Agency's financial affairs. As required by GAAP, management has provided a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Agency's MD&A can be found immediately following the Independent Auditor's Report.

Government Overview

The Housing Authority of Fresno County was established by a resolution of Fresno County Board of Supervisors on February 5, 1946. Agency was founded under the Health and Safety Code of the State of California and the United States Housing Act of 1937, and is governed by a seven-member Board of Commissioners appointed by the County's Board of Supervisors, where five members are appointed to four-year terms, and two members, also residents of the Agency's housing program, are appointed to two-year terms. The Housing Authority of Fresno County has been operating in conjunction with the Housing Authority of the City of Fresno since 1995 under a Joint Exercise of Powers Agreement, which authorizes the two agencies to pool resources and cooperate on designated projects of mutual interest. Collectively known as Fresno Housing (FH), the two housing authorities serve Fresno County under a variety of programs with the mission to create and sustain vibrant communities.

Fresno Housing’s mission is accomplished by administering a number of programs developed by HUD, including the Public Housing Program, the Section 8 Housing Choice Voucher Program and the Project Based Section 8 Program. FH’s primary source of funding comes from HUD, who has direct responsibility for administering housing program under the Housing Act of 1937. FH also receives funding from the U.S. Department of Agriculture’s Rural Development Program to provide farm labor housing in the Fresno County. In addition to these federal programs, FH has established various instrumentalities, affiliates and partnerships to explore and develop innovative methods for offering housing opportunities to low- and moderate-income residents of Fresno County. Altogether, FH provides affordable housing to more than 40,000 of Fresno’s lowest-income families, elderly, veterans, and persons with disabilities, making FH the County’s largest provider of affordable housing.

Economic Condition and Outlook

Over these past seven decades, Fresno Housing has been flexible in adhering to complex and demanding government mandates, while continuously attempting to meet the housing needs of Fresno’s diverse communities. As the FH looks to the future, FH continue to consider ways to advance affordable housing opportunities by growing programs strategically, by maximizing the potential of its resources – increasing its effectiveness and expanding its capacity – and by responding appropriately to the specific issues facing the ever-changing communities of Fresno County.

Congressional housing legislation and the Federal budget affect the FH more than local economic factors. FH’s primary source of funding is HUD. As with most housing authorities, a majority of FH’s operating and capital funding comes from federal sources in the form of operating subsidies, capital grant funds and Section 8 Housing Assistance Payments (HAP). In FY 2022, HUD and other federal agencies provided approximately 84% of the Agency’s total operating revenues. For the Public Housing program, housing authorities receive operating subsidies in accordance with an operating subsidy funding formula. In general, the calculated subsidy amount is the difference between an estimate of operating costs minus an estimate of income from rents. Operating subsidies are subject to annual appropriation by Congress. In 2022, the Public Housing program was funded at 104.93% of eligibility. Funding for Section 8 was prorated at 100% for HAP and 89% of eligibility for administrative fees.

Major Initiatives

Fresno Housing envisions an engaged community, where all residents have access to quality housing that contributes to vibrant neighborhoods, and where all residents are empowered to achieve their educational and economic goals. Fresno Housing continues to focus on four primary strategies, as it works toward its broad, community-building mission and vision.

Place. Develop and maintain quality affordable housing for low-income residents throughout the County.

People. Design, implement, and sustain exceptional programs that invest in residents and program participants to become self-fulfilled through an array of educational, employment, and economic platforms.

Partnership. Lead, encourage, and build partnerships with local, regional, and national organizations to promote policies that build community that increase and enhance affordable housing options, and that provide programs that reflect and support the diverse needs to housing participants.

Public. Generate public will to address the housing needs to low-income households in Fresno, and throughout California, by contributing to effective national and statewide advocacy efforts and by implementing programs that educate and encourage residents of County of Fresno to have a voice in housing and civic issues.

It is FH's mission to serve the residents of Fresno by developing and expanding the availability of quality affordable housing options throughout the County by growing and preserving appropriate residential assets and increasing housing opportunities for low-income residents. Over the past decade, FH has been one of the most productive affordable housing developers in the Central Valley, building and renovating over 2,500 units and bringing over to \$606 million dollars of private investment to Fresno County. These efforts are mainly accomplished through the Low-Income Housing Tax Credit Program (LIHTC) and HUD's Rental Assistance Demonstration (RAD). These two programs allow FH to leverage public and private debt and equity in order to construct and/or rehabilitate affordable housing stock.

In 2022, Corazon del Valle is located in Huron, CA, a rural city in West Fresno County. The site plan is designed for mixed-use project with 61 multifamily units, a community building and up to 4,500 sq. ft. of commercial space that house Huron's new City Hall. The project was financed with \$18.7 million of LIHTC financing, as well as investments from City of Huron, HCD and Fresno Housing. The financing closing was completed in April 2022 and construction is expected to complete in Q4, 2023.

Citrus Gardens is an existing single- & two-story apartment complex with 30-units located in two separate sites in Orange Cove, CA. Of the thirty units, six will be renovated to be made fully accessible on the ground floor. The remaining twenty-four units will receive various upgrades in the kitchen. The project was financed with \$9.8 million of LIHTC financing, as well as investments from HCD and Fresno Housing. Site upgrades at both locations will include a new community laundry building, outdoor playground, new trash enclosure, and parking lot restriping. The financing closing was completed in December 2022 and construction is expected to complete in Q4, 2023.

Other on-going, FH initiatives include a Landlord Outreach Program, Workforce Development Pilot, Research, Program Evaluation, and Analysis, the California Avenue Neighborhood Plan, Diversity Equity and Inclusion, and a Resident Safety Program.

Financial Information

Fresno Housing's management is responsible for establishing and maintain a proper internal control structure to safeguard its assets and ensure accounting data is accurately presented in conformance with GAAP. FH has designed its internal control structure to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgment by management.

As a recipient of federal awards, FH is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. These internal controls are subject to periodic evaluation by management, and their independent auditors. As part of FH's single audit, the adequacy of internal controls are tested, including that portion related to federal award programs, as well as FH's compliance with applicable laws,

regulations, contracts and grants. The FH's single audit for the year ended December 31, 2022 found no instances of material weakness in the internal controls. Reports were prepared for this purpose and are included in this financial report in the Single Audit Section.

FH exercises budgetary controls over all programs through a variety of internal control mechanisms. Automated systems allow checking for purchases against expenditure budgets and accounts. Secondary budgetary control is maintained by the encumbrance of estimated purchase amounts and contracts prior to releasing payments on the purchase orders. Third is an automated inquiry system, which allows the user to look up account information to check budgets and detailed charges against budgets. Budget to actual reports are presented to the FH Board and management for all FH programs on a monthly basis.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate for Achievement for Excellence in Financial Reporting to Fresno Housing of Fresno County for its Annual Comprehensive Financial Report for the year ended December 31, 2021. This was the third year that the FH has achieved this prestigious award. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year.

Acknowledgements

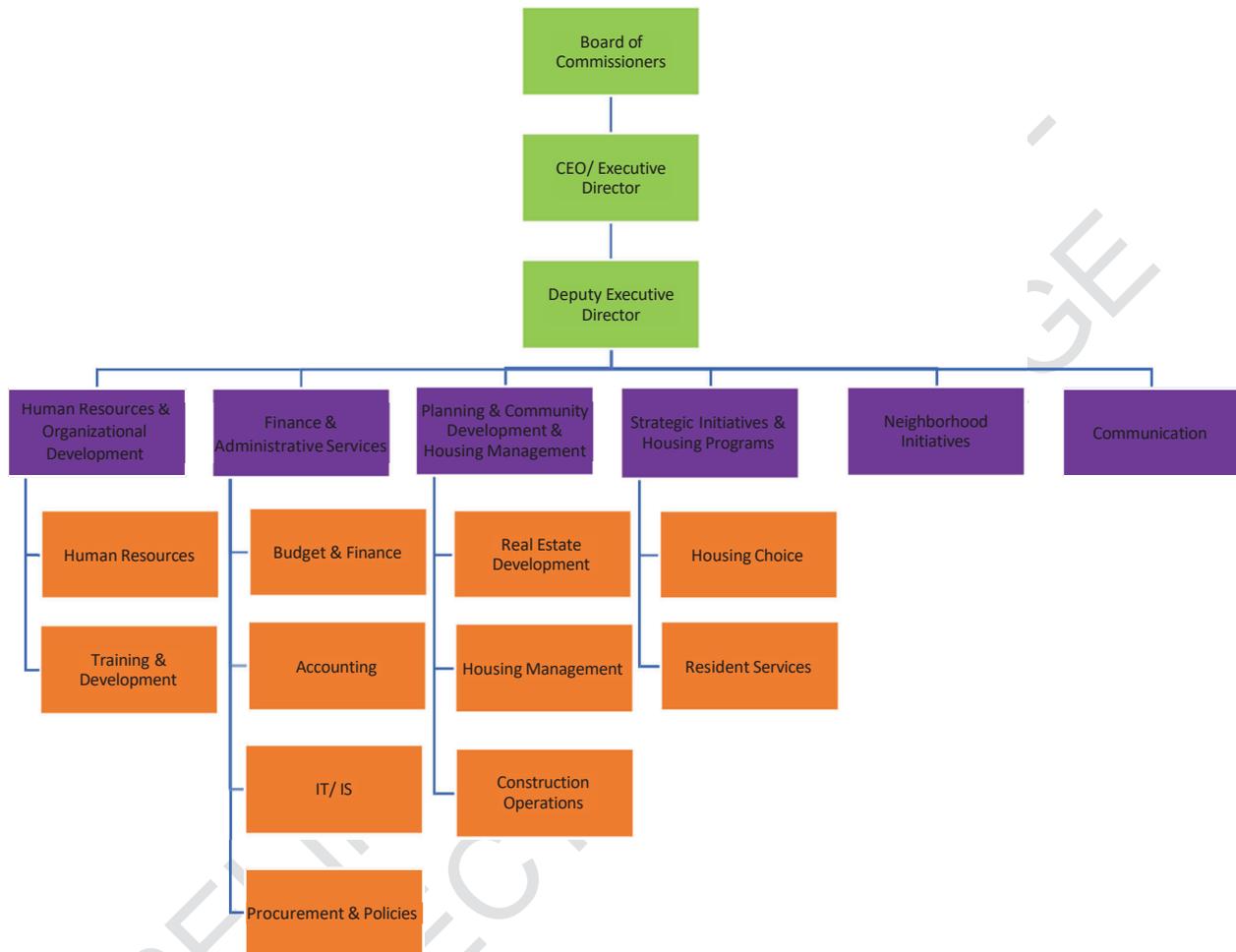
Preparation of the Annual Comprehensive Financial Report is made possible through the dedicated service of the entire staff of the Accounting & Finance Department. Our sincere appreciation is extended to the management and staff of CohnReznick, LLP, who provided the necessary professional auditing services and technical assistance.

In closing, without the leadership and support of the members of the Boards of Commissioners, preparation of this report would not have been made possible.

Respectfully Submitted,

Tyrone Roderick Williams
Chief Executive Director

**Housing Authority of Fresno County
Organizational Chart
December 31, 2022**



**Housing Authority of Fresno County
List of Principal Officials
December 31, 2022**

Board of Commissioners:

Cary Catalano
Chairperson

Valori Gallaher
Vice-Chairperson

Joey Fuentes
Commissioner

Sophia Ramos
Commissioner

Amadeo Garcia
Commissioner

Kyle Chaney
Commissioner

Vacant
Commissioner

Management:

Tyrone Roderick Williams
Chief Executive Director

Tammy Townsend
Deputy Executive Officer

Michael Duarte
Chief Real Estate Officer

Marc' Bady
Chief Inclusion & Empowerment Officer

Brandy Woodard
Chief of Housing Choice Programs and Initiatives

PRELIMINARY DRAFT -
SUBJECT TO CHANGE



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Housing Authority of Fresno County
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

To the Board of Commissioners
Housing Authority of Fresno County

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of Fresno County (the "Agency"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Housing Authority of Fresno County, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit and of Silvercrest, Inc., a joint venture of the Agency. The Agency's investment in Silvercrest, Inc. as of December 31, 2022 of \$847,860 is included in investments in joint ventures in the statement of net position and the Agency's share of Silvercrest, Inc.'s loss for the year then ended of \$797,158 is included in share of joint venture income in the statement of revenues, expenses and changes in net position. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the discretely presented component unit and the Agency's investment in Silvercrest, Inc. are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the discretely presented component unit and Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*. 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 opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The Schedule of Modernization Costs for Completed Projects, the Financial Data Schedule required by the U.S. Department of Housing and Urban Development ("HUD") and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Modernization Costs for completed Projects, the Financial Data Schedule required by HUD and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, the Schedule of Modernization Costs for Completed Projects, the Financial Data Schedule required by HUD and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections included in the annual comprehensive financial report but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated (Report Date), 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.

Sacramento, California
(Report Date)

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2022**

Introduction

This narrative overview and analysis of the Housing Authority of Fresno County's (the "Agency") performance through December 31, 2022, is provided as a supplement to the Agency's year-end financial statements. Please read it in conjunction with the basic financial statements and the notes to the basic financial statements.

Overview of the Basic Financial Statements

The Agency's Basic Financial Statements consist of the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

The Agency, like other governmental and quasi-governmental entities, uses fund accounting to ensure and demonstrate compliance with funding-related requirements. The funds are combined in a Proprietary Fund, which is a single "enterprise fund" with "business-type" activities intended to recover all or a portion of their costs through fees and charges for services. The Proprietary Fund presents the activities of the Agency as a whole.

The specific financial activities of the Agency have been presented within the following:

- The Statement of Net Position includes all of the Agency's assets and deferred outflows of resources (DOR) and liabilities and deferred inflows of resources (DIR), with the difference between the two reported as the net position. Assets and liabilities are presented in the order of liquidity and are classified as "current" (convertible to cash within one year) and "non-current". This statement also provides a basis of measuring the liquidity and financial flexibility of the Agency. Over time, increases or decreases in net position will serve as a useful indicator of whether the Agency's financial health is improving or deteriorating.
- The Statement of Revenues, Expenses and Changes in Net Position reports the Agency's revenues by source and its expenses by category to substantiate the changes in net position for the year. This statement measures the success of the Agency's operations over the past year.
- The Statement of Cash Flows reports how the Agency's cash was provided and used during the year. It also provides information about the Agency's operating, investing, and financing activities, and can be used to reconcile cash balances at December 31, 2022 and 2021. Fundamentally, this statement shows where cash came from, how cash was used, and what the change in cash was during the year.
- The Notes to the Basic Financial Statements provide additional information that is integral to a full understanding of the Basic Financial Statements. The Notes to the Basic Financial Statements can be found in this report after the Basic Financial Statements.

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2022**

- Required Supplementary Information includes the Schedule of Changes in Net Pension Liability and Related Ratios and the Schedule of Pension Plan Contributions, which are required by the Governmental Accounting Standards Boards and are presented to supplement the basic financial statements.
- Other Supplementary Information includes the Schedule of Modernization Costs for Completed Projects and the Financial Data Schedule, which is submitted to U.S. Department of Housing and Urban Development's (HUD) Real Estate Assessment Center (REAC) online system.

Financial Analysis

Statement of Net Position

The purpose of the statement of net position is to give the financial statement reader a snapshot of the fiscal condition of the Agency at a certain point in time. It presents end of year data for assets and DOR, liabilities and DIR, and net position (assets/DOR minus liabilities/DIR).

Statement of Net Position is summarized in the table below:

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Assets				
Unrestricted Current Assets	\$ 14,898,691	\$ 14,410,285	\$ 488,406	3.39%
Restricted Current Assets	1,088,146	1,456,863	(368,717)	-25.31%
Capital Assets, Net of Accumulated Depreciation	14,417,999	13,837,129	580,870	4.20%
Other Non-current Assets	69,782,454	59,088,784	10,693,670	18.10%
Total Assets	100,187,290	88,793,061	11,394,229	12.83%
Deferred Outflows	3,647,478	1,186,082	2,461,396	207.52%
Total Assets and Deferred Outflows	<u>\$ 103,834,768</u>	<u>\$ 89,979,143</u>	<u>\$ 13,855,625</u>	<u>15.40%</u>
Liabilities				
Current Liabilities	\$ 7,497,405	\$ 8,561,834	\$ (1,064,429)	-12.43%
Non-Current Liabilities	18,774,128	10,968,069	7,806,059	71.17%
Total Liabilities	26,271,533	19,529,903	6,741,630	34.52%
Deferred Inflows	2,496,005	5,994,502	(3,498,497)	-58.36%
Total Liabilities and Deferred Inflows	<u>28,767,538</u>	<u>25,524,405</u>	<u>3,243,133</u>	<u>5.15%</u>
Net Position				
Net Investment in Capital Assets	5,592,705	9,217,669	(3,624,964)	-39.33%
Restricted Net Position	419,701	804,396	(384,695)	-47.82%
Unrestricted Net Position	69,054,824	54,432,673	14,622,151	26.86%
Total Net Position	<u>75,067,230</u>	<u>64,454,738</u>	<u>10,612,492</u>	<u>16.47%</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 103,834,768</u>	<u>\$ 89,979,143</u>	<u>13,855,625</u>	<u>15.40%</u>

Total assets and DOR of the Agency at December 31, 2022 and 2021 amounted to \$103.8 million and \$89.98 million, respectively.

The significant components of unrestricted current assets are cash and cash equivalents, and receivables from tenants, related parties, HUD and local governments. Restricted current assets are cash and cash equivalents that are restricted for explicit purposes, like federal programs or project-specific reserves. Capital assets include land, land improvements, leasehold improvements, structures, construction in progress, and equipment. All capital assets, except for land and construction in progress, are shown net of accumulated depreciation. Other non-current assets include long-term notes receivable, interest

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2022**

receivable, assets held for sale and investments in joint ventures. The principal changes in assets from December 31, 2021 to December 31, 2022 were increases in lease receivable and other assets. The increase in other assets was mainly attributable to loans made to Corazón Del Valle, LP.

Total liabilities and DIR of the Agency were \$28.8 million and \$25.5 million at December 31, 2022 and 2021, respectively. Current liabilities include short-term accounts payable, accrued liabilities, current portions of long-term debt, and unearned revenue. Current liabilities decreased from \$8.6 million in 2021 to \$7.5 million in 2022 mainly due to various non-related party loans coming due. Non-current liabilities increased from \$10.9 million in 2021 to \$18.8 million in 2022 mainly due to an increase in the net pension liability and refinance of non-related party loans coming due. The pension liability represents the difference between the Agency's total pension liability and the current plan assets calculated at fair value. See Note 19 in the Notes to the Basic Financial Statements for more information.

Net position represents the Agency's equity, a portion of which is restricted for certain uses. Net position is divided into the following three categories:

- Invested in capital assets, net of related debt and depreciation: Amounts on this line are the Agency's equity in land, structures, construction in progress, and equipment, net of related capital debt outstanding and accumulated depreciation.
- Restricted net position: These are assets subject to external limitations, and can be based on use, purpose, and/or time.
- Unrestricted net position: These resources are available for any use that is lawful and prudent based on the Agency's stated mission, and/or strategic plans.

The Agency's net position increased by 16.47% during the year from \$64.4 million in 2021 to \$75.1 million in 2022.

Statement of Revenues, Expenses and Changes in Net Position

The purpose of the statement of revenues, expenses and changes in net position is to present the operating and non-operating revenues earned by the Agency, the operating and non-operating expenses incurred, and other gains or losses of the Agency. This statement presents a glimpse into the financial activity that occurred from January 1, 2022 to December 31, 2022.

Operating revenues are the amounts received for providing housing services. This revenue can either come from tenants as rental payments, subsidy from the U.S. Department of Housing and Urban Development (HUD), developer fee revenue or as grant revenue from another funding source. Non-operating revenues/expenses are earned/incurred when goods or services are not a part of normal business activity, for example, interest income or interest expense. Operating expenses are those costs incurred to maintain the housing units or to provide other services to our clientele. Capital contributions represent revenues earned from HUD for public housing capital repairs and rehabilitation.

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2022**

Statement of Revenues, Expenses and Changes in Net Position is summarized in the table below:

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Operating Revenues				
Rental Income and Other	\$ 7,383,700	\$ 8,479,302	\$ (1,095,602)	-12.92%
Grant Revenue	54,850,386	49,028,747	5,821,639	11.87%
Total Operating Revenues	62,234,086	57,508,049	4,726,037	8.22%
Operating Expenses	64,250,290	58,055,461	6,194,829	10.67%
Operating Income (Loss)	(2,016,204)	(547,412)	(1,468,792)	268.32%
Non-Operating Revenues/(Expenses)				
Interest Income, net	1,444,931	1,332,811	112,120	8.41%
Other Revenue/(Expenses), net	8,186,773	(855,552)	9,042,325	-1056.90%
Total Non-Operating Revenues	9,631,704	477,259	9,154,445	1918.13%
Net Income/(Loss) before Capital Contributions	7,615,500	(70,153)	7,685,653	-10955.56%
Capital & Equity Contributions/(Distributions)	2,996,992	1,648,050	1,348,942	81.85%
Increase/(Decrease) in Net Position	10,612,492	1,577,897	9,034,595	573%
Net Position, Beginning of Year	64,454,738	61,280,032	3,174,706	5.18%
Change in Reporting Entity	-	1,596,809	(1,596,809)	100%
Net Position, End of Year	\$ 75,067,230	\$ 64,454,738	\$ 10,612,492	16.47%

The preceding statement of revenues, expenses and changes in net position reflects the year ended December 31, 2022, compared to the year ended December 31, 2021. Overall, operating revenues increased by 8.22%, or \$4.7 million, from 2021 to 2022; operating expenses increased during the year by 10.67%, or \$6.2 million, from 2021 to 2022; non-operating revenues increased by 1918% or \$9.2 million from 2021 to 2022; and capital contributions increased by \$1.3 million from prior year. These changes lead to a total increase in net position by \$10.6 million from 2021 to 2022.

Explanations of the primary reasons for these changes are as follows:

- The increase in operating revenues was mainly attributable to increase in receipts of Housing Assistance Payments due to the increase in per unit cost.
- The net increase in non-operating revenues/(expenses) was mainly attributable more interest income, an increase in the share of income from investments in joint ventures, and gain on disposal of capital assets.
- The increase in capital contribution and equity contribution was mainly attributed to receipts of Capital Improvement Grants recognized for the Maldonado Plaza and the receipt of Public Housing Capital Grants.
- The change in reporting entity in the amount of \$1.59 million reported for Silvercrest, Inc. as a joint venture of the Agency in the prior year.

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2022**

Capital Assets

The table below shows the Agency's capital assets, net of accumulated depreciation and amortization, at December 31, 2022, and 2021.

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Land	\$ 1,647,678	\$ 1,747,763	\$ (100,085)	-5.73%
Structures	7,057,496	4,784,460	2,273,036	47.51%
Equipment	606,715	754,451	(147,736)	-19.58%
Construction in Progress	5,106,110	6,550,455	(1,444,345)	-22.05%
Total Capital Assets, Net	<u>\$ 14,417,999</u>	<u>\$ 13,837,129</u>	<u>\$ 580,870</u>	<u>4.20%</u>

Overall, the Agency's capital assets increased by \$581 thousand during 2022. See Note 7 in the Notes to the Basic Financial Statements for more information.

Debt Administration

The table below shows the Agency's outstanding debt at December 31, 2022 and 2021. Short-term borrowings include inter-fund loans between programs, between the City & County Housing Authorities, or between component units of the Agency. Notes payable- non-related parties include loans and mortgages with external entities. Notes payable- related parties includes loans from joint ventures and Agency-sponsored limited partnerships.

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Notes Payable - Non-Related Parties	\$ 5,206,636	\$ 3,983,453	\$ 1,223,183	30.71%
Notes Payable - Related Parties	3,783,657	4,397,848	(614,191)	-13.97%
Total Debt	<u>\$ 8,990,293</u>	<u>\$ 8,381,301</u>	<u>\$ 608,992</u>	<u>7.27%</u>

The Notes Payable - Non-Related Parties increased by 7.27% or \$609 thousand mainly attributed to loan for rehabilitation of the blended component unit. See Note 13 in the Notes to the Basic Financial Statements for more information.

Economic Factors Affecting the Agency's Future

The majority of the Agency's funding comes from the U.S. Department of Housing and Urban Development (HUD) in the form of Section 8 housing assistance payments, Public Housing operating subsidies, Capital Fund grants, and other smaller grants. Over the past decade, Congress and the federal government have continued to cut housing subsidies due to changes in budget priorities. These funding reductions continue to have an impact on the Agency's economic position because federal subsidies make up a majority of the Agency's revenue and, there still is significant uncertainty about future funding levels. The Agency continues to explore alternative funding options to lessen our federal dependency through development activities and pursuit of other grants; however, HUD will most likely continue to be a major funding source over the foreseeable future.

As we look forward, the near-term forecast for low-income housing programs continues to be unchanged, requiring the Agency to operate with less federal funding while continuing to provide high quality, affordable housing that promotes safe and vibrant communities. The Agency has been swift to respond

**Housing Authority of Fresno County
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Year Ended December 31, 2022**

to changes in federal limitations, both programmatically and financially. We have responded by implementing changes designed to reduce costs with the least effect on services. We have been adamant that despite funding cuts, we would continue to maintain housing for existing residents and voucher participants. As a result, the Agency is better poised to weather additional funding cuts without further capacity reductions.

While we acknowledge the challenges, and face political and economic realities head-on, we remain committed more than ever to our mission of creating and sustaining vibrant communities across Fresno County. Our strategy for accomplishing this includes: developing and maintaining quality affordable housing for low-income individuals throughout Fresno County; implementing exceptional programs that invest in our residents; encouraging partnerships with local, regional and national organizations to build the Fresno community; and generating public will to address the housing needs of low-income individuals. We are confident our strategy will allow us to attain these goals and strengthen the Agency's ability to address the housing and quality-of-life challenges facing Fresno, both now and in the future.

Requests for Information

This financial report is designed to provide a general overview of Housing Authority of Fresno County's finances to demonstrate the Agency's accountability for the money it receives. For questions about this report or requests for additional financial information, please contact the individual below.

I-Hsin (Nicole) Diaz
Director of Finance and Accounting
1331 Fulton Street
Fresno, CA 93721
Phone: (559) 443-8400

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HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS AND DEFERRED OUTFLOWS	Primary Government	Kerman Acre, L.P.
Unrestricted Current Assets		
Cash and Cash Equivalents	\$ 8,831,946	\$ 45,594
Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$27,466	168,972	13,587
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$40,109	64,732	-
Current Lease Receivable	389,049	-
Due From Other Governments	347,751	-
Due From Related Parties	4,577,336	14,015
Prepaid Expenses	518,905	8,486
Total Unrestricted Current Assets	14,898,691	81,682
Restricted Current Assets		
Restricted Cash	1,088,146	28,048
Total Restricted Current Assets	1,088,146	28,048
Total Current Assets	15,986,837	109,730
Non-Current Assets		
Capital Assets		
Capital Assets - Not being depreciated	6,753,788	119,217
Capital Assets - Depreciable, Net of Accumulated Depreciation of \$52,951,027	7,664,211	1,850,619
Total Capital Assets, Net	14,417,999	1,969,836
Other Non-Current Assets		
Lease Receivable	2,099,943	-
Notes Receivable From Related Parties	44,550,936	-
Interest Receivable - Related Parties, Net of allowance for doubtful accounts of \$794,903	6,509,957	-
Investments In Joint Ventures	17,783,109	-
Equity Interest In Component Unit	(1,507,119)	-
Assets Held For Sale	345,628	-
Total Other Non-Current Assets	69,782,454	-
Total Non-Current Assets	84,200,453	1,969,836
Total Assets	100,187,290	2,079,566
Deferred Outflow of Resources - Pension Related	3,647,478	-
Total Deferred Outflow of Resources	3,647,478	-
Total Assets and Deferred Outflows	\$ 103,834,768	\$ 2,079,566

(Continued)

HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2022
(Continued)

LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>Primary Government</u>	<u>Kerman Acre, L.P.</u>
Current Liabilities		
Vendors and Contractors Payable	\$ 1,136,013	\$ 8,981
Accrued Salaries	126,100	-
Accrued Compensated Absences	460,474	-
Resident Security Deposits	202,325	5,527
Due To Other Governments	574,469	-
Due To Related Parties	67,284	5,806
Other Current Liabilities - Related Parties	52,888	257,496
Other Current Liabilities - Non-Related Parties	529,334	11,674
Notes Payable - Related Parties	3,783,657	-
Notes Payable - Non-Related Parties	29,711	-
Unearned Revenue	535,150	12
Total Current Liabilities	<u>7,497,405</u>	<u>289,496</u>
Non-Current Liabilities		
Notes Payable - Related Parties	-	782,020
Notes Payable - Non-related Parties	5,176,925	3,102,168
Accrued Interest Payable	452,999	967,687
Accrued Compensated Absences	203,729	-
Family Self-Sufficiency Escrow	55,345	-
Net Pension Liability	12,885,130	-
Total Non-Current Liabilities	<u>18,774,128</u>	<u>4,851,875</u>
Total Liabilities	<u>26,271,533</u>	<u>5,141,371</u>
Deferred Inflows of Resources - Pension Related	7,013	-
Deferred Inflows of Resources - Lease Related	2,488,992	-
Total Deferred Inflows of Resources	<u>2,496,005</u>	<u>-</u>
Total Liabilities and Deferred Inflows	<u>28,767,538</u>	<u>5,141,371</u>
Net Position		
Net Investment in Capital Assets	5,592,705	(1,914,352)
Restricted for:		
Housing Assistance Payments	164,282	-
Other Externally Required Reserves	255,419	21,988
Unrestricted	69,054,824	(1,169,441)
Total Net Position	<u>75,067,230</u>	<u>(3,061,805)</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 103,834,768</u>	<u>\$ 2,079,566</u>

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	Primary Government	Kerman Acre, L.P.
Operating Revenues		
Rental Revenue	\$ 3,139,496	\$ 102,757
Fee Revenue	642,894	-
HUD Grants	51,991,132	-
Other Governmental Grants	2,859,254	73,965
Other Revenue	1,514,685	599
Developer Fee Revenue	2,086,625	-
Total Operating Revenues	62,234,086	177,321
Operating Expenses		
Administrative Expense	10,016,152	82,888
Tenant Services Expense	874,388	9,774
Utilities Expense	1,409,757	22,543
Maintenance & Operations Expense	3,495,850	44,845
Protective Services Expense	83,969	1,659
Insurance Expense	532,519	9,812
General Expense	2,123,683	4,631
Housing Assistance Payments	44,440,188	-
Depreciation	1,273,784	106,569
Total Operating Expenses	64,250,290	282,721
Operating Income (Loss)	(2,016,204)	(105,400)
Non-Operating Revenues (Expenses)		
Interest Revenue, Unrestricted	20,532	-
Interest Revenue, Restricted	1,730	38
Interest Revenue on Notes Receivable	1,440,224	-
Interest Expense	(17,555)	(121,005)
Fraud Recovery	76,157	-
Share of Joint Venture Income (Loss)	(449,577)	-
Loss from Equity Interest in Component Unit	(61,044)	-
Gain (Loss) from Insurance Claims	(1,125)	-
Gain from Disposition of Capital Assets	8,622,362	-
Total Non-Operating Revenues (Expenses)	9,631,704	(120,967)
Income (Loss) Before Contributions and Transfers	7,615,500	(226,367)
Capital Contributions	2,996,992	-
Increase (Decrease) in Net Position	10,612,492	(226,367)
Net Position, Beginning of Year	64,454,738	(2,835,438)
Net Position, End of Year	\$ 75,067,230	\$ (3,061,805)

See accompanying notes to the basic financial statements

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**HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Primary Government</u>
Cash Flows from Operating Activities:	
Cash Received from Tenants	\$ 3,186,155
Cash Received from Others	4,942,369
Cash Paid to Employees for Services	(12,782,707)
Cash Paid to Suppliers for Goods and Services	(4,827,421)
Cash Received from Operating Grants	56,745,582
Cash Paid for Housing Assistance	<u>(44,673,211)</u>
Net Cash Provided by Operating Activities	<u>2,590,767</u>
Cash Flows From Capital and Related Financing Activities:	
Proceeds Received on Sale of Capital Assets	6,113,590
Acquisition of Capital Assets	(5,339,882)
Proceeds from Sale of Capital Assets	5,994,000
Principal Proceeds on Long Term Debt - Non-Related Parties	1,250,000
Principal Paid on Long Term Debt - Related Parties	(614,191)
Principal Paid on Long Term Debt - Non-Related Parties	<u>(26,817)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>7,376,700</u>
Cash Flows from Noncapital Financing Activities:	
Issuance of Notes Receivable	(12,014,000)
Repayments on Notes Receivable	1,420,740
Interest Received on Notes Receivable	<u>440,143</u>
Net Cash Used for Noncapital Financing Activities	<u>(10,153,117)</u>
Cash Flows From Investing Activities:	
Interest Received from Investments	20,532
Interest on Restricted Cash	<u>1,730</u>
Net Cash Provided by Investing Activities	<u>22,262</u>
Net decrease to cash and cash equivalents	(163,388)
Cash and cash equivalents at beginning of year	<u>10,083,480</u>
Cash and cash equivalents at end of year	<u>\$ 9,920,092</u>
Reconciliation of Cash and Cash Equivalents Per Statement of Net Position to Cash and Cash Equivalents Per Statement of Cash Flows:	
Cash and Cash Equivalents	\$ 8,831,946
Restricted Cash	<u>1,088,146</u>
Cash and Cash Equivalents at End of Year	<u>\$ 9,920,092</u>

(Continued)

HOUSING AUTHORITY OF FRENO COUNTY
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Continued)

	<u>Primary Government</u>
Reconciliation of Operating Income (Loss) to Net	
Cash Provided By (Used For) Operating Activities:	
Operating Income (Loss)	\$ (2,016,204)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities	
Depreciation	1,273,784
Fraud Recovery	76,157
Other Expenses	(1,125)
(Increase) Decrease in Accounts Receivable - Tenants	46,659
(Increase) Decrease in Accounts Receivable - Other	641,910
(Increase) Decrease in Lease Receivable	(2,488,992)
(Increase) Decrease in Due from Other Governments	2,976,023
(Increase) Decrease in Due from Related Parties	(897,890)
(Increase) Decrease in Prepaid Expenses	(25,351)
(Increase) Decrease in Deferred Outflows	(2,461,396)
Increase (Decrease) in Accounts Payable - Vendors	(104,865)
Increase (Decrease) in Due to Related Parties	(475,131)
Increase (Decrease) in Accrued Salaries	(92,241)
Increase (Decrease) in Accounts Payable - Other Governments	292,194
Increase (Decrease) in Unearned Revenue	(233,023)
Increase (Decrease) in Other Current Liabilities	323,211
Increase (Decrease) in FSS Liabilities	3,900
Increase (Decrease) in Resident Security Deposits Payable	(18,777)
Increase (Decrease) in Accrued Compensated Absences	5,817
Increase (Decrease) in Pension Liability	6,413,998
Increase (Decrease) in Deferred Inflows	(647,891)
	<u>\$ 2,590,767</u>
Net Cash Used for Operating Activities	<u>\$ 2,590,767</u>
Significant Noncash Activities:	
Note Received for Sale of Capital Asset	\$ 2,890,000
Donation of Capital Asset	(250,000)
Sale of Capital Assets	(2,709,170)
	<u>\$ (69,170)</u>

See accompanying notes to the basic financial statements

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**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1) Summary of Significant Accounting Policies

a) General Purpose

The Housing Authority of Fresno County, California (the Agency) is responsible for the development and implementation of housing programs and activities for the County of Fresno, California. The Agency provides housing to families under a variety of programs including conventional Low-Income Public Housing, Housing Choice Vouchers, Section 42 Low-income Housing Tax Credits, Migrant Services, Farm Labor Housing, and others.

b) Financial Reporting Entity

The Agency was established by a resolution of the Fresno County Board of Supervisors on February 5, 1946. The Agency is governed by a seven-member Board of Commissioners appointed by the County's Board of Supervisors, where five members are appointed to four-year terms, and two members, also residents of the agency housing programs, are appointed to two-year terms.

As required by Generally Accepted Accounting Principles, these financial statements present the Agency and any component units. A component unit is an entity for which the primary government is considered to be financially accountable.

- The primary government is considered to be financially accountable for an organization if it appoints a voting majority of that organization's governing body, and (1) if the primary government is able to impose its will on that organization or (2) there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
- The primary government may also be considered financially accountable for an organization if that organization is fiscally dependent on the primary government (i.e., the organization is unable to approve or modify its budget, levy taxes or set rates/charges, or issue bonded debt without approval from the primary government).
- In certain cases, other organizations are included as component units if the nature and significance of their relationship with the primary government are such that their exclusion would cause the primary government's financial statements to be misleading or incomplete, even though the primary government is not considered financially accountable for that organization under the criteria previously described. A legally separate, tax exempt organization is reported as a component unit if (1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the primary government or its constituents; (2) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the organization; and (3) the economic resources received or held by the organization are significant to the primary government.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Component units must be classified as either “blended” or “discrete” in the primary government’s financial statements. A component unit is “blended” if the governing boards of the two organizations are substantially the same, or if the component unit provides services entirely or almost entirely to the primary government. Component units that do not meet either of these two criteria are considered “discrete” and are reported only in the government-wide financial statements.

A brief description of the Agency’s blended component unit is as follows:

Sanger Wedgewood, L.P., a California Limited Partnership was created to develop a 64-unit low-income housing complex know as Wedgewood Villas. The partners of the Sanger Wedgewood, L.P. are Silvercrest, Inc., Managing General Partner, and the Agency as the Administrative General Partner and the Limited Partner. The Agency owns 99% of the Partnership. In June 2021, the Agency entered into a Purchase and Sale Agreement with the Partnership for the sale of the complex. Separate financial statements are not issued for Sanger Wedgewood, L.P.

A brief description of the Agency’s discrete component unit is as follows:

Kerman Acre, L.P., a California Limited Partnership was created to develop Granada Commons utilizing a layered finance approach using Low-income Housing Tax Credits, Capital Funds, HOME and other grant funds. The general partners of Kerman Acre, L.P., a California Limited Partnership, are Silvercrest, Inc., a joint venture of the Agency, Better Opportunities Builder, Inc., a related party of the Agency and the Agency. The Agency acting as Co-General Partner holds a 51.00% equity interest in Kerman Acre, L.P. with the ability to significantly influence its operations and therefore has been included as a discrete component unit under the guidance of GASB Statement No. 61. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of Fresno County, at P.O. Box 11985, Fresno, California 93776-1985.

c) Basis of Presentation

The basic accounting and reporting entity is a “fund”. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives with special regulations, restrictions or limitations.

The Agency has chosen to report their activity as one fund. The fund of the Agency is considered to be an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are also used when the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

d) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Agency's operations are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred.

When the Agency incurs an expense for which both restricted and unrestricted resources may be used, it is the Agency's policy to use restricted resources first and then unrestricted resources as needed.

e) Cash and Cash Equivalents

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and reserves for replacements with original maturities of three months or less from the date of acquisition that are not specifically restricted as to use.

f) Restricted Cash

Restricted cash represents deposits to lender required replacement reserve and impound accounts, insurance reserve, program funding and security deposit.

g) Assets Held for Sale

Several of the Agency's funds administer homeownership programs. Assets held for sale consist of housing units set aside by the Agency for these homeownership programs. These assets are recorded at the Agency's cost to purchase the property or upon entering into a contract for sale, the estimated realizable value, if lower. See Note 10 for further discussion.

h) Capital Assets

Capital assets are defined by the Agency as assets with an initial individual cost of \$5,000 or more and having an estimated useful life of greater than one year. All purchased capital assets are valued at historical cost. Contributed capital assets are recorded at acquisition value at the time received.

Capital assets acquired for proprietary funds are capitalized in the respective funds to which they apply. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. Buildings are being depreciated over a useful life of thirty years, modernization costs over ten years, and dwelling and other equipment over five years.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Major outlay for capital assets are capitalized as projects are constructed. For certain projects that are intended to be sold or transferred, construction in progress remains capitalized in the financial statements until such sale or transfer occurs.

i) Impairment of Capital Assets

The Agency reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is magnitude and outside of the normal life cycle of the capital asset being evaluated. As of December 31, 2022, there has been no impairment of the capital assets.

j) Predevelopment Costs

The Agency incurs costs in connection with properties it is considering for development as well as costs associated with projects in the initial stages of development. These costs include such items as market studies, purchase options, environmental study costs, legal and accounting costs. Predevelopment costs are capitalized until such time as the project is no longer considered desirable or feasible, at which time the costs are expensed. Predevelopment costs related to projects that are ultimately developed are subsequently recorded as receivables to be repaid by the applicable projects.

k) Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated net of an allowance for doubtful accounts. The Agency estimates an allowance based on an analysis of specific tenants, and landlord participants taking into consideration past due accounts and an assessment of the debtor's general ability to pay.

l) Net Position

Net position represents the difference between assets and DOR and liabilities and DIR. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, including the interest due on the borrowing (excluding Inter-fund borrowing). Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

m) Operating Revenue and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Agency, these revenues are typically rental charges, developer revenue, and operating grants. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenue and expenses not meeting these definitions are reported as non-operating revenue and expenses.

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n) Income Taxes

The Agency is exempt from Federal Income and California Franchise Taxes except for taxable transactions incurred by the blended component unit operated by the Agency. The Agency files federal and state tax returns for the blended component unit.

o) Grant Restrictions

The Agency has received loans and grants from the U.S. Department of Housing and Urban Development, the U.S. Department of Agriculture, the California Housing Finance Agency, and the California Department of Housing and Community Development to build and improve housing projects. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

Further, if the fund equity of the Agency's U.S. Department of Agriculture programs exceeds certain levels, the payments on these notes must be increased.

p) Use of Estimates

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, and accordingly, include amounts that are based on management's best estimates and judgments. Accordingly, actual results may differ from the estimates.

q) Notes Receivable

The accompanying financial statements reflect the recording of certain notes receivable that represent loans made to various parties, including related parties. In certain cases, the amount of collection is dependent upon future residual receipts to be generated by the property or contingent upon the ability of the owner to sell the property at an amount sufficient to pay all liens against the property, including the obligation to the Agency. Where reasonably estimable, an allowance for doubtful accounts has been recorded to reflect management's best estimate of likely losses associated with non-repayment. An estimate of any additional potential losses associated with non-repayment cannot be reasonably estimated at this time.

r) Leases

Lessor: The Agency is a lessor under noncancellable leases and recognizes a lease receivable and a deferred inflow of resources in the statement of net position. The Agency initially measures the lease receivable at the present value of the payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term. Key estimates and judgments related to leases include how the Agency determines (1) the discount rate it uses to discount the expected lease receipts at present value, (2) the lease term, and (3) lease receipts.

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- The Agency uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- The lease receipts included in the measurement of the lease receivable are composed of fixed payments (or in substance fixed payments) from the lessee.

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

s) Investment in Joint Ventures

The Agency has investments in joint ventures that are owned, operated, or governed by two participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. See note 10 for further disclosure.

t) Defined Benefit Pension Plan

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Agency's California Public Employees' Retirement System (CalPERS) Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

GAAP requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

u) Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until that time. The Agency has one item that qualifies for reporting in this category: Deferred Outflows - Pension Related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has one item that

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qualifies for reporting in this category: Deferred Inflows - Pension Related and Deferred Inflow – Leases Related.

v) New Accounting Pronouncements

During the year ended December 31, 2022, the Agency implemented the following new accounting standards issued by the GASB:

Statement No. 87, "Leases". GASB Statement No. 87 requires that government lessees recognize a lease liability and an intangible asset representing the lessee's right to use the leased asset and report in its financial statements amortization expense for using the leased asset for the shorter of the lease term or the useful life of the underlying asset, interest expense on the lease liability and note disclosures about the lease. The Statement also requires government lessors recognize a lease receivable and a deferred inflow of resources and continue to report the leased asset in its financial statements and report in its financial statements lease revenue recognized over the term of the lease corresponding with the reduction of the deferred inflow, interest income on the receivable and note disclosures about the lease. The requirements of this Statement are effective for the Agency's fiscal year ending December 31, 2022. The adoption of this Statement had the following effect on net position as reported as of December 31, 2021.

Net position, December 31, 2021	\$64,454,738
Adjustments:	
Lease receivable	2,850,606
Deferred inflow - leases	<u>(2,850,606)</u>
 Restated net position, December 31, 2021	 <u><u>\$64,454,738</u></u>

Statement No. 91, "Conduit Debt Obligations". The primary objectives of Statement No. 91 are to provide a single method to report conduit debt obligations and to eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures. The requirements of this Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 92, "Omnibus 2020". GASB Statement No. 92 addresses a variety of topics including, among other things, Leases, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans, Fiduciary Activities, Measurement of liabilities related to AROs. The requirements of this Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 93, "Replacement of Interbank Offered Rates". GASB Statement No. 93 assists state and local governments in the transition away from existing interbank offered rates (IBOR) to other reference rates because of global reference rate reform, wherein the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form at the end of 2021. The objective of this Statement is to address implications that result from the replacement of an IBOR in Statement No. 53, Accounting and Financial Reporting for Derivative Instruments and Statement No. 87, Leases and other accounting and financial reporting implications. The removal

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of LIBOR as an appropriate benchmark interest rate in this Statement are effective for Agency's year ending December 31, 2022. All other requirements of this statement are effective for the Agency's year ending December 31, 2023. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of the Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 99, "Omnibus 2022". GASB Statement No. 99 addresses a variety of topics including, among other things, Leases, PPPs, and SBITAs, extension of use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, financial guarantees, and classification and reporting of derivative instruments. The requirements related to financial guarantees and classification and reporting of derivative instruments within the scope of Statement 53 are effective for the Agency's year ending December 31, 2024. All other requirements of this statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

The Agency is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". GASB Statement No. 94 establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs). The requirements of this Statement are effective for Agency's year ending December 31, 2023.
- Statement No. 96, "Subscription-Based Information Technology Arrangements". GASB Statement No. 96 establishes standards of accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. Under this Statement, a government generally should recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability. The requirements of the Statement are effective for the Agency's year ending December 31, 2023.

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- Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62". Statement No. 100 establishes standards to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for Agency's year ending December 31, 2024.
- Statement No. 101, "Compensated Absences". Statement No. 101 establishes standards to unify the recognition and measurement model of liabilities for compensated absences. The requirements of this Statement are effective for Agency's year ending December 31, 2024.

2) Cash and Cash Equivalents

Cash and cash equivalents held by the Agency at December 31, 2022, were classified as follows in the accompanying Statement of Net Position:

	Primary Government	Kerman Acre, L.P.
Cash & Cash Equivalents	\$ 8,831,946	\$ 45,594
Restricted Cash	1,088,146	28,048
Total Cash, Cash Equivalents and Restricted Cash	\$ 9,920,092	\$ 73,642

Disclosure Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value will be to changes in market interest rates. In accordance with the Agency's Investment Policy, the Agency manages its exposure to interest rate risks by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Disclosures Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

For the year ended December 31, 2022, the Agency did not maintain a significant equity position in investment pool activities, it is the policy of the Agency to invest only in highly rated securities to the extent practicable and where applicable by law.

Concentration of Credit Risk

The investment policy of the Agency contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than external investment pools) that represent 5% or more of the Agency's total investments.

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Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires California banks and savings and loan associations to secure the Agency's deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral. The market value of mortgages must equal at least 150% of the face value of deposits. The market value of government securities must equal at least 110% of the face value of deposits. Such collateral must be held in the pledging bank's trust department in a separate depository in an account for the Agency.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (broker-dealer, etc.) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

The Agency executed a "General Depository Agreement" with Wells Fargo. This agreement states that any portion of the PHA funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by HUD. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulation.

The Agency's cash deposits and cash equivalents are \$9,920,092 at December 31, 2022. Bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and for amounts over \$250,000 collateralized with securities held by the pledging financial institutions in the Agency's name in accordance with California Government Code as discussed above. \$3,473,160 is collateralized as of December 31, 2022 and the remaining \$6,446,932 is uncollateralized cash deposits and cash equivalents.

Pooled Cash and Cash Equivalents

The Agency's cash and investments are pooled with the Housing Authority of the City of Fresno's cash and cash equivalents. Income from the investment of the pooled cash is allocated to each Agency's funds on a monthly basis, based on the average monthly balance of the fund as a percent of the average monthly total pooled cash balance.

3) Restricted Cash

Restricted cash consists of funds that cannot be disbursed by the Agency unless approval is obtained from another government agency, mortgagor, or restrictions are released.

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Cash held by the California Housing Finance Agency (CHFA) can only be used for major repairs or insurance on the associated project and upon receipt of prior written approval from CHFA. Cash held as replacement reserves for the USDA projects cannot be disbursed without the approval of the USDA Rural Economic and Community Development. The funds held by CHFA, excess HAP funds and the funds held for the replacement of the USDA program projects are also reported as restricted net position. The amounts held by the Agency on behalf of program participants, tenants and for future HAP payments not yet taken as revenue are also reported as payable from restricted assets.

Details of restricted cash at December 31, 2022 are as follows:

Cash Restricted for:	Cash		In Restricted Net Position	Kerman Acre, LP		
	Restriction	In Liabilities		Cash Restriction	In Liabilities	In Restricted Net Position
HAP Funding	\$ 164,282	\$ -	\$ 164,282	\$ -	\$ -	\$ -
Tenant Security Deposits	202,325	202,325	-	5,527	5,527	-
Emergency Housing Vouchers	652,010	423,615	228,395	-	-	-
Other Reserves	69,529	42,505	27,024	22,554	566	21,988
	\$ 1,088,146	\$ 668,445	\$ 419,701	\$ 28,081	\$ 6,093	\$ 21,988

4) Accounts Receivable

The Agency's accounts receivable consists of related party receivables, grant program receivables, overpayment to landlords and tenant rent receivables. Accounts receivables are carried at amortized costs, net of allowance for doubtful accounts. Provisions for losses are charged to operations in amounts sufficient to maintain an allowance for losses at a level considered adequate to cover probable losses inherent to the Agency's accounts receivable. The allowance for losses is based on management's evaluation of the collectability of the receivables and historical loss experience.

Accounts Receivable as of December 31, 2022 consists of the following:

Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$27,466	\$ 168,972
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$40,109	<u>64,732</u>
Total Accounts Receivable	<u>\$ 233,704</u>

5) Due from Other Governments

At December 31, 2022, amounts Due from Other Governments consists of the following:

U.S. Department of HUD	\$ 21,350
Other	<u>326,401</u>
Total Due from Other Governments	<u>\$ 347,751</u>

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6) Due from Related Parties

At December 31, 2022, amounts Due from Related Parties consists of the following:

Housing Authority of the City of Fresno	\$ 4,428,783
Limited Partnership	<u>148,553</u>
Total Due from Related Parties	<u>\$ 4,577,336</u>

7) Capital Assets

Changes in the Capital Assets during the year ended December 31, 2022 were as follows:

	Balance 12/31/2021	Additions	Dispositions	Balance 12/31/2022
Capital assets not depreciated:				
Land	\$ 1,747,763	\$ -	\$ (100,085)	\$ 1,647,678
Construction in progress	<u>6,550,455</u>	<u>1,809,943</u>	<u>(3,254,288)</u>	<u>5,106,110</u>
Total capital assets not depreciated	8,298,218	1,809,943	(3,354,373)	6,753,788
Capital assets being depreciated:				
Buildings and Improvements	58,883,345	3,529,939	(3,958,054)	58,455,230
Equipment / Software	<u>2,206,534</u>	<u>-</u>	<u>(46,526)</u>	<u>2,160,008</u>
Total capital assets being depreciated	61,089,879	3,529,939	(4,004,580)	60,615,238
Less accumulated depreciation for:				
Buildings and Improvements	(54,098,885)	(1,126,048)	3,827,199	(51,397,734)
Equipment / Software	<u>(1,452,083)</u>	<u>(147,736)</u>	<u>46,526</u>	<u>(1,553,293)</u>
Total accumulated depreciation	<u>(55,550,968)</u>	<u>(1,273,784)</u>	<u>3,873,725</u>	<u>(52,951,027)</u>
Total capital assets being depreciated, net	5,538,911	2,256,155	(130,855)	7,664,211
Total Capital Assets, Net	<u>\$ 13,837,129</u>	<u>\$ 4,066,098</u>	<u>\$ (3,485,228)</u>	<u>\$ 14,417,999</u>

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8) Notes Receivable

The following is a summary of changes in notes receivable during the year ended December 31, 2022:

	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Interest Receivable
Related Parties:					
Kerman Acre L.P.	\$ 678,835	\$ -	\$ -	\$ 678,835	\$ -
Kingsburg Marion Villas AHP	450,000	-	-	450,000	125,472
Magill Terrace	3,240,000	-	(556,639)	2,683,361	250,645
Mendota RAD	6,000,000	-	-	6,000,000	1,790,658
Orange Cove AHP	800,000	-	-	800,000	224,234
Orange Cove RAD	5,430,000	-	-	5,430,000	1,835,507
Parlier Oak Grove	3,345,000	-	-	3,345,000	323,654
Reedley Kings River Commons AHP	578,000	-	-	578,000	-
Reedley Trailside Terrace	2,431,000	-	-	2,431,000	679,206
Reedley Trailside Terrace AHP	540,000	-	-	540,000	-
Sanger Memorial Village	3,440,000	-	-	3,440,000	574,232
Shockley Terrace LP	2,160,258	-	-	2,160,258	586,629
Clovis Solivita	4,249,583	-	(864,101)	3,385,482	6,397
Kingsburg Linnaea Villas	615,000	-	-	615,000	-
Corazón Del Valle	-	9,124,000	-	9,124,000	113,323
Orange Cove Citrus Gardens, LP	-	2,890,000	-	2,890,000	-
Total due from related parties	<u>33,957,676</u>	<u>12,014,000</u>	<u>(1,420,740)</u>	<u>44,550,936</u>	<u>6,509,957</u>
Total	<u>\$ 33,957,676</u>	<u>\$ 12,014,000</u>	<u>\$ (1,420,740)</u>	<u>\$ 44,550,936</u>	<u>\$ 6,509,957</u>

Kerman Acre, L.P.

On May 16, 2010, the Agency entered into a loan agreement with Kerman Acre, L.P., a related party to the Housing Authority of Fresno County. The note bears an interest rate of 7.5% compounded annually. Principal and interest payments are contingent upon residual funds available to Kerman Acre, L.P. The outstanding principal balance at December 31, 2022 was \$678,835 with no accrued interest.

Kingsburg Marion Villas

On June 1, 2015, the Agency entered into an AHP loan agreement with Kingsburg Marion Villas, a related party to the Housing Authority of Fresno County in the amount of \$450,000. The Agency was awarded a grant through the Affordable Housing Program (AHP), and these funds were in turn loaned to the Kingsburg Marion Villas development. The note bears an interest rate of 3.36% compounded annually and matures in 55 years. The outstanding principal balance at December 31, 2022 was \$450,000 with accrued interest of \$125,472.

Magill Terrace, LP

On December 12, 2017, the Agency entered into an HAFC Capital Funds Mortgage Note agreement with Magill Terrace, LP, a related party to the Housing Authority of Fresno County in the amount of \$2,000,000. The note is secured by, among other security, a subordinate lien mortgage Deed of Trust. The note bears an interest rate of 4.00% per annum and matures on December 17, 2072.

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On December 12, 2017, the Agency entered into an HAFC Seller Financing Mortgage Note agreement with Magill Terrace, LP, a related party to the Housing Authority of Fresno County in the amount of \$1,240,000. The note is secured by, among other security, a subordinate lien mortgage Deed of Trust. The note bears an interest rate of 4.00% per annum and matures on December 17, 2072.

As of December 31, 2022, the total outstanding principal balance of both loans was \$2,683,361 with accrued interest of \$250,645.

Mendota RAD

On December 26, 2013, the Agency entered into a loan agreement for \$600,000 with Mendota RAD, a related party to the Housing Authority of Fresno County. The purpose of the loan is to purchase a property in Mendota to rehabilitate into low-income housing. The note bears an interest rate of 3.32% compounded annually. Principal and interest payments are contingent upon residual cash flow available to Mendota RAD.

On December 20, 2013, the Agency entered into a second loan agreement with Mendota RAD for \$5,400,000 for the rehabilitation of a 123-unit low-income housing. The note bears a 3.32% interest rate compounded annually and with a maturity date of December 20, 2068. Principal and interest payments shall commence on August 1, 2015 from available Net Cash Flow as defined in the Amended Partnership Agreement.

As of December 31, 2022, the total outstanding principal balance for both loans was \$6,000,000 with accrued interest of \$1,790,658.

Orange Cove RAD

On December 20, 2013, the Agency entered into a loan agreement for \$4,130,000 with Orange Cove RAD, a related party to the Housing Authority of Fresno County. The note bears an interest rate of 3.32% compounded annually. Principal and interest payments are contingent upon residual funds available to Orange Cove RAD.

On December 20, 2013, the Agency entered into a second loan agreement for \$1,300,000 with Orange Cove RAD to rehabilitate five former public housing sites into four sites consisting of 87 low-income-housing units. The note bears a 3.32% interest rate compounded annually with a maturity date of December 20, 2068. Principal and interest payment will commence on September 1, 2015 from available Net Cash Flow as defined in the Partnership Agreement.

On May 19, 2015, the Agency entered into a loan agreement with Orange Cove RAD in the amount of \$800,000 (the "AHP" Loan). The AHP Loan is secured by a deed of trust on the Project and matures on May 19, 2070. The loan bears interest on the outstanding balance at 3.32%, compounded annually, as defined in the AHP loan agreement.

As of December 31, 2022, the total outstanding principal balance for both loans was \$6,230,000 with accrued interest of \$2,059,741.

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Parlier Oak Grove, LP

On March 18, 2018, the Agency entered into a loan agreement for \$3,345,000 with Parlier Oak Grove, LP, a related party to the Housing Authority of Fresno County, the "HACF" Loan. The loan includes 3 notes: (1) a seller note in the amount of \$2,340,000; (2) disposition of proceeds realized from the sale of the western portion of Oak Grove in the amount of \$660,000 and (3) disposition of proceeds realized from the sale of a portion of Sunset Terrace II. The note is secured by, among other security, a subordinate lien mortgage deed of trust. The note bears an interest rate of 2.88% per annum and matures on January 31, 2075. As of December 31, 2022, the outstanding principal balance of the loan was \$3,345,000 with accrued interest \$323,654.

Reedley Kings River Commons

The Agency entered into a loan agreement with Reedley Kings River Commons, a related party to the Housing Authority of Fresno County. The Agency was awarded a grant through the Affordable Housing Program (AHP), these funds were in turn loaned to the Reedley Kings River Commons development. The note bears no interest with principal payable upon completion of the project. The outstanding principal balance at December 31, 2022 was \$578,000.

Reedley Trailside Terrace

On December 3, 2015, the Agency entered into a loan agreement for \$2,431,000 with Reedley Trailside Terrace, LP, a related party to the Housing Authority of Fresno County. The purpose of the loan is to purchase a property in Reedley to rehabilitate into low-income housing. The note bears a simple interest rate of 4%. Principal and interest payments are contingent upon residual funds available to Reedley Trailside Terrace, LP.

On December 1, 2015, the Partnership obtained a loan in the amount of \$540,000 from HAFC (the "AHP Loan") from the funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP loan bears no interest and shall be payable from net cash flow and net cash proceeds, as defined in the Partnership Agreement. The AHP Loan shall be secured by a deed of trust on the Project and matures on June 1, 2070.

As of December 31, 2022, the total outstanding principal balance for both loans was \$2,971,000 with accrued interest of \$679,206.

Sanger Memorial Village, LP

On March 30, 2017, the Agency entered into an HAFC Operating Funds Mortgage Note agreement with Sanger Memorial Village, LP, a related party to the Housing Authority of Fresno County in the amount of \$1,340,000. The note is secured by, among other security, a subordinate lien mortgage Deed of Trust. The note bears an interest rate of 4.00% per annum and matures on March 30, 2072.

On March 30, 2017, the Agency entered into an HAFC Seller Financing loan agreement with Sanger Memorial Village, LP, a related party to the Housing Authority of Fresno County in the amount of \$2,100,000. The note is secured by, among other security, a subordinate lien mortgage or Deed of Trust. The note bears an interest rate of 4.00% per annum and matures on March 30, 2072.

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As of December 31, 2022, the total outstanding principal balance for both loans was \$3,440,000 with accrued interest of \$574,232.

Shockley Terrace, LP

On March 18, 2016, the Agency entered into an HAFC Capital Funds loan agreement with Shockley Terrace LP, a related party to the Housing Authority of Fresno County in the amount of \$1,010,258. The note is secured by the HAFC Capital Funds Construction Deed of Trust. The note bears an interest rate of 2.00% per annum and matures on March 18, 2071.

On March 18, 20016, the Agency entered into an HAFC Mortgage loan agreement with Shockley Terrace LP, a related party to the Housing Authority of Fresno County in the amount of \$1,150,000. The note is secured by the HAFC Construction Deed of Trust. The note bears an interest rate of 2.00% per annum and matures on March 18, 2071.

As of December 31, 2022, the total outstanding principal balance for both loans was \$2,160,258 with accrued interest of \$586,629.

Clovis Solivita, LP

On December 18, 2019, the Agency entered into an HAFC Capital Funds loan agreement with Clovis Solivita, LP, a related party to the Housing Authority of Fresno County in the amount of \$1,745,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on January 31, 2077.

On December 18, 2019, the Agency entered into an HAFC Mortgage loan agreement with Clovis Solivita, LP, a related party to the Housing Authority of Fresno County in the amount of \$2,505,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on January 31, 2077.

As of December 31, 2022, the total outstanding principal balance for both loans was \$3,385,482 with accrued interest of \$6,397.

Kingsburg Linnaea Villas, LP

On December 16, 2019, the Agency entered into an AHP loan agreement with Kingsburg Linnaea Villas, LP, a related party to the Housing Authority of Fresno County in the amount of \$615,000. The Agency was awarded a grant through the Affordable Housing Program (AHP), and these funds were in turn loaned to the Kingsburg Linnaea Villas development. The note bears no interest and matures on June 1, 2050. The outstanding principal balance at December 31, 2022 was \$615,000.

Corazón Del Valle

On April 7, 2022, the Agency entered into a disposition loan mortgage agreement with Huron Corazón del Valle Commons, LP, a related party to the Housing Authority of Fresno County in the amount \$4,150,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 2.00% per annum and mature on March 31, 2079.

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On April 7, 2022, the Agency entered into a loan agreement with Huron Corazón del Valle Commons, LP, a related party to the Housing Authority of Fresno County in the amount \$3,680,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 2.00% per annum and mature on March 31, 2079.

On April 7, 2022, the Agency entered into a carryback loan agreement with Huron Corazón del Valle Commons, LP, a related party to the Housing Authority of Fresno County in the amount \$1,294,000. The note is secured by the construction deed of trust, security agreement and financing statement. The note bears an interest rate of 2.00% per annum and mature on March 31, 2079.

As of December 31, 2022, the total outstanding principal balance for both loans was \$9,124,000 with accrued interest of \$113,323.

Orange Cove Citrus Gardens, LP

On December 22, 2022, the Agency entered into a carryback loan agreement with Orange Cove Citrus Gardens, LP, a related party to the Housing Authority of Fresno County in the amount \$2,890,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 2.00% per annum and mature on March 31, 2079. The outstanding principal balance at December 31, 2022 was \$2,890,000. The note is secured by lessor's interest in all leases, rental agreements and occupancy agreements. The note bears an interest of and matures on December 31, 2077.

9) Investment in Joint Ventures

Investment in joint ventures as of December 31, 2022 consists of the following:

Joint Venture:	
Housing Relinquished Fund Corporation	\$ 16,894,298
Housing Self Insurance Corporation	42,904
Silvercrest, Inc.	847,860
Villa Del Mar. Inc.	<u>(1,953)</u>
Total Investments in Joint Venture	<u>\$ 17,783,109</u>

Housing Relinquished Fund Corporation (HRFC) - This entity was created as a steward for the Housing Authority of the City and County of Fresno's development and investment capital. HRFC's Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 25% allocation on distribution of net assets upon dissolution of HRFC. HRFC does not issue separate financial statements. As of December 31, 2021, HRFC has total assets, liabilities and equity of \$59,049,571, \$5,426,772 and \$53,622,799, respectively. For the year end December 31, 2022, HRFC's revenue and expenses were \$1,716,009 and \$309,282, respectively.

Housing Self Insurance Corporation (HSIC) – The entity was organized to provide additional security against a variety of insurable and non-insurable losses to include deductibles, payouts, settlements, and other related obligations. HSIC's Board of Directors is comprised of two members each of the

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City Housing Authority and County Housing Authority’s Board of Commissioners. The Agency has a 16% allocation on distribution of net assets upon dissolution of HSIC. HSIC does not issue separate financial statements. As of December 31, 2022, HSIC has total assets, liabilities and equity (deficit) of \$271,241, \$6,250 and \$264,991, respectively. For the year end December 31, 2022, HSIC’s revenue and expenses were \$0 and \$36,859, respectively.

Silvercrest, Inc. - This entity is a California non-profit public benefit corporation. Silvercrest, Inc. was formed as a vehicle to own and operate a number of housing developments throughout Fresno County, primarily in a limited partnership arrangement with local developers. Silvercrest, Inc.’s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority’s Board of Commissioners. The Agency has a 26% allocation on distribution of net assets upon dissolution of Silvercrest, Inc. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of Fresno County, at P.O. Box 11985, Fresno, California 93776-1985. As of December 31, 2022, Silvercrest, Inc. has total assets, liabilities and equity (deficit) of \$32,728,880, \$16,080,758 and \$16,648,122, respectively. For the year end December 31, 2022, Silvercrest, Inc.’s revenue and expenses were \$3,570,303 and \$5,704,249, respectively.

Villa Del Mar, Inc. - Developed for purposes of ownership and management of the 48-unit Villa Del Mar affordable housing project in the City of Fresno. Villa Del Mar, Inc.’s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority’s Board of Commissioners. The Agency has a 0% allocation on distribution of net assets upon dissolution of Villa Del Mar, Inc. Villa Del Mar, Inc. does not issue separate financial statements. As of December 31, 2022, Villa Del Mar, Inc. has total assets, liabilities and equity (deficit) of \$17,336, \$63,581 and (\$46,245) respectively. For the year end December 31, 2022, Villa Del Mar, Inc.’s revenue and expenses were \$3,091 and \$2,025, respectively.

10) Assets Held for Sale

Assets held for sale consist of homes that are being developed using a variety of Federal, State, and local funds. The assets held for sale are recorded in the following funds as of December 31, 2022:

County Public Housing Program	<u>\$</u>	345,628
Total Asset Held for Sale	<u>\$</u>	<u>345,628</u>

In accordance with Section 5 of the Public Housing Act, the Agency sells single family homes to qualified low-income residents. At December 31, 2022, the book value of homes held for sale were \$345,628.

11) Leases

Lease receivable

The Agency, as a lessor, has entered into lease agreements for the use of certain ground and commercial spaces. Terms of the agreements are listed below. As an interest rate implicit in the Agency’s leases is not readily determinable, the Agency used the incremental borrowing rate of 3.52%

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obtained from their lenders. For the year ended December 31, 2022, the Agency has the following leases:

	Current Lease Receivable	Non-Current Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
Commerical Lease					
1260-Marderosian Building	\$ 52,267	\$ 1,039,681	\$ 1,091,948	\$ 8,534	\$ 6,467
Maldonado Plaza	336,782	1,060,262	1,397,044	325,151	56,256
Total	\$ 389,049	\$ 2,099,943	\$ 2,488,992	\$ 333,685	\$ 62,723

Commercial lease

1260-Marderosian Building – On December 8, 2021, the Agency and the Housing Authority of the City of Fresno, a related party, jointly entered into a 5-year lease agreement with Central Valley Community Foundation, a California nonprofit corporation, for the property located at 1260 Fulton Street, Fresno, CA 93721. The Agency is receiving monthly payments through 2027, with two 5-year options to extend.

Maldonado Plaza – On December 1, 2021, the Agency entered into a 1-year lease agreement with Peri & Sons Farms of CA, a Nevada limited liability Company, for the property located at 1779 Thomas Conboy Avenue, Firebaugh, CA 93622. The lessee has exercised its 4 year-option to extend and the Agency is receiving monthly payments through 2026.

The following is a schedule for future lease payments expected through the terms of the lease agreement note above subsequent to December 31, 2022:

	Total future rental payments	Less amount representing interest	Present value of future lease payments receivable
2023	\$ 471,408	\$ (82,359)	\$ 389,049
2024	471,408	(68,441)	402,967
2025	471,408	(54,026)	417,382
2026	471,408	(39,093)	432,315
2027	92,025	(29,820)	62,205
2028-2032	503,230	(111,274)	391,956
2033-2037	489,945	(96,827)	393,118
Total	\$ 2,970,832	\$ (481,840)	\$ 2,488,992

12) Equity Investment in Component Unit

Kerman Acre, L.P. – A California limited partnership between two general partners the Agency (the “Co-General Partner”) and Better Opportunities Builder, Inc. (the “Managing General Partner”); and one special limited partner Silvercrest, Inc. (the “Limited Partner”). The Partnership was formed for the purpose of developing and operating a 16-unit project located in Fresno, California known as Granada Commons Apartments.

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This project qualifies for the federal low-income housing tax credit program as described in Internal Revenue Code Section 42. Pursuant to the Amended and Restated Agreement of Limited Partnership dated March 16, 2010, profits, losses and tax credits are allocated 51.00% to the Co-General Partner, 44.00% to the Managing General Partner and 5.00% to the Limited Partner.

As of December 31, 2022, the Agency's share of its partners' deficit in the Kerman Acre, L.P. component unit was \$1,507,119.

13) Long Term Liabilities

Changes in long-term liabilities during the fiscal year ended December 31, 2022 were as follows:

	Balance 12/31/2021	Additions	Payments/ Deletions	Balance 12/31/2022	Due Within One Year
Notes Payable - Non-Related Parties:					
Kingsburg Marion Villas - AHP	\$ 450,000	\$ -	\$ -	\$ 450,000	\$ -
Kings River Commons- AHP	578,000	-	-	578,000	-
Orange Cove- AHP	800,000	-	-	800,000	-
Reedley Trailside- AHP	540,000	-	-	540,000	-
Kingsburg Linnaea Villas - AHP	615,000	-	-	615,000	-
Sanger Wedgewood - LT	1,000,453	-	(17,798)	982,655	-
Marderosian Bldg-Valley Republic Bank	-	1,250,000	(9,019)	1,240,981	29,711
	3,983,453	1,250,000	(26,817)	5,206,636	29,711
Notes Payable - Related Parties:					
P&CD (Various pre-dev) to HRFC	3,553,007	-	(614,191)	2,938,816	2,938,816
County Section 8 to HRFC	323,185	-	-	323,185	323,185
Office building to HRFC	66,000	-	-	66,000	66,000
County RF to HRFC	455,656	-	-	455,656	455,656
	4,397,848	-	(614,191)	3,783,657	3,783,657
Other Liabilities:					
Interest payable	452,999	-	-	452,999	-
Family Self-Sufficiency	33,890	47,199	(25,744)	55,345	-
Compensated Absences	658,386	6,336	(519)	664,203	-
Net Pension Liability	6,471,132	6,413,998	-	12,885,130	-
	7,616,407	6,467,533	(26,263)	14,057,677	-
Total Notes Payable	\$ 15,997,708	\$ 7,717,533	\$ (667,271)	\$ 23,047,970	\$ 3,813,368

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The following is a schedule of debt payment requirements to maturity for notes payable:

Year Ending December 31	Principal	Interest	Total
2023	\$ 3,813,368	\$ 196,890	\$ 4,010,258
2024	30,800	48,860	79,660
2025	32,211	47,449	79,660
2026	33,542	46,118	79,660
2027	34,928	44,732	79,660
2028-2032	198,648	199,654	398,302
2033-2037	881,141	129,914	1,011,055
2038-2042	-	-	-
2043 & Beyond	3,965,655	-	3,965,655
	\$ 8,990,293	\$ 713,617	\$ 9,703,910

Kingsburg Marion Villas

On July 1, 2015, the Agency entered into an AHP agreement with Rabobank in the amount of \$450,000 from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest and the principal is payable in full in 2030. The Agency has loaned the proceeds to Kingsburg Marion Villas, a related party. See Note 8 for the Notes Receivable from Kingsburg Marion Villas related to this AHP Loan. As of December 31, 2022, the outstanding principal balance was \$450,000.

Kings River Commons

In December 2013, the Agency entered into an AHP agreement with Wells Fargo Financial National Bank in the amount of \$578,000 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). The AHP Loan bears no interest and the principal is payable in full in 2068. The Agency has loaned the proceeds to Kings River Commons, a related party. See Note 8 for the Notes Receivable from Kings River Commons related to this AHP Loan. As of December 31, 2022, the outstanding principal balance was \$578,000.

Orange Cove

In May 2015, the Agency entered into a loan agreement with Rabobank in the amount of \$800,000 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest and the principal is payable in full in 2030. The Agency has loaned the proceeds to Orange Cove RAD, a related party. See Note 8 for the Notes Receivable from Orange Cove RAD related to this AHP Loan. As of December 31, 2022, the outstanding principal balance was \$800,000.

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Reedley Trailside

On December 1, 2015, the Agency entered into a loan agreement with Mississippi Valley Company in the amount of \$540,000 (the "AHP Loan") from the funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP loan bears no interest and the principal is payable in full in 2070. See Note 8 for the Notes Receivable from Reedley Trailside related to this AHP Loan. At December 31, 2022, the outstanding principal balance was \$540,000.

Kingsburg Linnaea Villas

In December 2019, the Agency entered into a loan agreement with Wells Fargo National Bank West in the amount of \$615,000 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest and the principal is payable in full on June 1, 2050. The Agency has loaned the proceeds to Kingsburg Linnaea Villas, LP, a related party. See Note 8 for the Notes Receivable from Kingsburg Linnaea Villas, LP related to this AHP Loan. As of December 31, 2022, the outstanding principal balance was \$615,000.

Sanger Wedgewood, LP

On June 4, 2021, Sanger Wedgewood, LP, the blended component unit on the Agency, entered into a loan agreement with Citizens Business Bank in the amount of \$1,010,000 (the "LT Loan"). Under the terms of the agreement, the LT loan bears 4.00% interest per annum and matures on May 4, 2036. As of December 31, 2022, the outstanding principal balance was \$982,655 and accrued interest of \$0.

Marderosian Building Note

On March 16, 2022, the Agency and the Housing Authority of the City of Fresno, jointly entered into a loan agreement with Valley Republic Bank in the amount of \$2,500,000. Under the terms of the agreement, the loan bears 4.00% interest per annum and matures on April 5, 2037. The loan is allocated 50-50 between the borrowers. As of December 31, 2022, the outstanding principal balance was \$1,240,981 with accrued interest of \$0.

Housing Relinquished Fund Corporation (HRFC)

The Agency entered into various notes with HRFC for the purpose of pre-development activities. The notes accrue interest at 5% per annum and payments are made from the sale of the properties. The outstanding principal balance at December 31, 2022 was \$2,938,816.

In February 2010, the Agency entered into a promissory note agreement with the Housing Relinquished Fund Corporation (HRFC) for \$323,185. This is a non-interest-bearing note, payable in full on March 31, 2013. The outstanding principal balance at December 31, 2022 was \$323,185.

The Agency entered into a promissory note agreement with the HRFC for \$66,000, representing partial funding related to the acquisition of the Central Office Building. This note is non-interest

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bearing and repayment terms are not explicitly stated. The outstanding principal balance at December 31, 2022 was \$66,000.

In April 2007, the Agency entered into a promissory note agreement with the Housing Relinquished Fund Corporation (HRFC) for \$655,656. The note is non-interest bearing and repayment terms are not explicitly stated. The outstanding principal balance at December 31, 2022 was \$455,656.

Family Self Sufficiency

The Family Self Sufficiency (FSS) program provides supportive services that enable participating low-income and moderate-income families to achieve economic independence and self-sufficiency. The Agency contracts with each participating family to set aside funds in an interest-bearing account until that family can afford to pay its entire monthly rent without assistance from the Authority. Upon successful completion of the program requirements, the funds are released and disbursed to the family. The amount held for FSS participants at December 31, 2022 was \$55,345.

Compensated Absences Payable

It is the Agency's policy to permit employees to accumulate earned but unused vacation leave, which will be paid to employees upon separation from the Agency's service or used in future periods. The Agency permits employees to accumulate earned but unused sick leave which will be used in future periods, paid to the employee upon termination, or upon retirement. The Executive Director is entitled to receive cash out of accrued sick leave at the time of separation. Other employees are paid 25% of the value of their unused sick leave upon voluntary separation, and 50% upon retirement or death.

Employees are paid 100% of unused vacation leave upon separation of employment as provided in the applicable collective bargaining agreement and in accordance with the law.

At December 31, 2022, accrued vacation and vested sick leave have been valued by the Agency at \$664,203.

14) Due to Other Governments

At December 31, 2022, amounts due to other governments consists of the following:

Payments in Lieu of Taxes	\$	186,262
U.S. Department of HUD		388,207
Total Due to Other Governments	\$	574,469

15) Due to Related Parties

At December 31, 2022, amounts due to related parties consist of the following:

Limited Partnership	\$	16,747
Silvercrest, Inc.		50,537
Total Due to Related Parties	\$	67,284

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16) Other Current Liabilities

Other current liabilities at December 31, 2022, consist of the following:

Payroll - Withholding Taxes, Benefits Payable	\$	352,796
Unclaimed Checks/Refunds		131,024
Accrued Expenses		89,139
Others		9,263
		9,263
Total Other Current Liabilities	\$	<u>582,222</u>

17) Unearned Revenues

Unearned revenues at December 31, 2022, consist of the following:

Grant	\$	489,869
Prepaid Tenant Rents		41,803
Other		3,478
		3,478
Total Unearned Revenues	\$	<u>535,150</u>

18) Deferred Compensation

The Agency offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all permanent employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Annual contributions by a participant may not exceed \$20,500 established by IRS for 2022. Employees may also borrow against their deferred compensation account while employed under the deferred compensation loan program. The 401(a) Plan also provides an employer-matching contribution on amounts up to \$900 per employee to defer into the 457 plan. The employer contribution to the 457 plan amounted to \$73,602 for the year ended December 31, 2022. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and their beneficiaries.

The Agency maintains two plans which are administered by Mass Mutual and the California Public Employees' Retirement System. These funds are not recorded as assets of the Agency since they are held in trust for the exclusive benefit of participants and their beneficiaries and are not subject to claims of the Agency's general creditors.

19) Defined Benefit Pension Plan

All qualified permanent and probationary employees are eligible to participate in the Local Government's Miscellaneous Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution.

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CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Plan's Major Benefit Options

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment.

Shown below is a summary of the major optional benefits for which the agency has contracted.

Contract Package			
	Active Miscellaneous	Active Miscellaneous - PEPRA	Receiving Miscellaneous
Benefit Provision			
Benefit Formula	2.0% @ 60	2.0% @ 62	
Social Security Coverage	Yes	Yes	
Full/Modified	Modified	Full	
Employee Contribution Rate	7.00%	6.25%	
Final Average Compensation Period	One Year	Three Year	
Sick Leave Credit	Yes	Yes	
Non-Industrial Disability	Standard	Standard	
Industrial Disability	No	No	
Pre-Retirement Death Benefits			
Optional Settlement 2W	No	No	
1959 Survivor Benefit Level	No	No	
Special	No	No	
Alternate (firefighters)	No	No	
Post-Retirement Death Benefits			
Lump Sum	\$500	\$500	\$500
Survivor Allowance (PRSA)	No	No	No
COLA	2%	2%	2%

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Employees Covered:

Summary of Valuation Data (Counts)

	June 30, 2021
1. Active Members	107
2. Transferred Members	36
3. Terminated Members	76
4. Retired Members and Beneficiaries	108
5. Active to Retired Ratio [(1)/(4)]	0.99

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

Average Annual Benefits represents benefit amounts payable by this plan only. Some members may have service with another agency and would therefore have a larger total benefit than would be included as part of the average shown here.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as the member contribution requirements are classified as plan member contributions.

For the measurement period ending June 30, 2022, the average active employee contribution rate is 6.78 percent of annual pay, and the average employer's contribution rate is 8.02 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

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Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2022 valuation was rolled forward to determine the June 30, 2022 total pension liability based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.3% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS experience Study and Review of Actuarial Assumptions report from December 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

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The expected real rates of return by asset class are as followed:

Asset Class ¹	Assumed asset allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap- weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Asset	15.00	3.21
Leverage	(5.00)	(0.59)

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study

Changes in Net Pension Liability

The Changes in Net Pension Liability for the measurement period ended June 30, 2022 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension Liability
Balance at: June 30, 2021	\$ 41,122,369	\$ 34,651,237	\$ 6,471,132
Changes recognized for the measurement period:			
Service Cost	1,037,424	-	1,037,424
Interest on Total Pension Liability	2,917,319	-	2,917,319
Changes of Benefit Terms	-	-	-
Changes of Assumptions	1,507,727	-	1,507,727
Differences between Expected and Actual Experience	46,145	-	46,145
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,245,785	(1,245,785)
Contributions - Employee	-	478,309	(478,309)
Net Investment Income	-	(2,607,891)	2,607,891
Benefit Payments, including Refunds of Employee Contributions	(1,829,905)	(1,829,905)	-
Administrative Expense	-	(21,586)	21,586
Other Miscellaneous Income	-	-	-
Net Changes during 2021-2022	3,678,710	(2,735,288)	6,413,998
Balance at: June 30, 2022	\$ 44,801,079	\$ 31,915,949	\$ 12,885,130

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate.

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Assets)	\$ 19,317,344	\$ 12,885,130	\$ 7,594,498

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Expected Average Remaining Service Lifetime (EARSL)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

The EARSL for the Plan for the measurement period ending June 30, 2022 is 3.5 years, which was obtained by dividing the total service years of 1,145 (the sum of remaining service lifetimes of the active employees) by 327 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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Deferred Outflows and Deferred Inflows of Resources

For the measurement period ended June 30, 2022, the Agency incurred a pension expense of \$2,125,775.

As of June 30, 2022, the Housing Authority of Fresno County has deferred outflows and deferred inflows of resources related to pensions listed below. Contributions subsequent to the measurement date are also shown as a Deferred Outflow of Resources.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	\$ 1,130,795	\$ -
Differences between Expected and Actual Experience	204,001	(7,013)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,649,320	-
Payment on pension contributions between measurement date and fiscal year end	663,362	-
Total	\$ 3,647,478	\$ (7,013)

The \$663,362 in pension payments between June 30 and December 31, 2022, reported as deferred outflows of resources related to employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended December 31, 2023.

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

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Amortization of Deferred Outflows/(Inflows) of Resources

December 31:

2023	\$	770,734
2024		690,621
2025		518,539
2026		997,209
2027		-
Thereafter		-
		\$ 2,977,103

\$ 3,647,478
(7,013)

3,640,465

Payment on pension contributions between measurement date and fiscal year end

\$ (663,362)

20) Insurance Coverage

HARRP

The Agency is a member of the Housing Authority Risk Retention Pool (HARRP). HARRP was established by public housing authorities participating in an intergovernmental cooperation agreement pursuant to specific statutes in Oregon, Washington, California and Nevada for the purpose of operating and maintaining a cooperative program of risk management and loss indemnification. HARRP offers property, general liability, automobile liability, and physical damage, fidelity, and errors and omissions, which includes employment practices and director's and officers' liability insurance to participants. The relationship between the Agency and HARRP is such that HARRP is not a component unit of the Agency for financial reporting purposes.

The Agency's insurance expense was \$406,113 for the year ended December 31, 2022. The loss limits for the various types of insurance are as follows: individual structure stated value, with full replacement cost, for property with a deductible per occurrence of \$10,000; \$2,000,000 for general liability with no deductible; \$2,000,000 for automobile liability, including losses arising from the use of a non-owned covered automobile; \$100,000 for employee dishonesty and forgery and alteration with a \$1,000 deductible; \$10,000 for employee theft with a \$1,000 deductible; and \$2,000,000 for errors and omissions with a 10% co-pay.

This activity related to risk management is also accounted for in the Housing Self Insurance Corporation (HSIC), a joint venture of the Agency. HSIC records an expense when it pays for repairs to the Agency's properties when incurred. HSIC records revenue when it receives payment from the Agency for insurance premiums recorded as expense by the Agency.

California Housing Workers' Compensation Authority

The Agency is insured for workers' compensation claims through the California Housing Workers' Compensation Authority (CHWCA). Under this program, the pool provides up to \$550,000 workers'

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compensation coverage and \$550,000 employer's liability coverage. The Authorities are insured for Statutory Workers' Compensation by the Safety National Casualty Corporation. The pool provides up to \$5,000,000 per occurrence.

21) Participation in Related Party Limited Partnerships

Firebaugh Gateway, LP

Firebaugh Gateway, LP was formed to expand the development and availability of long-term senior housing for low-income persons residing in the City of Firebaugh, California. This includes the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction, and development of a 30-unit affordable housing project for seniors. This property is located in the City of Firebaugh, County of Fresno, California and known as Firebaugh Gateway Apartments.

The partnership was originally formed on August 20, 2015, by Firebaugh Gateway AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. BALIHTC 2016-5, LLC and US Bankcorp Community Development Corporation are the respective Limited Partner and State Credit Partners.

Kingsburg Marion Villas, LP

Kingsburg Marion Villas, LP was formed to acquire, construct, and operate Kingsburg Marion Villas, a 45-unit affordable senior housing complex and community resource building in Kingsburg, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on March 18, 2014, by Kingsburg Marion Villas AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Bank National Association is the Investor Limited Partner; PNC Real Estate Tax Credit Capital Fund 47 is the State Limited Partner and Columbia Housing SLP Corporation as the Special Limited Partner.

Magill Terrace, LP

Magill Terrace, LP was formed for the purpose of developing and operating a 60-unit project located in Fowler, California. The project qualifies for the federal low-income housing tax credit program as described in Internal Revenue and Taxation Code section 42. The partnership received an exemption from real estate taxes under California Revenue and Taxation Code section 214 (g).

The partnership formed on July 5, 2017 and pursuant to the Amended and Restated Agreement of Limited Partnership dated December 14, 2017 between Magill Terrace, AGP, LLC and the Administrative General Partner, Silvercrest, Inc. (the General Partner) and Wells Fargo Affordable Housing Community Development Corporation (the Investor Limited Partner). Profits, losses and tax

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credits are allocated 0.005% to the Managing General Partner, 0.005% to the Administrative General Partner and 99.99% to the Investor Limited Partner.

Mendota RAD, LP

Mendota RAD, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Mendota, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on December 20, 2013, by Mendota RAD AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Bank, National Association is the Investor Limited Partner, and Columbia Housing SLP Corporation is the Special Limited Partner.

Orange Cove RAD, LP

Orange Cove RAD, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Orange Cove, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on December 20, 2013, by Orange Cove RAD AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Bank, National Association is the Investor Limited Partner, and Columbia Housing SLP Corporation is the Special Limited Partner.

Parlier Oak Grove, LP

Parlier Oak Grove, LP was formed for the purpose of developing and operating a 56-unit project located in Parlier, California known as Oak Grove. The project qualifies for the federal low-income housing tax credit program as described in Internal Revenue Code Section 42. The partnership received exemption from real estate taxes under California Revenue and Taxation Code section 214(g).

The partnership was originally formed on October 12, 2017 by Parlier Oak Grove, AGP, LLC (the Administrative General Partner), Silvercrest, Inc., (the Managing General Partner) and Wells Fargo Affordable Housing Community Development Corporation (the Investor Limited Partner). Pursuant to the Amended and Restated Agreement of Limited Partnership dated March 21, 2018, profits, losses and tax credits are allocated 0.005% to the Managing General Partner, 0.005% to the Administrative General Partner and 99.99% to the Investor Limited Partner.

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Reedley Kings River Commons, LP

Reedley Kings River Commons, LP was formed to acquire, construct, and operate an affordable-housing complex and community resource building in Reedley, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on December 1, 2013, by Reedley Kings River Commons AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. R4 FR Acquisition LLC is the Investor Limited Partner, and Silvercrest, Inc. is the Withdrawing Special Limited Partner.

Reedley Trailside Terrace, LP

Reedley Trailside Terrace, LP was formed to expand the development and availability of affordable housing for low-income persons residing in the City of Reedley, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development, on real property located in the City of Reedley, County of Fresno, California, of a 55-unit affordable housing project, generally known as Trailside Terrace Apartments.

The partnership was originally formed on August 20, 2015, by Reedley Trailside Terrace AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Bank National Association is the Investor Limited Partner; PNC Real Estate Tax Credit Capital Fund 47 is the State Limited Partner and Columbia Housing SLP Corporation is the Special Limited Partner.

Sanger Memorial Village, LP

Sanger Memorial Village, LP was formed to expand the development and availability of long-term housing for low income persons residing in the City of Sanger, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development on real property located in the City of Sanger, County of Fresno, California, of an affordable-housing project, generally known as Sanger Memorial Village, and is anticipated to include 48 units of multifamily housing.

The partnership was original formed on October 27, 2016 and is a limited partnership between Sanger Memorial Village, AGP, LLC, a California limited liability company, as the Administrative General partner and Silvercrest, Inc., a California Nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. U.S. Bankcorp Community Development Corporation is the respective Limited Partner and State Credit Partner.

Shockley Terrace, LP

Shockley Terrace, LP was formed to expand the development and availability of long-term housing for low-income persons residing in the City of Selma, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and

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development, on real property located in the City of Selma, County of Fresno, California, of a 48-unit affordable housing project for families, generally known as Shockley Terrace.

The partnership was originally formed on September 14, 2015, by Firebaugh Gateway AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California Nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. BALIHTC 2016-5, LLC and US Bankcorp Community Development Corporation are the respective Limited Partner and State Credit Partners.

Clovis Solivita, LP

Clovis Solivita, LP was formed in July of 2019 to expand the development and availability of long-term housing for low-income persons residing in the County of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the complex. The complex is anticipated to include 60 units of multifamily housing. The project filed a notice to proceed with construction on January 6, 2020. As of December 31, 2022, there is no substantial activity to report.

Kingsburg Linnaea Villas, LP

Kingsburg Linnaea Villas, LP was formed in August of 2019 to expand the development and availability of long-term housing for low-income persons aged 62 years and older, residing in the County of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the complex. The complex is anticipated to include 47 units of multifamily housing. The project filed a notice to proceed with construction on December 3, 2019. As of December 31, 2022, there is no substantial activity to report.

22) Other Related Parties

Better Opportunities Builders, Inc.

The Executive Director of the Agency serves as the Secretary-Treasurer of Better Opportunities Builders, Inc. (BOB). The Agency's Director of Planning & Community Development serves as the Chief Executive Officer of BOB. One of the Agency's Commissioners serves on the Board of Directors of BOB. The remaining Board of Directors are selected by other affiliated agencies. BOB has agreed to be the Managing General Partner in several low-income housing projects within the City of Fresno.

Housing Authority of the City of Fresno

The Housing Authority of the City of Fresno was established by a resolution of the Fresno City Council on March 14, 1940. The Authority is governed by a seven-member Board of Commissioners who are appointed to four-year terms by the City Council, reports on a calendar year, and issues separate financial and compliance audits. The County and City Housing Authorities operate and report separately while sharing the same management team and staff. All significant related party transactions have been appropriately identified in the accompanying financial statements.

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The budget document for the jointly managed operations is approved by both Boards of Commissioners. If one Board amends budgetary data subject to its jurisdiction, executive staff of the Authorities amends the joint budget as necessary to accommodate such changes. Although each Board takes action to approve its portion of the budget, the budget adoption process reflects considerable interplay between the two Boards and is essentially a single process managed by the shared management and staff of the two Authorities.

23) Contingent Liabilities

a) Grants

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

b) Pending Litigation

In the normal course of operations, the Agency may become a defendant in various litigation disputes. In the opinion of management and counsel, the outcome of current litigation not already accrued as a liability, is not expected to materially or adversely affect the financial position of the Agency.

c) Guarantees

The Agency has made certain guarantees with regards to the completion of development projects, including repayment of construction loans and tax credit delivery. On these development projects, the Agency has also made guarantees with regards to operating deficits for defined periods beyond stabilization of the property. In addition, the Agency has indemnified Silvercrest, Inc. and Better Opportunities Builder, Inc. related to general partner and developer obligations.

d) HUD Guaranteed Debt

In 1999, HUD directed the Agency to remove all HUD guaranteed debt from their financial statements. These HUD-guaranteed notes and bonds have not been forgiven by HUD. However, the Public Housing Programs' Annual Contributions Contract (ACC) states that all debt service requirements related to these notes are HUD's responsibility. It is therefore management's opinion, that the Agency is not currently liable for these notes as long as the federal government continues to honor the ACC. Accordingly, the accompanying financial statements have not been adjusted to reflect any related loss contingency.

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25) Blended Component Units

Below is a summary of the financial statements as of December 31, 2022 of the blended component unit.

Current assets	
Cash	\$ 497,338
Other assets	<u>107,250</u>
Total current assets	<u>604,588</u>
Non-current assets	
Capital assets, net	<u>1,908,734</u>
Total non-current assets	<u>1,908,734</u>
Total assets	<u><u>\$ 2,513,322</u></u>
Current liabilities	
Accounts payable	\$ 259,014
Other current liabilities	<u>61,835</u>
Total current liabilities	<u>320,849</u>
Non-current liabilities	
Mortgages and notes, net of current portion	<u>1,431,658</u>
Total non-current liabilities	<u>1,431,658</u>
Total liabilities	<u>1,752,507</u>
Total net position	<u>760,815</u>
Total liabilities and net position	<u><u>\$ 2,513,322</u></u>
Change in net position	
Revenues	\$ 578,862
Expenses	<u>387,833</u>
Income (loss) before transfers	<u>191,029</u>
Transfers	
Transfers in	-
Transfers out	<u>-</u>
Total transfers	<u>-</u>
Change in net position	191,029
Net position - beginning	<u>569,786</u>
Net position - end	<u><u>\$ 760,815</u></u>

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A summary of the cash flow information of the blended component unit for the year ended December 31, 2022 is as follows:

Cash Flow Information

Operating receipts	\$ 498,327
Operating expenses paid	<u>(1,054,572)</u>
Cash flows from operating activities	<u>(556,245)</u>
Principal payment on Note Payable non-related party	<u>(18,795)</u>
Cash flows from capital and related financing activities	<u>(18,795)</u>
Net decrease in cash	(575,040)
Cash - beginning	<u>1,072,378</u>
Cash - end	<u><u>\$ 497,338</u></u>

26) Discrete Component Unit – Kerman Acre, L.P.

a) Organization

Kerman Acre, L.P. (the “Partnership”) is a California limited partnership between two general partners, Housing Authority of Fresno County (the “Co-General Partner”) and Better Opportunities Builder, Inc. (the “Managing General Partner”); and one special limited partner Silvercrest, Inc. (the “Limited Partner”). The Partnership was formed for the purpose of developing and operating a 16-unit project located in Fresno, California known as Granada Commons Apartments (the “Project”). The Project qualifies for the federal Low-Income Housing Tax Credit Program as described in Internal Revenue Code Section 42.

The Project has qualified for and received, under the Tax Credit Assistance Program (“TCAP”), a loan from the California Tax Credit Allocation Committee (“TCAC”) under the requirements of Section 1603 of the American Recovery and Reinvestment Act of 2009 (“ARRA”). Under the terms of the loan, the Project is to be operated as a low-income housing tax credit project pursuant to Internal Revenue Code Section 42 (“Section 42”) which regulates the use of the Project as to occupant eligibility and gross rent among other requirements. Each low-income unit of the Project must meet the provisions of the regulations during each of the 15 consecutive years in order to remain qualified to be entitled to the loan. In addition, Kerman Acre, L.P., a California Limited Partnership has executed an extended Low-Income Housing Covenant for low-income housing which requires the utilization of the Project pursuant to Section 42 for a minimum of 30 years, even if disposition of the Project by the Partnership occurs.

Pursuant to the Amended and Restated Agreement of Limited Partnership dated March 16, 2010, (the “Partnership Agreement”), profits, losses and tax credits are allocated 51.00% to the Co-General Partner, 44.00% to the Managing General Partner and 5.00% to the Limited Partner.

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Pursuant to the terms of the Partnership Agreement, the Limited Partner is required to make capital contributions totaling \$100, the Co-General Partner is required to make capital contribution totaling \$800 and the Managing General Partner is required to make capital contributions totaling \$100.

b) Capital Assets

Capital assets consist of the following as of December 31, 2022:

	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2022</u>
Capital assets not depreciated:				
Land	\$ 119,217	\$ -	\$ -	\$ 119,217
Total capital assets not depreciated	119,217	-	-	119,217
Capital assets being depreciated:				
Buildings	3,110,840	-	-	3,110,840
Equipment	327,259	-	-	327,259
Total capital assets being depreciated	3,438,099	-	-	3,438,099
Less accumulated depreciation for:				
Buildings	(1,153,652)	(106,569)	-	(1,260,221)
Equipment	(327,259)	-	-	(327,259)
Total accumulated depreciation	(1,480,911)	(106,569)	-	(1,587,480)
Total capital assets being depreciated, net	1,957,188	(106,569)	-	1,850,619
Total Capital Assets, Net	\$ 2,076,405	\$ (106,569)	\$ -	\$ 1,969,836

Capital assets are recorded at cost. Buildings, which include building improvements, are depreciated over their estimated useful lives of 40 years under the straight-line method. Land improvements are depreciated over their estimated useful life of 20 years under the straight-line method. Furniture and equipment are depreciated over their estimated useful life of 10 years under the straight-line method. Depreciation expense under FASB for the year ended was \$39,282. Under GASB, depreciation expense is an additional \$67,392 for a total depreciation for the year ended December 31, 2022, of \$106,674.

c) Long Term Liabilities

Changes in long-term liabilities for December 31, 2022, are as follows:

	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2022</u>
BOB - RHED Loan	\$ 103,185	\$ -	\$ -	\$ 103,185
HACF - CFRG Loan	678,835	-	-	678,835
Kerman Acre Fresno County	900,000	-	-	900,000
Kerman Acre TCAC County	2,202,168	-	-	2,202,168
Accrued Interest Payable	846,681	-	-	846,681
	\$ 4,730,869	\$ -	\$ -	\$ 4,730,869

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Kerman Acre, LP

The Partnership entered into a HOME loan agreement (the "HOME Loan") with the County of Fresno. The HOME Loan is in the amount of \$900,000 for the purpose of developing the Project and the loan bears no interest. The loan is secured by the deed of trust on the property and matures on April 1, 2041. Payments are made from available cash flow as further defined in the Partnership Agreement. At December 31, 2022, the outstanding principal balance was \$900,000.

Under FASB, debt issuance costs are amortized to interest expense over the term of the loan. The amortization expense for debt issuance costs for the year ended was \$1,869. As of December 31, 2022, the unamortized debt issuance cost was \$34,970. Under GASB, debt issuance costs are expensed as incurred.

The Partnership entered into a TCAC loan agreement in an amount not to exceed \$2,202,168 for the purpose of developing the rental property know as Granada Commons Apartments. The funds are to be used solely for eligible costs per the loan agreement. The note is dated March 16, 2010 and bears no interest. The loan is secured by the deed of trust on the property and matures on March 16, 2065. All outstanding principal payments are due at maturity. At December 31, 2022, the outstanding principal balance was \$2,202,168.

Under FASB, debt issuance costs are amortized to interest expense over the term of the loan. The amortization expense for debt issuance costs for the year ended was \$627. As of December 31, 2022, the unamortized debt issuance cost was \$26,746. Under GASB, debt issuance costs are expensed as incurred.

d) Related Party Transactions

Property Management Fee

Pursuant to the property management agreement dated October 13, 2010, (the "Property Management Agreement") with the Housing Authority of Fresno County (the "Manager"), the Manager is to manage the operations of the Project. As defined in the Property Management Agreement, the property management fee is \$65.07 per unit per of month, excluding the manager's unit. For the year ended December 31, 2022, property management fees of \$9,600 per year were incurred.

Ground Lease

Pursuant to the Ground Lease Agreement dated March 16, 2010, (the "Ground Lease"), the Partnership entered into a ground lease to pay the Managing General Partner in the amount of \$10 per year plus additional rent as defined in the Ground Lease until the lease expires. In addition, the Partnership is obligated to pay all costs, expenses and obligations with respect to the property including property taxes, insurance, utilities operating costs and costs of maintenance. The lease term commenced on March 16, 2010 and expires on February 28, 2066. For the year ended December 31, 2022, ground lease expense was \$10 per year, and is included in general and administrative expenses on the Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2022, there was no outstanding balance for the ground lease.

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Co-General Partner Management Fee

Pursuant to the Partnership Agreement, the Partnership pays an annual partnership management fee of \$1,920, increased annually by 3%, to the Co-General Partner. The fee shall accrue, without interest, and shall be payable from available cash flow as further defined in the Partnership Agreement. For the year ended December 31, 2022, the partnership management fee with interest was \$2,658, and is included in general partner fees on the Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2022, the amount owed for Co-General Partner management fee was \$23,409, and it is included in Other Current Liabilities on the Statement of Net Position.

Managing General Partner Management Fee

Pursuant to the Partnership Agreement, the Partnership pays an annual partnership management fee of \$19,200, increased annually by 3%, to the Managing General Partner. The fee shall accrue without interest and shall be payable from available cash flow as further defined in the Partnership Agreement. For the year ended December 31, 2022, the partnership management fee with interest was \$26,577 and is included in General Partner fees on the Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2022, the amount owed for Managing General Partner management fee was \$234,087. It is included in Other Current Liabilities on the Statement of Net Position.

Due to HAFC

Housing Authority of Fresno County (HAFC) advanced funds to the Partnership for various operational costs. The outstanding balance does not bear interest and is payable out of available Net Cash Flow, as defined in the Partnership Agreement. As of December 31, 2022, the outstanding amount owed to HACF were \$5,806.

Notes Payable – BOB

On March 16, 2010, the Partnership entered into a Rural Housing and Economic Development assistance loan agreement with Better Opportunities Builders, Inc. in the amount not to exceed \$147,238 for the purpose of developing the rental property. Prior to the completion of construction, the note bore interest at 5%. Subsequent to the completion of construction, the note bears interest at 7.5%. The loan is secured by the deed of trust on the property and matures on March 16, 2065. As the fourth priority loan, along with the second priority loan (CFRG), payments are made in accordance with their respective balances from 79.8% of net cash flow per the Partnership Agreement. For the year ended December 31, 2022, interest expense was \$19,856. At December 31, 2022, the outstanding principal balance was \$103,185 with accrued interest of \$172,784.

Notes Payable – HAFC

On March 16, 2010, the Partnership entered into a Capital Fund Recovery Grant (the “CFRG”) assistance loan agreement with HAFC in the amount not to exceed \$1,200,000 for the purpose of developing the property. The CFRG loan has been made available by the U.S. Department of Housing and Urban Development pursuant to the American Recovery and Reinvestment Act of 2009. Prior to the completion of construction, the note bore interest at 5%. Subsequent to the

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

construction completion the note bears an interest of 7.5%. The CFRG loan is secured by the deed of trust on the property and matures on March 16, 2065. As the second priority loan, along with the fourth priority loan, payments are made in accordance with their respective balance from 79.8% of net cash flow per the Partnership Agreement. At December 31, 2022, the outstanding principal balance was \$678,835 with accrued interest of \$794,902.

e) Low-Income Housing Tax Credits

The Partnership expects to generate an aggregate of \$1,000 of federal low-income housing tax credits ("Tax Credits"). Generally, such credits become available for use by its partner's pro-rata over a ten-year period, which began in 2011. The year in which the credit period begins is determined on a building-by-building basis within the Partnership. In order to qualify for these credits, the Project must comply with various federal and state requirements. These requirements include, but are not limited to, renting to low-income tenants at rental rates which do not exceed specified percentages of area median gross income for the first 15 years of operation. The Partnership has also agreed to maintain and operate the Project as low-income housing for an additional 40 years beyond the initial 15-year compliance period. Because the Tax Credits are subject to compliance with certain requirements, there can be no assurance that the aggregate amount of Tax Credits will be realized and failure to meet all such requirements or to correct noncompliance within a specified time period may result in generating a lesser amount of Tax Credits than expected in future years, and/or recapture of Tax Credits previously allocated. A reduction of future credits or recapture would require credit deficit payments to the Limited Partner under the terms of the Partnership Agreement.

27) Subsequent Events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Agency through (Report Date), the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF FRESNO COUNTY
Schedule of Changes in Net Pension Liability and Related Ratios
For the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 2022
(With comparative information for the last 10 years)*

Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
TOTAL PENSION LIABILITY									
Service Cost	\$ 1,037,424	\$ 853,087	\$ 891,464	\$ 896,748	\$ 820,144	\$ 699,487	\$ 603,788	\$ 606,288	\$ 584,039
Interest on Total Pension Liability	2,917,319	2,774,972	2,623,554	2,505,326	2,298,209	2,166,586	2,057,467	1,941,710	1,871,936
Changes in Benefit Terms	-	-	-	-	-	-	-	-	-
Changes of Assumptions	1,507,727	-	-	-	(323,504)	1,871,516	-	(488,519)	-
Difference between Expected and Actual Experience	46,145	395,246	(37,061)	1,320,247	676,861	218,283	291,575	(356,141)	-
Benefit Payments, Including Refunds of Employee Contribution	(1,829,905)	(1,779,905)	(1,766,752)	(1,650,906)	(1,509,410)	(1,368,382)	(1,415,591)	(1,234,705)	(1,164,839)
Net Change in Total Pension Liability	3,678,710	2,243,400	1,711,205	3,071,415	1,962,300	3,587,490	1,537,239	468,633	1,291,136
Total Pension Liability - Beginning	41,122,369	38,878,969	37,167,764	34,096,349	32,134,049	28,546,559	27,009,320	26,540,687	25,249,551
Total Pension Liability - Ending (a)	44,801,079	41,122,369	38,878,969	37,167,764	34,096,349	32,134,049	28,546,559	27,009,320	26,540,687
PLAN FIDUCIARY NET POSITION									
Net Plan to Plan Resource Movement	-	-	-	-	(61)	-	-	-	-
Contributions - Employer	1,245,785	1,081,487	903,002	775,478	614,365	548,643	428,473	346,507	310,842
Contributions - Employee	478,309	439,320	493,804	440,009	420,261	365,654	332,070	314,962	291,580
Investment Income	(2,607,891)	6,359,791	1,375,505	1,711,790	2,086,459	2,531,112	120,236	520,955	3,517,009
Benefit Payments, Including Refunds of Employee Contributions	(1,829,905)	(1,779,905)	(1,766,752)	(1,650,906)	(1,509,410)	(1,368,382)	(1,415,591)	(1,234,705)	(1,164,839)
Administrative Expense	(21,586)	(28,549)	(38,927)	(18,807)	(38,732)	(33,681)	(14,237)	(26,290)	-
Other Miscellaneous Income	-	-	-	61	(73,552)	-	-	-	-
Net Change in Fiduciary Net Position	(2,735,288)	6,072,144	966,632	1,257,625	1,499,330	2,043,346	(549,049)	(78,571)	2,954,592
Plan Fiduciary Net Position - Beginning	34,651,237	28,579,093	27,612,461	26,354,836	24,855,506	22,812,160	23,361,209	23,439,780	20,485,188
Plan Fiduciary Net Position - Ending (b)	31,915,949	34,651,237	28,579,093	27,612,461	26,354,836	24,855,506	22,812,160	23,361,209	23,439,780
Plan Net Pension Liability - Ending (a) - (b)	\$ 12,885,130	\$ 6,471,132	\$ 10,299,876	\$ 9,555,303	\$ 7,741,513	\$ 7,278,543	\$ 5,734,399	\$ 3,648,111	\$ 3,100,907
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability									
Covered Payroll	71.24%	84.26%	73.51%	74.29%	77.30%	77.35%	79.91%	86.48%	88.32%
Plan Net Pension Liability as a Percentage of Covered Payroll	\$ 6,684,432	\$ 6,137,316	\$ 6,225,310	\$ 6,305,798	\$ 5,819,927	\$ 4,998,837	\$ 4,852,821	\$ 4,682,121	\$ 4,419,520
	192.76%	105.44%	165.45%	151.53%	133.02%	145.60%	118.17%	77.92%	70.16%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date of June 30, 2022. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2021 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: In 2022, demographic assumptions and inflation rate were changed in accordance to the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. None in 2019, 2020 or 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

* The fiscal year ended December 31, 2014 was the first year of implementation. Information for the last 10 years is not available.

HOUSING AUTHORITY OF FRESNO COUNTY
Schedule of Pension Plan Contributions
For the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 2022
(With comparative information for the last 10 years)*

Schedule of Pension Plan Contribution for the Fiscal Years Ended December 31

Employer Fiscal Year End	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,245,785	\$ 1,081,487	\$ 903,002	\$ 775,478	\$ 614,365	\$ 548,643	\$ 428,473	\$ 346,507	\$ 310,842
Contribution in Relation to the Actuarially Determined Contribution	(1,245,785)	(1,081,487)	(903,002)	(775,478)	(614,365)	(548,643)	(428,473)	(346,507)	(310,842)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,684,432	\$ 6,695,559	\$ 6,113,671	\$ 6,095,263	\$ 6,248,843	\$ 5,914,481	\$ 5,038,458	\$ 4,808,362	\$ 4,547,623
Contributions as a Percentage of Covered Payroll	18.64%	16.15%	14.77%	12.72%	9.83%	9.28%	8.50%	7.21%	6.84%

Notes to Schedule of Pension Plan Contributions:

The actuarial method and assumptions used to set the actuarially determined contributions for the Fiscal Year 2021-2022 were derived from the June 30, 2019 funding valuation report as follows:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2019 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.5%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Other information:

* The fiscal year ended December 31, 2014 was the first year of implementation. Information for the last 10 years is not available.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

SUPPLEMENTAL INFORMATION

HOUSING AUTHORITY OF FRESNO COUNTY
Schedule of Modernization Costs for Completed Projects
Year Ended December 31, 2022

<u>Grant Number</u>	<u>Approved Funds</u>	<u>Expended Funds</u>	<u>Disbursed Funds</u>	<u>Approved Funds Available to Expend</u>	<u>Expended Funds Available to be Disbursed</u>
CA01P028501-19	\$ 1,559,845	\$ 1,559,845	\$ 1,559,845	\$ -	\$ -
CA01P028501-20	1,685,393	1,685,393	1,685,393	-	-
CA01P028501-21	1,816,631	1,816,631	1,816,631	-	-
	<u>\$ 5,061,869</u>	<u>\$ 5,061,869</u>	<u>\$ 5,061,869</u>	<u>\$ -</u>	<u>\$ -</u>

PRELIMINARY DRAFT
 SUBJECT TO CHANGE

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

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FINANCIAL DATA SCHEDULE

The following schedule is presented in accordance with reporting requirements under the U. S. Department of HUD's Uniform Financial Reporting Standards.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

Housing Authority Fresno County (CA028)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 NC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services
111 Cash - Unrestricted	\$627,379	\$480,473	\$772	\$548	\$4,531,541	\$9,610	\$1,569,530	\$270
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted						\$132,059		
114 Cash - Tenant Security Deposits	\$144,133	\$16,865		\$12,866	\$15,162			
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$771,512	\$497,338	\$772	\$13,414	\$4,546,703	\$141,669	\$1,569,530	\$270
121 Accounts Receivable - PHA Projects								
122 Accounts Receivable - HUD Other Projects	\$21,350							
124 Accounts Receivable - Other Government						\$326,401		
125 Accounts Receivable - Miscellaneous	\$12,430				\$993,932	\$11,563	\$12,060	
126 Accounts Receivable - Tenants	\$170,680	\$8,500		\$12,852	\$1,756	\$527		
126.1 Allowance for Doubtful Accounts - Tenants	(\$26,316)	\$0		(\$956)	\$0	\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	(\$914,860)	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current					\$2,890,000			
128 Fraud Recovery							\$68,911	
128.1 Allowance for Doubtful Accounts - Fraud						\$0	(\$40,109)	
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$178,144	\$8,500	\$0	\$11,896	\$2,970,828	\$338,491	\$40,862	\$0
131 Investments - Unrestricted					\$1,115,610	\$52,076		
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets	\$12,699	\$98,982				\$129		
143 Inventories								
143.1 Allowance for Obsolete Inventories								
144 Inter Program Due From	\$193,000				\$8,691,218		\$645,954	\$56,756
145 Assets Held for Sale	\$345,628							
150 Total Current Assets	\$1,500,983	\$604,820	\$772	\$25,310	\$17,324,359	\$532,365	\$2,256,346	\$57,026
161 Land	\$452,156	\$255,029		\$41,254	\$651,800	\$50,118		
162 Buildings	\$38,973,473	\$412,924		\$2,238,856	\$3,149,894	\$1,267,265		
163 Furniture, Equipment & Machinery - Dwellings								
164 Furniture, Equipment & Machinery - Administration	\$222,505	\$188			\$33,021	\$493,181	\$59,742	
165 Leasehold Improvements								
166 Accumulated Depreciation	(\$37,213,193)	(\$31,013)		(\$2,222,395)	(\$1,278,175)	(\$658,723)	(\$51,076)	
167 Construction in Progress		\$1,254,791			\$3,251,910	\$314,302		
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,434,941	\$1,891,919	\$0	\$57,715	\$5,818,450	\$1,466,143	\$8,666	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current							\$48,882,416	
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets					\$1,091,947			
176 Investments in Joint Ventures					\$16,275,990			
180 Total Non-Current Assets	\$3,113,776	\$1,891,919	\$0	\$57,715	\$72,068,805	\$1,466,143	\$8,666	\$0
200 Deferred Outflow of Resources	\$358,543				\$645,239	\$91,916	\$1,175,947	
290 Total Assets and Deferred Outflow of Resources	\$4,973,302	\$2,496,739	\$772	\$83,025	\$90,038,403	\$2,090,424	\$3,440,959	\$57,026

Housing Authority Fresno County (CA028)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services
311 Bank Overdraft	\$55,084							
312 Accounts Payable <= 90 Days	\$183,918	\$259,015		\$24,137	\$516,296	\$216,402	\$0	
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable	\$19,669		\$965	\$1,688		\$5,905	\$59,417	\$612
322 Accrued Compensated Absences - Current Portion	\$44,533		\$3,668	\$1,529	\$51,769	\$5,714	\$144,468	\$12,778
324 Accrued Contingency Liability								
325 Accrued Interest Payable		\$25,500						
331 Accounts Payable - HUD PHA Programs								\$179,522
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government	\$186,261	\$1,250				\$31,181	\$9,149	
341 Tenant Security Deposits	\$142,683	\$14,910		\$12,865	\$30,516			
342 Unearned Revenue	\$19,281	\$2,678		\$8,421	\$14,053	\$630		
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					\$2,988,527			
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities		\$16,707			\$103,465	\$3,334	\$72,596	
346 Accrued Liabilities - Other					\$0			
347 Inter Program - Due To	\$249,756		\$20,065	\$271,482		\$466,821	\$645,954	\$83,847
348 Loan Liability - Current								
310 Total Current Liabilities	\$901,185	\$320,060	\$24,698	\$320,121	\$3,684,626	\$730,587	\$1,111,106	\$97,237
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$1,432,655			\$4,034,926		\$323,185	
352 Long-term Debt, Net of Current - Operating Borrowings					\$615,000			
353 Non-current Liabilities - Other					\$452,999		\$55,345	
354 Accrued Compensated Absences - Non Current	\$17,437		\$1,184	\$611	\$22,190	\$10,689	\$61,341	\$2,306
355 Loan Liability - Non Current								
356 FASB 5 Liabilities	\$0							
357 Accrued Pension and OPEB Liabilities	\$1,265,648				\$2,279,380	\$324,705	\$4,154,166	
350 Total Non-Current Liabilities	\$1,283,085	\$1,432,655	\$1,184	\$611	\$7,404,495	\$335,394	\$4,594,037	\$2,306
300 Total Liabilities	\$2,184,270	\$1,752,715	\$25,882	\$320,732	\$11,089,121	\$1,065,981	\$5,705,143	\$99,543
400 Deferred Inflow of Resources	\$689				\$1,093,188	\$177	\$2,261	
508.4 Net Investment in Capital Assets	\$2,434,953	\$459,264		\$57,714	(\$1,185,003)	\$1,466,143	(\$314,519)	
511.4 Restricted Net Position	\$1,450					\$131,429	\$17,792,539	
512.4 Unrestricted Net Position	\$351,940	\$284,760	(\$25,110)	(\$295,421)	\$79,041,097	(\$573,306)	(\$19,744,465)	(\$42,517)
513 Total Equity - Net Assets / Position	\$2,788,343	\$744,024	(\$25,110)	(\$237,707)	\$77,856,094	\$1,024,266	(\$2,266,445)	(\$42,517)
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$4,973,302	\$2,496,739	\$772	\$83,025	\$90,038,403	\$2,090,424	\$3,440,959	\$57,026

Housing Authority Fresno County (CA028)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.235 Supportive Housing Program	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	COCC	6.1 Component Unit - Discreetly Presented	Subtotal	ELIM	Total
111 Cash - Unrestricted		\$391,658	\$52,480		\$45,594	\$7,709,855		\$7,709,855
112 Cash - Restricted - Modernization and Development			\$415,131			\$415,131		\$415,131
113 Cash - Other Restricted		\$56,625	\$236,879	\$58,427	\$22,000	\$505,990		\$505,990
114 Cash - Tenant Security Deposits					\$6,045	\$195,074		\$195,074
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$0	\$448,283	\$704,490	\$58,427	\$73,642	\$8,826,050	\$0	\$8,826,050
121 Accounts Receivable - PHA Projects								
122 Accounts Receivable - HUD Other Projects						\$21,350		\$21,350
124 Accounts Receivable - Other Government						\$326,401		\$326,401
125 Accounts Receivable - Miscellaneous				\$3,583,281	\$14,015	\$4,627,281		\$4,627,281
126 Accounts Receivable - Tenants		\$584			\$13,587	\$208,486		\$208,486
126.1 Allowance for Doubtful Accounts - Tenants		\$0		\$0	\$0	-\$27,272		-\$27,272
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0	-\$914,860		-\$914,860
127 Notes, Loans, & Mortgages Receivable - Current						\$2,890,000		\$2,890,000
128 Fraud Recovery						\$68,911		\$68,911
128.1 Allowance for Doubtful Accounts - Fraud				\$0		-\$40,109		-\$40,109
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$584	\$0	\$3,583,281	\$27,602	\$7,160,188	\$0	\$7,160,188
131 Investments - Unrestricted						\$1,167,686		\$1,167,686
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets				\$408,455	\$8,496	\$528,751		\$528,751
143 Inventories								
143.1 Allowance for Obsolete Inventories								
144 Inter Program Due From				\$10,487		\$9,597,415	-\$9,597,415	\$0
145 Assets Held for Sale						\$345,628		\$345,628
150 Total Current Assets	\$0	\$448,867	\$704,490	\$4,060,650	\$109,730	\$27,625,718	-\$9,597,415	\$18,028,303
161 Land		\$60,000		\$137,322	\$119,217	\$1,766,896		\$1,766,896
162 Buildings		\$4,749,493		\$2,153,209	\$3,110,840	\$56,055,954		\$56,055,954
163 Furniture, Equipment & Machinery - Dwellings					\$327,259	\$327,259		\$327,259
164 Furniture, Equipment & Machinery - Administration		\$175,813		\$662,402		\$1,646,852		\$1,646,852
165 Leasehold Improvements								
166 Accumulated Depreciation		(\$3,206,746)		(\$2,266,448)	-\$1,587,480	-\$48,515,249		-\$48,515,249
167 Construction in Progress				\$275,107		\$5,106,110		\$5,106,110
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$1,778,560	\$0	\$961,592	\$1,969,836	\$16,387,822	\$0	\$16,387,822
171 Notes, Loans and Mortgages Receivable - Non-Current						\$40,551,253	-\$450,000	\$40,111,253
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due								
173 Grants Receivable - Non-Current								
174 Other Assets		\$1,397,045				\$2,488,992	-\$25,500	\$2,463,492
176 Investments in Joint Ventures						\$16,275,990		\$16,275,990
180 Total Non-Current Assets	\$0	\$3,175,605	\$0	\$961,592	\$1,969,836	\$84,714,057	-\$475,500	\$84,238,557
200 Deferred Outflow of Resources				\$1,375,829		\$3,647,474		\$3,647,474
290 Total Assets and Deferred Outflow of Resources	\$0	\$3,624,472	\$704,490	\$6,398,071	\$2,079,566	\$115,987,249	-\$10,072,915	\$105,914,334

Housing Authority Fresno County (CA028)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.235 Supportive Housing Program	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	COCC	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
311 Bank Overdraft						\$55,084		\$55,084
312 Accounts Payable <= 90 Days		\$40,086	\$1,198	\$48,562	\$8,981	\$1,298,595		\$1,298,595
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable		\$1,683		\$39,073		\$129,010		\$129,010
322 Accrued Compensated Absences - Current Portion		\$5,853		\$187,252		\$457,564		\$457,564
324 Accrued Contingency Liability								
325 Accrued Interest Payable					\$967,687	\$993,187	-\$25,500	\$967,687
331 Accounts Payable - HUD PHA Programs						\$179,522		\$179,522
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government					\$11,674	\$239,515		\$239,515
341 Tenant Security Deposits					\$5,527	\$206,502		\$206,502
342 Unearned Revenue		\$67,822	\$423,615		\$12	\$536,512		\$536,512
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$2,968,527		\$2,968,527
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities				\$16,550	\$263,303	\$478,555		\$478,555
346 Accrued Liabilities - Other				\$394,674		\$394,674		\$394,674
347 Inter Program - Due To	\$43,776	\$6,389		\$7,809,325		\$9,597,415	-\$9,597,415	\$0
348 Loan Liability - Current		\$0				\$0		\$0
310 Total Current Liabilities	\$43,776	\$121,833	\$424,813	\$8,495,436	\$1,257,184	\$17,532,662	-\$9,622,915	\$7,909,747
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$66,000	\$3,884,188	\$9,740,954	-\$450,000	\$9,290,954
352 Long-term Debt, Net of Current - Operating Borrowings						\$615,000		\$615,000
353 Non-current Liabilities - Other						\$508,344		\$508,344
354 Accrued Compensated Absences - Non Current		\$7,020		\$81,911		\$204,689		\$204,689
355 Loan Liability - Non Current						\$0		\$0
356 FASB 5 Liabilities						\$0		\$0
357 Accrued Pension and OPEB Liabilities				\$4,860,271		\$12,884,170		\$12,884,170
350 Total Non-Current Liabilities	\$0	\$7,020	\$0	\$5,008,162	\$3,884,188	\$23,953,157	-\$450,000	\$23,503,157
300 Total Liabilities	\$43,776	\$128,853	\$424,813	\$13,503,618	\$5,141,372	\$41,485,819	-\$10,072,915	\$31,412,904
400 Deferred Inflow of Resources		\$1,397,045		\$2,645		\$2,496,005		\$2,496,005
508.4 Net Investment in Capital Assets	\$0	\$1,778,561		\$895,592	(\$1,914,352)	\$3,678,353		\$3,678,353
511.4 Restricted Net Position	\$0	\$0	\$228,395	\$58,427	\$21,988	\$18,234,228		\$18,234,228
512.4 Unrestricted Net Position	(\$43,776)	\$320,013	\$51,282	(\$8,062,211)	(\$1,169,442)	\$50,092,844		\$50,092,844
513 Total Equity - Net Assets / Position	(\$43,776)	\$2,098,574	\$279,677	(\$7,108,192)	(\$3,061,806)	\$72,005,425	\$0	\$72,005,425
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$3,624,472	\$704,490	\$6,398,071	\$2,079,566	\$115,987,249	-\$10,072,915	\$105,914,334

Housing Authority Fresno County (CA028)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	14.182 NC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services
70300 Net Tenant Rental Revenue	\$2,102,349	\$189,003		\$144,093	\$423,690			
70400 Tenant Revenue - Other	\$15,358			\$3,523				
70500 Total Tenant Revenue	\$2,117,707	\$189,003		\$147,616	\$423,690	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$2,493,504		\$66,413				\$49,372,930	
70610 Capital Grants	\$2,888,470							
70710 Management Fee								
70720 Asset Management Fee								
70730 Book Keeping Fee								
70740 Front Line Service Fee								
70750 Other Fees								
70700 Total Fee Revenue								
70800 Other Government Grants		\$389,759		\$319,935	\$44,344	\$685,138		
71100 Investment Income - Unrestricted	\$101,149	\$100			\$1,369,359	\$52,076		
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery	\$1,920				\$74,237			
71500 Other Revenue	\$4,944		\$22,422		\$5,813,104		\$18,747	
71600 Gain or Loss on Sale of Capital Assets	(\$149,474)				\$8,769,417	\$1,464,900		\$18,520
72000 Investment Income - Restricted				\$56	\$49	\$627	\$0	
70000 Total Revenue	\$7,458,220	\$578,862	\$88,835	\$467,607	\$16,494,200	\$2,202,741	\$49,391,677	\$18,520
91100 Administrative Salaries	\$264,790	\$30,885	\$55,828	\$24,321	\$954,436	\$107,112	\$1,791,215	\$19,120
91200 Auditing Fees	\$27,228	\$5,250					\$49,075	
91300 Management Fee	\$635,843						\$1,056,207	
91310 Book-keeping Fee	\$40,877			\$20,856	\$40,440	\$11,424	\$1,056,207	
91400 Advertising and Marketing	\$8,684	\$1,155			\$8,885		\$1,738	
91500 Employee Benefit Contributions - Administrative	\$220,733	\$33,716	\$30,471	\$15,788	\$1,170,773	\$22,563	\$977,318	\$8,604
91600 Office Expenses	\$105,809	\$8,254	\$1,963	\$7,268	\$341,303	\$113,703	\$267,499	\$826
91700 Legal Expense	\$4,730				\$22,461	\$688		
91800 Travel	\$173				\$8,520	\$2,064	\$1,925	
91810 Allocated Overhead								
91900 Other	\$180,627	\$88,276		\$15,347	\$237,124	\$47,424	\$401,867	\$3,949
91000 Total Operating - Administrative	\$1,489,494	\$187,536	\$88,282	\$83,560	\$2,783,942	\$304,978	\$5,016,967	\$32,499
92000 Asset Management Fee	\$53,310							
92100 Tenant Services - Salaries	\$53							
92200 Relocation Costs	\$0				\$166			
92300 Employee Benefit Contributions - Tenant Services	\$0							
92400 Tenant Services - Other	\$131,460	\$145		\$400	\$282	\$352,277		
92500 Total Tenant Services	\$131,513	\$145	\$0	\$400	\$448	\$352,277	\$0	\$0
93100 Water	\$223,202	\$7,306		\$57,890	\$61,008	\$13,093		
93200 Electricity	\$36,455	\$10,869		\$2,141	\$23,009	\$40,303		
93300 Gas	\$3,327	\$2,659		\$105	\$4,973	\$7,333		
93400 Fuel								
93500 Labor								
93600 Sewer	\$202,831	\$28,962		\$15,600	\$31,798	\$59,531		
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense	\$238,655	\$21,289		\$12,088	\$38,735	\$28,084		
93000 Total Utilities	\$713,470	\$71,065	\$0	\$87,864	\$159,523	\$148,344	\$0	\$0

Housing Authority Fresno County (CA028)
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	Project Total	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services
94100 Ordinary Maintenance and Operations - Labor	\$281,336	\$34,609		\$20,828	\$29,669	\$71,552	\$17,115	
94200 Ordinary Maintenance and Operations - Materials and Other	\$310,134	\$13,379		\$33,433	\$24,494	\$26,230	\$1,559	
94300 Ordinary Maintenance and Operations Contracts	\$1,067,731	\$53,043		\$154,433	\$126,696	\$99,136	\$28,158	\$210
94500 Employee Benefit Contributions - Ordinary Maintenance								
94000 Total Maintenance	\$1,659,201	\$101,031	\$0	\$208,694	\$183,049	\$196,918	\$31,432	\$210
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$166,038	\$14,493		\$20,817	\$34,033	\$36,892		
96120 Liability Insurance	\$20,694	\$2,753		\$1,628	\$2,807	\$5,536		
96130 Workmen's Compensation	\$17,844	\$5,699	\$572	\$1,183	\$21,769	\$3,984	\$16,403	\$201
96140 All Other Insurance	\$11,120	\$1,302	\$417	\$1,081	\$8,176	\$3,208	\$18,052	\$284
96100 Total Insurance Premiums	\$215,696	\$24,247	\$969	\$24,709	\$66,785	\$49,620	\$34,455	\$485
96200 Other General Expenses	\$3,945,698	\$5,528		\$3,093	\$28,257	\$296,096	\$52,381	
96210 Compensated Absences	\$70,573	\$8,996	\$8,232	\$3,641	\$121,865	\$23,525	\$236,220	\$3,600
96300 Payments in Lieu of Taxes	\$186,263							
96400 Bad debt - Tenant Rents	\$20,376	\$16		\$12,673	\$4,118	\$158		
96500 Bad debt - Mortgages								
96600 Bad debt - Other	\$211,390							
96800 Severance Expense					\$5,616			
96000 Total Other General Expenses	\$4,434,220	\$14,540	\$8,232	\$20,009	\$159,856	\$309,770	\$288,601	\$3,600
96700 Interest of Mortgage (or Bonds) Payable								
96720 Interest on Notes Payable (Short and Long Term)		\$18,000			\$25,055			
96730 Amortization of Bond Issue Costs								
96700 Total Interest Expense and Amortization Cost	\$0	\$18,000	\$0	\$0	\$25,055	\$0	\$0	\$0
96900 Total Operating Expenses	\$8,696,974	\$396,584	\$97,503	\$425,236	\$3,378,658	\$1,361,916	\$5,371,455	\$36,794
97000 Excess of Operating Revenue over Operating Expenses	(\$1,238,754)	\$182,278	(\$8,668)	\$42,371	\$13,115,542	\$840,825	\$44,020,222	(\$18,274)
97100 Extraordinary Maintenance	\$247,687	\$8,040		\$38,184	\$74,035	\$5,880		
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments	\$6,464			\$771			\$44,223,028	
97350 HAP Portability-In								
97400 Depreciation Expense	\$598,008			\$2,349	\$86,883	\$177,055		
97500 Fraud Losses								
97600 Capital Outlays - Governmental Funds								
97700 Debt Principal Payment - Governmental Funds								
97800 Dwelling Units Rent Expense								
90000 Total Expenses	\$9,549,133	\$404,624	\$97,503	\$466,540	\$3,539,576	\$1,544,851	\$49,594,483	\$36,794

Housing Authority Fresno County (CA028)
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	Project Total	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services
10010 Operating Transfer In								
10020 Operating Transfer Out								
10030 Operating Transfers from/to Primary Government								
10040 Operating Transfers from/to Component Unit								
10050 Proceeds from Notes, Loans and Bonds								
10060 Proceeds from Property Sales								
10070 Extraordinary Items, Net Gain/Loss								
10080 Special Items (Net Gain/Loss)								
10091 Inter Project Excess Cash Transfer In	\$1,877,348							
10092 Inter Project Excess Cash Transfer Out	(\$1,877,346)							
10093 Transfers between Program and Project - In								
10094 Transfers between Project and Program - Out								
10100 Total Other financing Sources (Uses)	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(\$2,090,911)	\$174,238	(\$8,668)	\$1,067	\$12,954,624	\$657,890	(\$202,806)	(\$18,274)
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$2,968,527	\$0	\$0	\$0
11030 Beginning Equity	\$4,879,294	\$969,786	(\$16,442)	(\$238,774)	\$64,991,470	\$366,376	(\$2,063,639)	(\$24,243)
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0							
11050 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Term/Severance Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity							(\$2,069,606)	
11180 Housing Assistance Payments Equity							(\$196,839)	
11190 Unit Months Available	\$8,088		\$0	\$0	\$6,504	\$2,328	\$68,100	\$0
11210 Number of Unit Months Leased	\$5,831		\$0	\$0	\$6,402	\$1,402	\$62,656	\$0
11270 Excess Cash	(\$271,448)							
11610 Land Purchases	\$0							
11620 Building Purchases	\$0							
11630 Furniture & Equipment - Dwelling Purchases	\$0							
11640 Furniture & Equipment - Administrative Purchases	\$0							
11650 Leasehold Improvements Purchases	\$0							
11660 Infrastructure Purchases	\$0							
13510 CFFP Debt Service Payments	\$0							
13901 Replacement Housing Factor Funds	\$0							

Housing Authority Fresno County (CA028)
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	14.235 Supportive Housing Program	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	COCC	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
7030 Net Tenant Rental Revenue		\$280,092			\$102,757	\$3,241,984		\$3,241,984
70400 Tenant Revenue - Other		\$594				\$19,445		\$19,445
70500 Total Tenant Revenue	\$0	\$280,686	\$0	\$0	\$102,757	\$3,261,429	\$0	\$3,261,429
70600 HUD PHA Operating Grants			\$58,285			\$51,991,132		\$51,991,132
70610 Capital Grants		\$108,522				\$2,996,992		\$2,996,992
70710 Management Fee				\$1,794,382		\$1,794,382	(\$1,794,382)	\$0
70720 Asset Management Fee				\$53,310		\$53,310	(\$53,310)	\$0
70730 Book Keeping Fee				\$510,908		\$510,908	(\$510,908)	\$0
70740 Front Line Service Fee								
70750 Other Fees				\$642,894		\$642,894		\$642,894
70700 Total Fee Revenue				\$3,001,494		\$3,001,494	(\$2,358,600)	\$642,894
70800 Other Government Grants					\$73,965	\$1,513,141		\$1,513,141
71100 Investment Income - Unrestricted				\$15,749		\$1,538,433		\$1,538,433
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery						\$76,157		\$76,157
71500 Other Revenue		\$392,172		\$1,857,629	\$599	\$8,109,617	(\$5,091,671)	\$3,017,946
71600 Gain or Loss on Sale of Capital Assets				\$2,712		\$10,106,075		\$10,106,075
72000 Investment Income - Restricted		\$397			\$38	\$1,167		\$1,167
70000 Total Revenue	\$0	\$781,747	\$58,285	\$4,877,584	\$177,359	\$82,595,637	(\$7,450,271)	\$75,145,366
91100 Administrative Salaries		\$34,167	\$23,591	\$2,022,446	\$7,102	\$5,335,013		\$5,335,013
91200 Auditing Fees					\$7,750	\$89,303		\$89,303
91300 Management Fee		\$29,520				\$1,794,382	(\$1,794,382)	(\$2)
91310 Book-keeping Fee						\$510,910	(\$510,908)	\$2
91400 Advertising and Marketing				\$13,698	\$1,734	\$35,894		\$35,894
91500 Employee Benefit Contributions - Administrative		\$37,554	\$8,994	\$888,670	\$8,828	\$3,423,992		\$3,423,992
91600 Office Expenses		\$34,271	\$927	\$420,360	\$7,181	\$1,309,384	(\$310,202)	\$999,182
91700 Legal Expense				\$94,065		\$121,944		\$121,944
91800 Travel				\$28,987	\$21	\$41,690		\$41,690
91810 Allocated Overhead								
91900 Other		\$23,542	\$4,368	\$550,534	\$52,808	\$1,605,866	(\$1,101,469)	\$504,397
91000 Total Operating - Administrative	\$0	\$159,054	\$37,880	\$4,018,780	\$85,424	\$14,268,376	(\$3,716,961)	\$10,551,415
92000 Asset Management Fee						\$53,310	(\$53,310)	\$0
92100 Tenant Services - Salaries						\$53		\$53
92200 Relocation Costs						\$166		\$166
92300 Employee Benefit Contributions - Tenant Services						\$0		\$0
92400 Tenant Services - Other		\$1,062		\$180	\$9,420	\$495,226		\$495,226
92500 Total Tenant Services	\$0	\$1,062	\$0	\$180	\$9,420	\$495,445	\$0	\$495,445
93100 Water		\$8,709		\$1,624	\$7,502	\$389,374		\$399,374
93200 Electricity		\$86,421		\$68,064	\$4,783	\$272,045		\$272,045
93300 Gas		\$12,904		\$4,540	\$1,252	\$37,093		\$37,093
93400 Fuel								
93500 Labor								
93600 Sewer		\$45,636		\$569	\$5,304	\$390,231		\$390,231
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense		\$25,303		\$3,853	\$4,055	\$172,062		\$372,062
93000 Total Utilities	\$0	\$178,973	\$0	\$78,650	\$22,896	\$1,460,805	\$0	\$1,460,805

Housing Authority Fresno County (CA028)
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 Entity Wide Revenue and Expense Summary
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 Submission Type: Audited/Single Audit

	14.235 Supportive Housing Program	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	COCC	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor		\$32,645		\$100,855	\$9,994	\$583,203		\$583,203
94200 Ordinary Maintenance and Operations - Materials and Other		\$34,035		\$33,089	\$5,889	\$482,241		\$482,241
94300 Ordinary Maintenance and Operations Contracts		\$64,387	\$331	\$102,183	\$24,585	\$1,723,083		\$1,723,083
94500 Employee Benefit Contributions - Ordinary Maintenance			\$331					
94000 Total Maintenance	\$0	\$131,067	\$331	\$236,128	\$40,468	\$2,788,527	\$0	\$2,788,527
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance		\$18,786		\$11,907	\$7,888	\$310,854		\$310,854
96120 Liability Insurance		\$3,975		(\$625)	\$36,788	\$36,788		\$36,788
96130 Workmen's Compensation		\$2,110	\$197	\$56,443	\$1,476	\$127,881		\$127,881
96140 All Other Insurance		\$1,072	\$66	\$21,601	\$448	\$66,827		\$66,827
96100 Total Insurance Premiums	\$0	\$25,943	\$263	\$89,326	\$9,812	\$542,330	\$0	\$542,330
96200 Other General Expenses		\$3,726	\$55,824	\$624,885	\$2,113	\$5,008,173	(\$3,680,000)	\$1,328,173
96210 Compensated Absences		\$9,547	\$232	\$299,937	\$2,525	\$748,893		\$748,893
96300 Payments in Lieu of Taxes						\$186,263		\$186,263
96400 Bad debt - Tenant Rents						\$37,341		\$37,341
96500 Bad debt - Mortgages								
96600 Bad debt - Other				\$19,914		\$231,304		\$231,304
96800 Severance Expense				\$2,325		\$7,941		\$7,941
96000 Total Other General Expenses	\$0	\$13,273	\$56,056	\$907,041	\$4,638	\$6,219,915	(\$3,680,000)	\$2,539,915
96710 Interest of Mortgage (or Bonds) Payable								
96720 Interest on Notes Payable (Short and Long Term)					\$121,005	\$164,060		\$164,060
96730 Amortization of Bond Issue Costs								
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$121,005	\$164,060	\$0	\$164,060
96900 Total Operating Expenses	\$0	\$509,372	\$94,530	\$5,330,083	\$293,663	\$25,992,768	(\$7,450,271)	\$18,542,497
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$272,375	(\$36,245)	(\$452,499)	(\$116,304)	\$56,602,869	\$0	\$56,602,869
97100 Extraordinary Maintenance		\$17,754		\$1,125	\$3,389	\$396,094		\$396,094
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments			\$209,922			\$44,440,185		\$44,440,185
97350 HAP Portability-In								
97400 Depreciation Expense		\$348,588		\$60,903	\$106,674	\$1,380,460		\$1,380,460
97500 Fraud Losses								
97600 Capital Outlays - Governmental Funds								
97700 Debt Principal Payment - Governmental Funds								
97800 Dwelling Units Rent Expense								
90000 Total Expenses	\$0	\$875,714	\$304,452	\$5,392,111	\$403,726	\$72,209,507	(\$7,450,271)	\$64,759,236

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	14.235 Supportive Housing Program	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	COCC	6.1 Component Unit - Discretely Presented	Subtotal	ELIM	Total
10010 Operating Transfer In								
10020 Operating Transfer Out								
10030 Operating Transfers from/to Primary Government								
10040 Operating Transfers from/to Component Unit								
10050 Proceeds from Notes, Loans and Bonds								
10060 Proceeds from Property Sales								
10070 Extraordinary Items, Net Gain/Loss								
10080 Special Items (Net Gain/Loss)								
10091 Inter Project Excess Cash Transfer In						\$1,877,348		\$1,877,348
10092 Inter Project Excess Cash Transfer Out						(\$1,877,346)		(\$1,877,346)
10093 Transfers between Program and Project - In								
10094 Transfers between Project and Program - Out								
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$2	\$0	\$2
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	(\$93,967)	(\$246,167)	(\$514,527)	(\$226,367)	\$10,386,132	\$0	\$10,386,132
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$2,968,527	\$0	\$2,968,527
11030 Beginning Equity	(\$43,776)	\$2,192,541	\$525,844	(\$6,563,850)	(\$2,835,439)	\$61,619,293		\$61,619,293
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors						\$0		\$0
11050 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Term/Severance Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity						(\$2,069,606)		(\$2,069,606)
11180 Housing Assistance Payments Equity						(\$196,839)		(\$196,839)
11190 Unit Months Available		\$1,200	\$1,644	\$0	\$2,160	\$88,024	\$0	\$88,024
11210 Number of Unit Months Leased		\$1,153	\$219	\$0	\$2,134	\$79,797	\$0	\$79,797
11270 Excess Cash						(\$271,448)		(\$271,448)
11610 Land Purchases				\$0		\$0		\$0
11620 Building Purchases				\$0		\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases				\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases				\$0		\$0		\$0
11650 Leasehold Improvements Purchases				\$0		\$0		\$0
11660 Infrastructure Purchases				\$0		\$0		\$0
13510 CFFP Debt Service Payments				\$0		\$0		\$0
13901 Replacement Housing Factor Funds				\$0		\$0		\$0

**Housing Authority of
Fresno County**

Statistical Section:

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic
Information

Operating Information



HOUSING AUTHORITY OF FRESNO COUNTY

Statistical Section

This section provides additional information regarding the Agency in the following categories:

Financial Trends	the tables in this section show how the Agency's financial position has changed over time	Table 1-2
Revenue Capacity	the tables in this section show the Agency's ability to generate revenue	Table 3-4
Debt Capacity	this table shows the Agency's debt burden over time and provide information on the ability to issue debt	Table 5
Demographics and Economic Statistics	the tables in this section portray the socioeconomic environment and provide information to allow comparison of companies to other governments over time	Table 6-8
Operating Information	The tables in this section show the Agency's operations and provide information to assess the government's economic condition	Table 9-10

PRELIMINARY DRAFT
SUBJECT TO CHANGE

HOUSING AUTHORITY OF FRESNO COUNTY

Financial Trends

Net Position by Component
Last Ten Fiscal Years (Unaudited)

Year	Net Investment in capital		Unrestricted	Total
	assets	Restricted		
2013	14,834,288	2,526,572	26,656,754	44,017,614
2014	12,654,292	2,177,745	28,121,466	42,953,503
2015	10,321,249	2,889,384	25,521,478	38,732,111
2016	10,206,099	2,779,750	28,441,783	41,427,632
2017	9,822,921	2,377,669	36,178,001	48,378,591
2018	10,394,276	1,995,584	40,016,653	52,406,513
2019	9,274,860	1,271,754	46,129,438	56,676,052
2020	8,990,647	941,169	51,348,216	61,280,032
2021	9,217,669	804,396	54,432,673	64,454,738
2022	5,592,705	419,701	69,054,824	75,067,230

Source: Previous year's audits and current year financial statements

HOUSING AUTHORITY OF FRESNO COUNTY

Financial Trends

Change in Net Position
Last Ten Fiscal Years (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OPERATING REVENUES:										
Rental revenue	\$ 4,172,897	\$ 3,575,138	\$ 3,608,289	\$ 3,686,642	\$ 3,470,504	\$ 3,694,908	\$ 3,650,358	\$ 3,609,193	\$ 3,807,849	\$ 3,139,496
Fee revenue	82,202	386,357	298,248	482,856	748,301	580,458	634,849	536,236	392,859	642,894
HUD grants	42,730,660	41,652,371	43,330,623	41,610,416	41,877,230	41,484,470	47,174,954	48,756,691	47,687,217	51,991,132
Other governmental grants	997,777	1,001,526	1,830,572	1,267,822	2,929,546	2,024,399	1,559,562	1,864,401	1,341,530	2,859,254
Developer fee revenue	-	-	-	-	-	3,685,245	1,634,322	4,178,443	1,343,833	2,086,625
Other revenue	1,600,703	1,408,761	731,021	691,674	1,472,260	1,031,054	895,760	1,197,849	2,934,761	1,514,685
Total operating revenues	49,584,239	48,024,153	49,798,753	47,739,410	50,497,841	52,500,534	55,549,805	60,142,813	57,508,049	62,234,086
OPERATING EXPENSES:										
Administrative expense	7,622,189	7,762,995	8,894,131	8,353,627	9,100,447	10,662,276	10,034,827	10,148,342	8,341,690	10,016,152
Tenant services expense	20,493	18,658	587,452	12,713	8,381	758,574	576,561	646,717	387,453	874,388
Utilities	1,337,943	1,334,953	1,066,865	1,076,236	1,453,782	1,323,772	1,363,723	1,443,141	1,450,161	1,409,757
Maintenance and operations	3,252,759	2,513,618	2,635,242	2,434,489	2,527,771	2,701,837	2,518,525	2,619,134	3,004,153	3,495,850
Protective services	24,661	56,674	33,433	34,255	31,523	56,658	48,074	58,703	73,896	83,969
Insurance	569,319	354,286	428,823	502,349	474,865	526,118	363,375	356,075	492,640	532,519
General expense	1,085,381	1,057,281	708,109	1,464,218	1,728,640	1,246,895	1,425,137	2,073,534	2,957,168	2,123,683
Household assistance payments	34,526,205	34,467,829	35,680,126	32,966,932	33,853,191	34,502,667	39,571,456	38,635,117	40,203,048	44,440,188
Depreciation	2,088,632	1,780,833	2,243,938	1,967,693	1,424,089	1,629,694	1,428,300	1,306,911	1,145,252	1,273,784
Total operating expenses	50,527,582	49,347,127	52,278,119	48,812,512	50,602,689	53,408,491	57,329,978	57,287,674	58,055,461	64,250,290
Operating income (loss)	(943,343)	(1,322,974)	(2,479,366)	(1,073,102)	(104,848)	(907,957)	(1,780,173)	2,855,139	(547,412)	(2,016,204)
NONOPERATING REVENUES (EXPENSES):										
Interest revenue, unrestricted	72,678	21,651	1,868	9,520	2,718	4,975	26,752	24,224	11,213	20,532
Interest revenue, restricted	1,650	4,473	3,153	6,096	2,563	4,100	5,614	6,335	7,350	1,730
Interest revenue on notes receivable	-	131,780	328,511	762,851	834,661	1,076,263	1,086,450	1,290,083	1,319,218	1,440,224
Interest expense	(113,885)	(130,594)	(81,538)	(87,211)	(65,617)	(32,464)	(20,523)	(4,512)	(4,970)	(17,555)
Fraud recovery	11,746	2,517	15,819	11,173	26,946	26,639	63,039	2,137	19,420	76,157
Share of joint venture income	260,750	54,432	400,264	470,216	283,126	1,854,502	175,980	385,365	525,137	(449,577)
Loss from equity interest in component unit	(148,399)	(107,283)	(112,072)	(27,405)	(166,456)	(116,529)	(123,195)	(105,188)	(123,856)	(61,044)
Loss from insurance claims	-	-	-	-	-	(14,397)	(4,500)	-	(10,329)	(1,125)
Write off in interest receivable	-	-	-	-	-	(428,946)	-	-	-	-
Developer fees	1,181,951	261,677	987,060	1,399,766	2,220,176	-	-	-	-	-
Transfer from/(to) related party	-	-	(186,864)	(50,815)	600	59,504	(849,799)	-	-	-
Gain (loss) on sale/disposition of capital assets	8,677,458	20,210	133,868	1,139,654	3,960,971	2,129,490	3,084,549	71	(1,265,924)	8,622,362
Total nonoperating revenues (expenses)	9,943,949	258,863	1,490,069	3,633,845	7,099,688	4,563,137	3,444,367	1,598,515	477,259	9,631,704
Income (loss) before contributions and transfers	9,000,606	(1,064,111)	(989,297)	2,560,743	6,994,840	3,655,180	1,664,194	4,453,654	(70,153)	7,615,500
Capital contributions	1,098,798	-	159,853	-	67,608	215,605	2,520,488	150,327	1,648,050	2,996,992
Increase (decrease) in net position	10,099,404	(1,064,111)	(829,444)	2,560,743	7,062,448	3,870,785	4,184,682	4,603,981	1,577,897	10,612,492
Net position, beginning of year	33,660,890	44,017,614	42,953,503	38,729,538	41,427,632	48,378,591	52,406,513	56,676,051	61,280,032	64,454,738
Change in Reporting Entity	-	-	-	-	-	-	-	-	1,596,809	-
Prior period adjustment	257,321	-	(3,391,954)	137,350	(111,489)	157,137	84,856	-	-	-
Adjusted net position, beginning of year	33,918,211	44,017,614	39,561,549	38,866,888	41,316,143	48,535,728	52,491,369	56,676,051	62,876,841	64,454,738
Net position at end of year	\$ 44,017,615	\$ 42,953,503	\$ 38,732,105	\$ 41,427,631	\$ 48,378,591	\$ 52,406,513	\$ 56,676,051	\$ 61,280,032	\$ 64,454,738	\$ 75,067,230

Source: Previous year's audits and current year financial statements

HOUSING AUTHORITY OF FRESNO COUNTY

Revenue Capacity

Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Tenant Rentals		Housing Assistance Payment Subsidies		Other Governmental Grants		Fee Revenue		Other Revenue		Developer Fee Revenue		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2013	4,172,897	8.00	42,730,660	86.18	997,777	2.01	82,202	0.17	1,600,703	3.23	-	-	49,584,239	100
2014	3,575,138	7.00	41,652,371	86.73	1,001,526	2.09	386,357	0.80	1,408,761	2.93	-	-	48,024,153	100
2015	3,608,289	7.00	43,330,623	87.01	1,830,572	3.68	298,248	0.60	731,021	1.47	-	-	49,798,753	100
2016	3,686,642	8.00	41,610,416	87.16	1,267,822	2.66	482,856	1.01	691,674	1.45	-	-	47,739,410	100
2017	3,470,504	7.00	41,877,230	82.93	2,929,546	5.80	748,301	1.48	1,472,260	2.92	-	-	50,497,841	100
2018	3,694,908	7.00	41,484,470	79.02	2,024,399	3.86	580,458	1.11	1,031,054	1.96	3,685,245	7.02	52,500,534	100
2019	3,650,358	7.00	47,174,954	84.92	1,559,562	2.81	634,849	1.14	895,760	1.61	1,634,322	2.94	55,549,805	100
2020	3,609,193	6.00	48,756,691	81.07	1,864,401	3.10	536,236	0.89	1,197,849	1.99	4,178,443	6.95	60,142,813	100
2021	3,807,849	6.62	47,687,217	82.92	1,341,530	2.33	392,859	0.68	2,934,761	5.10	1,343,833	2.34	57,508,049	100
2022	3,139,496	5.04	51,991,132	83.54	2,859,254	4.59	642,894	1.03	1,514,685	2.43	2,086,625	3.35	62,234,086	100

Source: Previous year's audits and current year financial statements

HOUSING AUTHORITY OF FRESNO COUNTY

Revenue Capacity

Non-Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Interest Income		Fraud Recovery		Share of Joint Venture Income (Loss)		Developer Fees		Transfer from (to) Other Related Entities		Loss from Equity Interest in Component Unit		Loss from Insurance Claims		Gain (Loss) on Assets		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2013	74,328	1.00	11,746	0.12	260,750	2.55	1,181,951	11.58	-	-	-	-	-	-	8,677,458	85.02	10,206,233	100
2014	157,904	32.00	2,517	0.51	54,432	10.96	261,677	52.68	-	-	-	-	-	-	20,210	4.07	496,740	100
2015	333,532	20.00	15,819	0.94	400,264	23.77	987,060	58.63	(186,864)	(11.10)	-	-	-	-	133,868	7.95	1,683,679	100
2016	778,467	21.00	11,173	0.30	470,216	12.54	1,399,766	37.34	(50,815)	(1.36)	-	-	-	-	1,139,654	30.40	3,748,461	100
2017	839,942	12.00	26,946	0.37	283,126	3.86	2,220,176	30.28	600	0.01	-	-	-	-	3,960,971	54.02	7,331,761	100
2018	1,085,338	21.00	26,639	0.52	1,854,502	35.97	-	-	59,504	1.15	-	-	-	-	2,129,490	41.31	5,155,473	100
2019	1,118,816	31.00	63,039	1.75	175,980	4.90	-	-	(849,799)	(23.65)	-	-	-	-	3,084,549	85.86	3,592,585	100
2020	1,320,642	77.00	2,137	0.13	385,365	22.56	-	-	-	-	-	-	-	71	0.00	1,708,215	100	
2021	1,332,811	279.00	19,420	4.00	525,137	110.00	-	-	-	(123,856)	(26.00)	(10,329)	(2.00)	(1,265,924)	(265.25)	477,259	100	
2022	1,444,931	15.00	76,157	0.79	(449,577)	(4.67)	-	-	-	(61,044)	(0.63)	(1,125)	(0.01)	8,622,362	89.52	9,631,704	100	

Source: Previous year's audits and current year financial statements

PRELIMINARY DRAFT - SUBJECT TO CHANGE

HOUSING AUTHORITY OF FRESNO COUNTY

Debt Capacity

Ratio of Debt to Capital Assets
Last Ten Fiscal Years (Unaudited)

Year	Long - Term Debt			Capital Assets, Net	Ratio of Total Debt to Capital Assets
	Current Portion	Noncurrent Portion	Total		
2013	1,155,332	2,353,609	3,508,941	17,412,223	20.15%
2014	758,795	2,230,621	2,989,416	15,507,902	19.28%
2015	1,744,113	3,701,859	5,445,972	14,319,240	38.03%
2016	1,630,121	3,443,890	5,074,011	14,824,455	34.23%
2017	1,871,050	4,085,046	5,956,096	15,779,016	37.75%
2018	2,495,691	3,876,006	6,371,697	13,619,132	46.78%
2019	3,407,150	3,746,661	7,153,811	13,281,831	53.86%
2020	3,867,342	4,323,377	8,190,719	13,419,525	61.04%
2021	4,397,848	3,983,453	8,381,301	13,837,129	60.57%
2022	3,813,368	5,176,925	8,990,293	14,417,999	62.35%

HOUSING AUTHORITY OF FRESNO COUNTY

Demographics and Economic Statistics

Tenant Demographics – Population Statistics Last Ten Fiscal Years (Unaudited)

Housing Choice Voucher						
Year	Adults	Elderly	Minors	Females	Males	Total
2013	7,497	661	6,071	8,374	5,855	14,229
2014	7,398	693	6,097	8,328	5,860	14,188
2015	8,915	907	7,455	10,205	7,072	17,277
2016	7,202	846	6,251	8,418	5,881	14,299
2017	5,846	824	4,468	6,647	4,491	11,138
2018	7,864	1,127	6,165	9,085	6,071	15,156
2019	6,688	1,107	5,475	7,903	5,367	13,270
2020	7,294	1,409	7,046	9,303	6,446	15,749
2021	6,053	1,369	6,130	8,130	5,422	13,552
2022	5,927	1,397	5,915	7,977	5,262	13,239

Public Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2013	1,070	153	877	1,185	915	2,100
2014	852	134	705	967	724	1,691
2015	1,105	196	866	1,220	947	2,167
2016	896	166	714	1,014	762	1,776
2017	893	159	627	993	686	1,679
2018	895	161	651	1,014	693	1,707
2019	930	162	669	1,053	708	1,761
2020	636	159	611	818	588	1,406
2021	606	88	661	816	539	1,355
2022	608	91	626	804	521	1,325

Affordable Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	88	5	154	163	84	247
2017	76	8	139	152	71	223
2018	93	5	143	159	82	241
2019	124	11	184	206	113	319
2020	133	12	189	223	111	334
2021	99	4	127	144	86	230
2022	88	5	119	131	81	212

HOUSING AUTHORITY OF FRESNO COUNTY

Demographics and Economic Statistics

Principal Employers
Current Year and Nine Years Ago (Unaudited)

Employer	2022			2013		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Fresno Unified School District	13,511	1	2.99%	11,500	1	2.59%
Community Medical Centers	9,000	2	1.99%	4,090	3	0.92%
County of Fresno	8,870	3	1.96%	6,194	2	1.39%
Clovis Unified School District	7,652	4	1.69%	3,370	4	0.76%
California State University Fresno	4,657	5	1.03%	2,034	8	0.46%
City of Fresno	4,605	6	1.02%	3,100	5	0.70%
State Center Community College District	4,367	7	0.97%	2,784	6	0.63%
Children's Hospital of Central CA	4,170	8	0.92%	-	-	-
Saint Agnes Medical	2,867	9	0.01%	2,745	7	0.62%
Kaiser Permanente Medical	2,800	10	0.62%	1,934	10	0.44%
Pelco by Schneider Electric	-	-	-	1,970	9	4.40%
Total	64,003		13.82%	39,721		8.95%

Source: Employer Information - Fresno County Annual Comprehensive Financial Report

HOUSING AUTHORITY OF FRESNO COUNTY

Demographics and Economic Statistics

Regional Demographics – Population Statistics
Last Ten Fiscal Years (Unaudited)

Year	Population	Personal Income*	Per Capita Personal Income	Unemployment Rate
2013	952,166	34,041	35,635	15%
2014	964,040	34,567	35,785	10%
2015	972,297	N/A	N/A	9%
2016	984,541	34,567	35,785	9%
2017	995,975	37,360	38,323	8%
2018	1,007,229	39,295	40,101	8%
2019	1,018,241	40,583	41,137	7%
2020	1,023,358	42,843	43,084	15%
2021	1,026,681	45,446	45,487	10%
2022	1,011,273	48,539	48,495	6%

Source:

Fresno County Annual Comprehensive Financial Report

* Amount in thousands

HOUSING AUTHORITY OF FRESNO COUNTY

Operating Information

Property Characteristics and Dwelling Unit Composition
December 31, 2022 (Unaudited)

Public Housing			
Name of development	Address	Number of units	Year built or acquired
Cazares Terrace	36468 "O" St.	24	1953
Helsem Terrace	14595 W. "B" St.	40	1953
Mendoza Terrace	1625 Allardt Dr.	40	1952
Taylor Terrace	8410 Fifth St.	28	1953
Marcelli Terrace	4887 N. Barcus	24	1953
Mendoza Terrace II	1613 Mendoza Dr.	50	1962
Del Rey Apartments	5662 Oaklane Ave.	30	1966
Firebaugh Elderly	1662 Thomas Conboy Ave.	30	1968
Laton Apartments	6701 Latonia Ave.	20	1968
San Joaquin Apartments	22297 W. Idaho St.	20	1968
Biola Apartments	4955 Seventh Street	12	1969
Huron Apartments	36737 Los Angeles St.	20	1969
Pinedale Apartments	160 W. Minarets	41	1969
Cardella Courts	419 "P" St.	32	1982
Pinedale Apartments	160 W. Minarets	16	1983
DeSoto Gardens	640 E. California Avenue	40	1990
Total units - Public Housing		467	
Affordable Housing			
Name of development	Address	Number of units	Year built or acquired
Parkside Apartments	36200 N. Giffen Ave.	50	1979
Total Units		517	

HOUSING AUTHORITY OF FRESNO COUNTY

Operating Information

Employee Demographics
Last Ten Fiscal Years (Unaudited)

Calendar Year	Black	Asian/ Pacific Islander	White	Hispanic	Others	Total
2013	31	17	67	90	4	209
2014	25	19	72	89	7	212
2015	21	17	69	97	6	210
2016	21	19	68	93	5	206
2017	24	19	65	102	6	216
2018	23	23	61	111	9	227
2019	15	24	56	108	12	215
2020	17	26	53	110	15	221
2021	22	22	54	131	15	244
2022	16	22	45	132	23	238

Source: Human Resource Department

Note: The County and City Housing Authorities operate and report separately while sharing the same management

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

SINGLE AUDIT REPORTS AND RELATED SCHEDULES

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Housing Authority of Fresno County

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 business-type activities and the discretely presented component unit of the Housing Authority of Fresno County (the "Agency") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated (Report Date). Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit and Silvercrest, Inc., joint venture of the Agency, as described in our report on the Agency's financial statements. The financial statements of the discretely presented component unit and Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component unit and Silvercrest, Inc.

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 opinions 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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

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

Sacramento, California
(Report Date)

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

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

To the Board of Commissioners
Housing Authority of Fresno County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of Fresno County's (the "Agency") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2022. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of Fresno County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Sacramento, California
(Report Date)

PRELIMINARY DRAFT
SUBJECT TO CHANGE

**HOUSING AUTHORITY OF FRESNO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/ Pass-Through Grantor/ Program Title or Cluster Title	Federal Assistance Listing Number	Program/Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Agriculture:				
Direct Assistance:				
Farm Labor Housing Loans and Grants (Capital Grants)	10.405		\$ 108,522	\$ -
Subtotal - U.S. Department of Agriculture			108,522	-
Department of Housing and Urban Development:				
Direct Assistance:				
Public and Indian Housing	14.850	Contract # SF-170	2,493,504	-
Resident Opportunity and Supportive Services				
- Service Coordinators	14.870	CA006RFS015A007	18,520	-
Public Housing Capital Fund	14.872	Contract # SF-170	2,888,470	-
Family Self-Sufficiency Program	14.896		66,413	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	Contract # SF-472	49,372,930	-
Emergency Housing Vouchers	14.871		58,285	-
Subtotal - Housing Voucher Cluster			49,431,215	-
Subtotal - HUD Direct Assistance			54,898,122	-
Passed through the State of California Housing Finance Agency:				
Section 8 Project - Based Cluster				
Section 8 New Construction and Substantial Rehabilitation	14.182	CHFA # 76-54-N	319,935	-
Subtotal - U.S. Department of Housing and Urban Development			55,218,057	-
Total Expenditures of Federal Awards			\$ 55,326,579	\$ -

See accompanying notes to the schedule of expenditures of federal awards

HOUSING AUTHORITY OF FRESNO COUNTY

**Notes to Schedule of Expenditures of Federal Awards
December 31, 2022**

Note 1 - Reporting Entity

The Housing Authority of Fresno County, (the "Agency") is responsible for the development and implementation of housing programs and activities for the County of Fresno, California. The Agency provides housing to families under a variety of programs including conventional Low-Income Public Housing, Housing Choice Vouchers, Section 42 Low-income Housing Tax Credits, Migrant Services, Farm Labor Housing, Emergency Housing, and others.

Note 2 - Indirect Cost Rate

The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the federal awards activity of the Agency under programs of the federal government for the year ended December 31, 2022. Federal awards received directly from federal agencies, as well as federal awards passed through from nonfederal agencies or other organizations are included in the Schedule. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). As the Schedule presents only the federal awards activity of the Agency, it is not intended to and does not present the financial position, change in net position or cash flows of the Agency as a whole.

Summary of Significant Accounting Policies

The expenditures included in the Schedule are reported under the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

HOUSING AUTHORITY OF FRESNO COUNTY

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2022**

A. Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified opinion

2. Internal control over financial reporting:
 - a. Material weakness(es) identified? Yes x No
 - b. Significant deficiency(ies) identified? Yes x None reported

3. Noncompliance material to financial statements noted? Yes x No

Federal Awards

4. Internal control over major federal programs:
 - a. Material weakness(es) identified? Yes x No
 - b. Significant deficiency(ies) identified? Yes x None reported

5. Type of auditor's report issued on compliance for major federal programs: Unmodified opinion

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? Yes x No

7. Identification of major federal programs:

Assistance Listing Numbers(s)	Name of Federal Program or Cluster
14.871 & 14.879	Housing Voucher Cluster
14.872	Public Housing Capital Funds

8. Dollar threshold used to distinguish between Type A and Type B programs: \$1,659,797

9. Auditee qualified as low-risk auditee x Yes No

HOUSING AUTHORITY OF FRESNO COUNTY

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2022**

B. Findings - Financial Statements Audit

None reported.

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

None reported.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

**Housing Authority of
the City of Fresno**

Fresno, California

Annual Comprehensive Financial Report

Year Ended

December 31, 2022

PRELIMINARY DRAFT -
SUBJECT TO CHANGE



HOUSING AUTHORITY OF THE CITY OF FRESNO
Annual Comprehensive Financial Report
For the Year Ended December 31, 2022

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

Issued by
Accounting & Finance Department

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California
Year Ended December 31, 2022
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**Housing Authority of
the City of Fresno**

Fresno, California

Introductory Section:

Letter of Transmittal

Organizational Chart

List of Principal Officials

Certificate of Achievement for Excellence in
Financial Reporting



(Report Date)

1331 Fulton Street
Fresno, California 93721

(559) 443-8400
TTY (800) 735-2929

www.fresnohousing.org

Members of the Board of Commissioners of
the Housing Authority of the City of Fresno:

We are pleased to present the Annual Comprehensive Financial Report for the Housing Authority of the City of Fresno (Agency) for the year ended December 31, 2022. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year end, financial statements presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The agency's financial statements have been audited by CohnReznick LLP, a firm of licensed independent auditors. The purpose of the independent audit is to provide reasonable assurance that the audited financial statements are free from material misstatement. The auditors issued an unmodified opinion on the Housing Authority of the City of Fresno's financial statements for the year ended December 31, 2022. The data presented in this report is the responsibility of the management of Agency. To the best of our knowledge and belief, the data presented is accurate in all material aspects and is presented in a manner designed to fairly state the financial position and results of operations of the Agency. All disclosures necessary have been included to enable the reader to gain an understanding of Agency's financial affairs. As required by GAAP, management has provided a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Agency's MD&A can be found immediately following the Independent Auditor's Report.

Government Overview

The Housing Authority of the City of Fresno was established by a resolution of the Fresno City Council on March 14, 1940. Agency was founded under the Health and Safety Code of the State of California and the United States Housing Act of 1937, and is governed by a seven-member Board of Commissioners appointed by the Mayor of the City of Fresno, where five members are appointed to four-year terms, and two members, also residents of the Agency's housing program, are appointed to two-year terms. The Housing Authority of the City of Fresno has been operating in conjunction with the Housing Authority of Fresno County since 1995 under a Joint Exercise of Powers Agreement, which authorizes the two agencies to pool resources and cooperate on designated projects of mutual interest. Collectively known as Fresno Housing (FH), the two housing authorities serve Fresno County under a variety of programs with the mission to create and sustain vibrant communities.

Fresno Housing's mission is accomplished by administering a number of programs developed by HUD, including the Public Housing Program, the Section 8 Housing Choice Voucher Program and the Project Based Section 8 Program. FH's primary source of funding comes from HUD, who has direct responsibility for administering housing program under the Housing Act of 1937. FH also receives funding from the U.S. Department of Agriculture's Rural Development Program to provide farm labor housing in the City of Fresno. In addition to these federal programs, FH has established various instrumentalities, affiliates and partnerships to explore and develop innovative methods for offering housing opportunities to low- and moderate-income residents of Fresno County. Altogether, FH provides affordable housing to more than 40,000 of Fresno's lowest-income families, elderly, veterans, and persons with disabilities, making FH the County's largest provider of affordable housing.

Economic Condition and Outlook

Over these past seven decades, Fresno Housing has been flexible in adhering to complex and demanding government mandates, while continuously attempting to meet the housing needs of Fresno's diverse communities. As FH looks to the future, FH continue to consider ways to advance affordable housing opportunities by growing programs strategically, by maximizing the potential of its resources – increasing its effectiveness and expanding its capacity – and by responding appropriately to the specific issues facing the ever-changing communities of Fresno County.

Congressional housing legislation and the Federal budget affect the FH more than local economic factors. FH's primary source of funding is HUD. As with most housing authorities, a majority of FH's operating and capital funding comes from federal sources in the form of operating subsidies, capital grant funds and Section 8 Housing Assistance Payments (HAP). In FY 2022, HUD and other federal agencies provided approximately 81% of the Agency's total operating revenues. For the Public Housing program, housing authorities receive operating subsidies in accordance with an operating subsidy funding formula. In general, the calculated subsidy amount is the difference between an estimate of operating costs minus an estimate of income from rents. Operating subsidies are subject to annual appropriation by Congress. In 2022, the Public Housing program was funded at 104.93% of eligibility. Funding for Section 8 was prorated at 100% for HAP and 89% of eligibility for administrative fees.

Major Initiatives

Fresno Housing envisions an engaged community, where all residents have access to quality housing that contributes to vibrant neighborhoods, and where all residents are empowered to achieve their educational and economic goals. Fresno Housing continues to focus on four primary strategies, as it works toward its broad, community-building mission and vision.

Place. Develop and maintain quality affordable housing for low-income residents throughout the County.

People. Design, implement, and sustain exceptional programs that invest in residents and program participants to become self-fulfilled through an array of educational, employment, and economic platforms.

Partnership. Lead, encourage, and build partnerships with local, regional, and national organizations to promote policies that build community that increase and enhance affordable housing options, and that provide programs that reflect and support the diverse needs to housing participants.

Public. Generate public will to address the housing needs to low-income households in Fresno, and throughout California, by contributing to effective national and statewide advocacy efforts and by implementing programs that educate and encourage residents of County of Fresno to have a voice in housing and civic issues.

It is FH's mission to serve the residents of Fresno by developing and expanding the availability of quality affordable housing options throughout the County by growing and preserving appropriate residential assets and increasing housing opportunities for low-income residents. Over the past decade, FH has been one of the most productive affordable housing developers in the Central Valley, building and renovating over 2,500 units and bringing over \$606 million dollars of private investment to Fresno County. These efforts are mainly accomplished through the Low-Income Housing Tax Credit Program (LIHTC) and HUD's Rental Assistance Demonstration (RAD). These two programs allow FH to leverage public and private debt and equity in order to construct and/or rehabilitate affordable housing stock.

In 2022, Arthur @ Blackstone located at in an area of high demand in Fresno, CA. The site plan is designed for mixed-use 41 units and up to 4,200 square feet of renovated commercial space. The project was financed with \$17.4 million of LIHTC financing, as well as investments from City of Fresno, HCD and Fresno Housing. The financial closing was completed in May 2022 and construction is expected to be completed by Q4, 2023.

In 2022, Promega Commons is one of the motel conversion projects along Parkway Drive. The site plan is designed for 64-unit large family development with an approximately 1,600 square foot community room. The project was financed with \$19.3 million of LIHTC financing, as well as investments from City of Fresno and Fresno Housing. The financial closing was completed in June 2022 and construction is expected to be completed by Q4, 2023.

Other on-going, FH initiatives include a Landlord Outreach Program, Workforce Development Pilot, Research, Program Evaluation, and Analysis, the California Avenue Neighborhood Plan, Diversity Equity and Inclusion Plan, and a Resident Safety Program.

Financial Information

Fresno Housing's management is responsible for establishing and maintain a proper internal control structure to safeguard its assets and ensure accounting data is accurately presented in conformance with GAAP. FH has designed its internal control structure to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgment by management.

As a recipient of federal awards, FH is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. These internal controls are subject to periodic evaluation by management, and their independent auditors. As part of FH's single audit, the adequacy of internal controls are tested, including that portion related to federal award programs, as well as FH's compliance with applicable laws, regulations, contracts and grants. The FH's single audit for the year ended December 31, 2022, found

no instances of material weakness in the internal controls. Reports were prepared for this purpose and are included in this financial report in the Single Audit Section.

FH exercises budgetary controls over all programs through a variety of internal control mechanisms. Automated systems allow checking for purchases against expenditure budgets and accounts. Secondary budgetary control is maintained by the encumbrance of estimated purchase amounts and contracts prior to releasing payments on the purchase orders. Third is an automated inquiry system, which allows the user to look up account information to check budgets and detailed charges against budgets. Budget to actual reports are presented to the FH Board and management for all FH programs on a monthly basis.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate for Achievement for Excellence in Financial Reporting to Fresno Housing of the City of Fresno for its Annual Comprehensive Financial Report for the year ended December 31, 2021. This was the third year that the FH has achieved this prestigious award. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year.

Acknowledgements

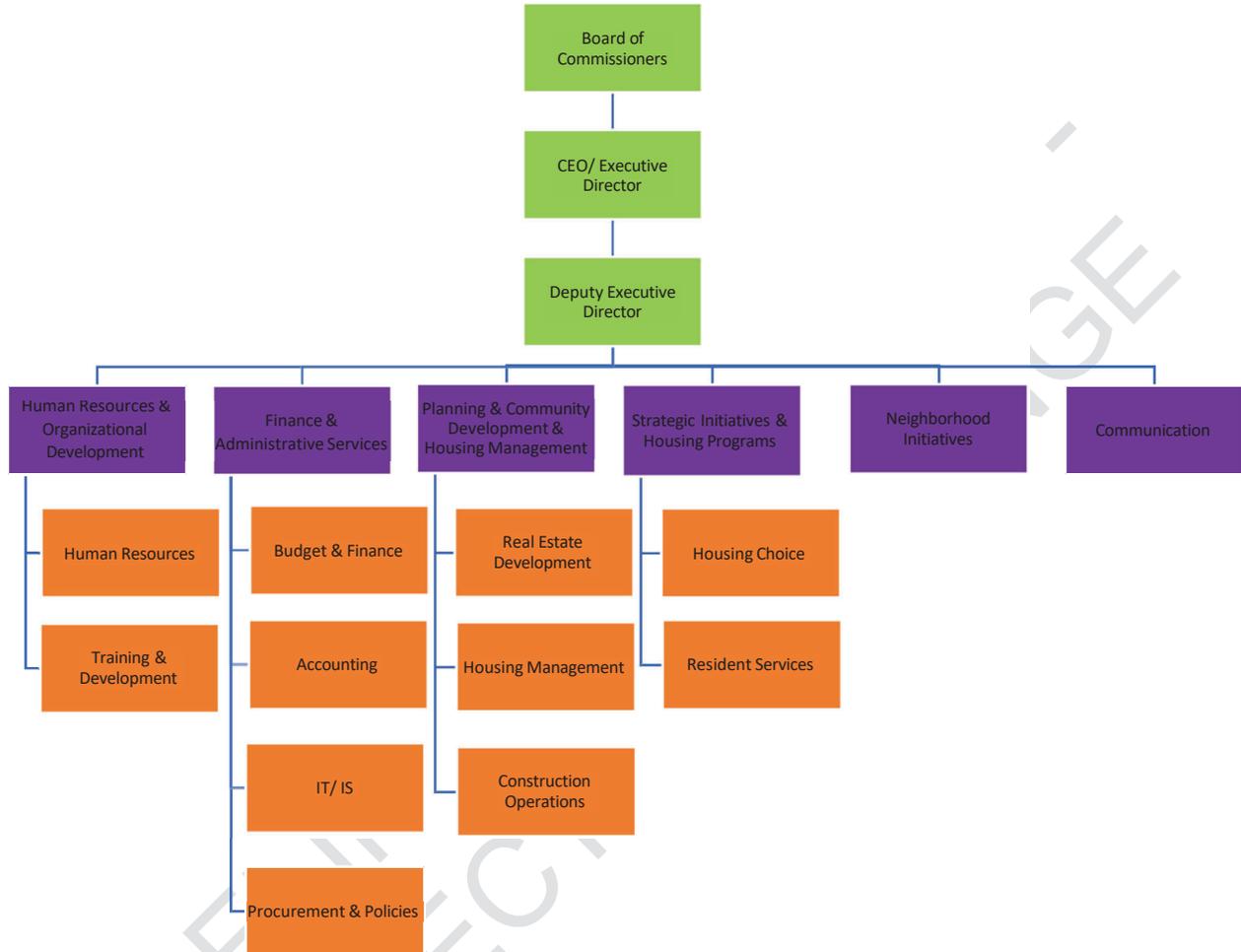
Preparation of the Annual Comprehensive Financial Report is made possible through the dedicated service of the entire staff of the Accounting & Finance Department. Our sincere appreciation is extended to the management and staff of CohnReznick, LLP who provided the necessary professional auditing services and technical assistance.

In closing, without the leadership and support of the members of the Boards of Commissioners, preparation of this report would not have been made possible.

Respectfully Submitted,

Tyrone Roderick Williams
Chief Executive Director

**Housing Authority of the City of Fresno
Organizational Chart
December 31, 2022**



**Housing Authority of the City of Fresno
List of Principal Officials
December 31, 2022**

Board of Commissioners:

Adrian Jones
Chairperson

Sharon Williams
Vice-Chairperson

Isaiah Green
Commissioner

Areli Rios
Commissioner

Ruby Yanez
Commissioner

Emogene Nelson
Commissioner

Paul Idsvoog
Commissioner

Management:

Tyrone Roderick Williams
Chief Executive Director

Tammy Townsend
Deputy Executive Officer

Michael Duarte
Chief Real Estate Officer

Marc' Bady
Chief Inclusion and Empowerment Officer

Brandy Woodard
Chief of Housing Choice Programs and Initiatives

PRELIMINARY DRAFT -
SUBJECT TO CHANGE



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Housing Authority of the City of Fresno
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

To the Board of Commissioners
Housing Authority of the City of Fresno

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Fresno (the "Agency"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Housing Authority of the City of Fresno, as of December 31, 2022, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Silvercrest, Inc., a joint venture of the Agency. The Agency's investment in Silvercrest, Inc. as of December 31, 2022 of \$13,799,436 is included in investments in joint ventures in the statement of net position and the Agency's share of Silvercrest, Inc.'s loss for the year then ended of \$2,268,833 is included in share of joint venture income in the statement of revenues, expenses and changes in net position. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency's investment in Silvercrest, Inc. is based solely on the report of the other auditor.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*. 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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios, and the schedule of pension plan contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who

considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The Schedule of Modernization Costs for Completed Projects, the Financial Data Schedule required by the U.S. Department of Housing and Urban Development ("HUD") and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Modernization Costs for Completed Projects, the Financial Data Schedule required by HUD, and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditor. In our opinion, based on our audit and the report of the other auditor, the Schedule of Modernization Costs for Completed Projects, the Financial Data Schedule required by HUD, and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections included in the annual comprehensive financial report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated (Report Date), 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.

Sacramento, California
(Report Date)

PRELIMINARY DRAFT -
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Housing Authority of the City of Fresno Management's Discussion and Analysis Year Ended December 31, 2022

Introduction

This narrative overview and analysis of the Housing Authority of the City of Fresno's (the "Agency") performance through December 31, 2022, is provided as a supplement to the Agency's year-end financial statements. Please read it in conjunction with the basic financial statements and the notes to the basic financial statements.

Overview of the Basic Financial Statements

The Agency's Basic Financial Statements consist of the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

The Agency, like other governmental and quasi-governmental entities, uses fund accounting to ensure and demonstrate compliance with funding-related requirements. The funds are combined in a Proprietary Fund, which is a single "enterprise fund" with "business-type" activities intended to recover all or a portion of their costs through fees and charges for services. The Proprietary Fund presents the activities of the Agency as a whole.

The specific financial activities of the Agency have been presented within the following:

- The Statement of Net Position includes all of the Agency's assets and deferred outflow of resources (DOR) and liabilities and deferred inflow of resources (DIR), with the difference between the two reported as the net position. Assets and liabilities are presented in the order of liquidity and are classified as "current" (convertible to cash within one year) and "non-current". This statement also provides a basis of measuring the liquidity and financial flexibility of the Agency. Over time, increases or decreases in net position will serve as a useful indicator of whether the Agency's financial health is improving or deteriorating.
- The Statement of Revenues, Expenses and Changes in Net Position reports the Agency's revenues by source and its expenses by category to substantiate the changes in net position for the year. This statement measures the success of the Agency's operations over the past year.
- The Statement of Cash Flows reports how the Agency's cash was provided and used during the year. It also provides information about the Agency's operating, investing, and financing activities, and can be used to reconcile cash balances at December 31, 2022 and 2021. Fundamentally, this statement shows where cash came from, how cash was used, and what the change in cash was during the year.
- The Notes to the Basic Financial Statements provide additional information that is integral to a full understanding of the Basic Financial Statements. The Notes to the Basic Financial Statements can be found in this report after the Basic Financial Statements.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2022**

- Required Supplementary Information includes the Schedule of Changes in Net Pension Liability and Related Ratios and the Schedule of Pension Plan Contributions, which are required by the Governmental Accounting Standards Board and are presented to supplement the basic financial statements.
- Other Supplementary Information includes the Schedule of Modernization Costs for Completed Projects and the Financial Data Schedule, which are submitted to U.S. Department of Housing and Urban Development's (HUD) Real Estate Assessment Center (REAC) online system.

Financial Analysis

Statement of Net Position

The purpose of the statement of net position is to give the financial statement reader a snapshot of the fiscal condition of the Agency at a certain point in time. It presents end of year data for assets and DOR, liabilities and DIR, and net position (assets/DOR minus liabilities/DIR).

Statement of Net Position is summarized in the table below:

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Assets				
Unrestricted Current Assets	\$ 9,884,531	\$ 13,833,911	\$ (3,949,380)	-28.55%
Restricted Current Assets	3,131,661	1,350,939	1,780,722	131.81%
Capital Assets, Net of Accumulated Depreciation	22,226,856	21,049,117	1,177,739	5.60%
Other Non-current Assets	123,291,299	111,542,155	11,749,144	10.53%
Total Assets	<u>158,534,347</u>	<u>147,776,122</u>	<u>10,758,225</u>	<u>7.28%</u>
Deferred Outflows	4,033,416	1,429,771	2,603,645	182.10%
Total Assets and Deferred Outflows	<u>\$162,567,763</u>	<u>\$149,205,893</u>	<u>\$ 13,361,870</u>	<u>8.96%</u>
Liabilities				
Current Liabilities	\$ 15,308,616	\$ 16,050,533	\$ (741,917)	-4.62%
Non-Current Liabilities	28,975,617	15,346,236	13,629,381	88.81%
Total Liabilities	<u>44,284,233</u>	<u>31,396,769</u>	<u>12,887,464</u>	<u>41.05%</u>
Deferred Inflows	3,487,195	7,592,646	(4,105,451)	-54.07%
Total Liabilities and Deferred Inflows	<u>47,771,428</u>	<u>38,989,415</u>	<u>8,782,013</u>	<u>22.52%</u>
Net Position				
Net Investment in Capital Assets	4,373,579	6,142,861	(1,769,282)	-28.80%
Restricted Net Position	746,974	773,089	(26,115)	-3.38%
Unrestricted Net Position	<u>109,675,782</u>	<u>103,300,528</u>	<u>6,375,254</u>	<u>6.17%</u>
Total Net Position	<u>114,796,335</u>	<u>110,216,478</u>	<u>4,579,857</u>	<u>4.16%</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$162,567,763</u>	<u>\$149,205,893</u>	<u>\$ 13,361,870</u>	<u>8.96%</u>

Total assets and DOR of the Agency at December 31, 2022 and 2021 amounted to \$162.6 million and \$149.2 million, respectively.

The significant components of unrestricted current assets are cash and cash equivalents, and receivables from tenants, related parties, HUD and local governments. Restricted current assets are cash and cash equivalents that are restricted for explicit purposes, like federal programs or project-specific reserves. Capital assets include land, land improvements, leasehold improvements, structures, construction in progress, and equipment. All capital assets, except for land and construction in progress, are shown net of accumulated depreciation. Other noncurrent assets include long-term notes receivable, lease

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2022**

receivable, interest receivable, assets held for sale and investments in joint ventures. The principal changes in assets from December 31, 2021 to December 31, 2022 were increases in notes receivable and leases receivable offset by decreases in investment in joint ventures. The increase in other assets was mainly attributable to a pass through loan made to Doragon @ Chinatown, LP and loans made to Fresno 1101 Parkway, LP and Arthur at Blackstone, LP.

Total liabilities and DIR of the Agency were \$47.7 million and \$38.9 million at December 31, 2022 and 2021, respectively. Current liabilities include short-term accounts payable, accrued liabilities, current portions of long-term debt, and unearned revenue. The decrease in current liabilities by \$714 thousand was mainly attributable to the decrease in current portion on Notes Payable due to refinancing for Dayton, El Cortez, and Woodside mortgage loans. Non-current liabilities increased from \$14.2 million in 2021 to \$29.3 million in 2022 mainly due to an increase of \$6.7 million in the net pension liability and an increase of \$6.6 million in the long-term portion of notes payable due to the refinancing of mortgage notes. The pension liability represents the difference between the Agency's total pension liability and the current plan assets calculated at fair value. See Note 18 in the Notes to the Basic Financial Statements for more information.

Net position represents the Agency's equity, a portion of which is restricted for certain uses. Net position is divided into the following three categories:

- Invested in capital assets, net of related debt and depreciation: Amounts on this line are the Agency's equity in land, structures, construction in progress, and equipment, net of related capital debt outstanding and accumulated depreciation.
- Restricted net position: These are assets subject to external limitations, and can be based on use, purpose, and/or time.
- Unrestricted net position: These resources are available for any use that is lawful and prudent based on the Agency's stated mission, and/or strategic plans.

The Agency's net position increased by 4.16% during the year from \$110.2 million in 2021 to \$114.8 million in 2022.

Statement of Revenues, Expenses and Changes in Net Position

The purpose of the statement of revenues, expenses and changes in net position is to present the operating and non-operating revenues earned by the Agency, the operating and non-operating expenses incurred, and other gains or losses of the Agency. This statement presents a glimpse into the financial activity that occurred from January 1, 2022 to December 31, 2022.

Operating revenues are the amounts received for providing housing services. This revenue can either come from tenants as rental payments, subsidy from the U.S. Department of Housing and Urban Development (HUD), developer fee revenue, or as grant revenue from another funding source. Non-operating revenues/expenses are earned/incurred when goods or services are not a part of normal business activity, for example, interest income or interest expense. Operating expenses are those costs incurred to maintain the housing units or to provide other services to our clientele. Capital contributions represent revenues earned from HUD for public housing capital repairs and rehabilitation.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2022**

Statement of Revenues, Expenses and Changes in Net Position is summarized in the table below:

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Operating Revenues				
Rental Income and Other	\$ 8,971,597	\$ 8,663,301	\$ 308,296	3.56%
Grant Revenue	72,790,512	69,292,323	3,498,189	5.05%
Total Operating Revenues	81,762,109	77,955,624	3,806,485	4.88%
Operating Expenses	79,832,789	75,825,680	4,007,109	5.28%
Operating Income (Loss)	1,929,320	2,129,944	(200,624)	-9.42%
Non-Operating Revenues/(Expenses)				
Interest Income, net	1,649,888	1,338,648	311,240	23.25%
Other Revenue/ (Expenses), net	(981,666)	1,670,460	(2,652,126)	-158.77%
Total Non-Operating Revenues/ (Expenses)	668,222	3,009,108	(2,340,886)	-77.79%
Net Income/(Loss) before Capital Contributions	2,597,542	5,139,052	(2,541,510)	-49.45%
Capital & Equity Contributions/(Distributions)	1,982,315	643,556	1,338,759	208.03%
Increase/(Decrease) in Net Position	4,579,857	5,782,608	(1,202,751)	-20.80%
Net Position, Beginning of Year	110,216,478	83,219,118	26,997,360	32.44%
Change in Reporting Entity	-	21,214,752	(21,214,752)	-100.00%
Net Position, End of Year	<u>\$114,796,335</u>	<u>\$110,216,478</u>	<u>\$ 4,579,857</u>	<u>4.16%</u>

The preceding Statement of Revenues, Expenses and Changes in Net Position reflects the year ended December 31, 2022, compared to the year ended December 31, 2021. Overall, operating revenues increased by 4.88% or \$3.8 million from 2021 to 2022; operating expenses increased by 5.28% or \$4 million for the year; non-operating revenues decreased by 77.79% or \$2.3 million from 2021 to 2022. Capital & equity contributions increased by 208.03% or \$1.3 million, from 2021 to 2022. These changes lead to a total increase in net position of \$4.6 million from 2021 to 2022.

Explanations of the primary reasons for these changes are as follows:

- The increase in operating revenues is attributable to increase in Housing Assistance Payment with increase in Per Unit Cost.
- The net decrease in non-operating revenues/(expenses) was mainly attributable to the Agency's investment income/loss from Silvercrest, Inc. and Housing Relinquish Fund Corporation (HRFC).
- The increase in capital and equity contribution was mainly due to HUD capital grants drawn for the Rental Assistance Demonstration (RAD) investment projects and capital related activities.
- The change in reporting entity in the amount of \$21.2 million reported for Silvercrest, Inc. as a joint venture of the Agency in the prior year.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2022**

Capital Assets

The table below shows the Agency's capital assets, net of accumulated depreciation and amortization, at December 31, 2022, and 2021.

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Land	\$ 2,669,425	\$ 2,669,425	\$ -	0.00%
Structures	11,361,246	10,014,061	1,347,185	13.45%
Equipment	509,372	524,765	(15,393)	-2.93%
Construction in Progress	6,553,636	6,329,964	223,672	3.53%
Right of Use Assets	1,133,177	1,510,902	(377,725)	-25.00%
Total Capital Assets, Net	<u>\$ 22,226,856</u>	<u>\$ 21,049,117</u>	<u>\$ 1,177,739</u>	<u>5.60%</u>

Overall, the Agency's capital assets increased by \$1.2 million during 2022, attributable to construction in progress being placed in service. See Note 7 in the Notes to the Basic Financial Statements for more information.

Debt Administration

The table below shows the Agency's outstanding debt at December 31, 2022 and 2021. Short-term borrowings include inter-fund loans between programs, between the City & County Housing Authorities, or between component units of the Agency. Notes payable - non-related parties include loans and mortgages with external entities. Notes payable - related parties includes loans from joint ventures and Agency-sponsored limited partnerships.

	December 31,		Increase (Decrease)	Percentage Change
	2022	2021		
Short Term Borrowings (Interfund)	\$ 1,967,116	\$ 1,967,116	\$ -	0.00%
Notes Payable - Non-Related Parties	11,626,314	8,842,312	2,784,002	31.49%
Notes Payable - Related Parties	6,341,596	5,800,854	540,742	9.32%
Total Debt	<u>\$ 19,935,026</u>	<u>\$ 16,610,282</u>	<u>\$ 3,324,744</u>	<u>20.02%</u>

The notes payable increased by \$3.3 million during the year mostly due to increase in non-related parties loans for development of low-income projects. See Note 11 in the Notes to the Basic Financial Statements for more information.

Economic Factors Affecting the Agency's Future

The majority of the Agency's funding comes from the U.S. Department of Housing and Urban Development (HUD) in the form of Section 8 housing assistance payments, Public Housing operating subsidies, Capital Fund grants, and other smaller grants. Over the past decade, Congress and the federal government have continued to cut housing subsidies due to changes in budget priorities. These funding reductions continue to have an impact on the Agency's economic position because federal subsidies make up a majority of the Agency's revenue and, there still is significant uncertainty about future funding levels. The Agency continues to explore alternative funding options to lessen our federal dependency through development activities and pursuit of other grants; however, HUD will most likely continue to be a major funding source over the foreseeable future.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2022**

As we look forward, the near-term forecast for low-income housing programs continues to be unchanged, requiring the Agency to operate with less federal funding while continuing to provide high quality, affordable housing that promotes safe and vibrant communities. The Agency has been swift to respond to changes in federal limitations, both programmatically and financially. We have responded by implementing changes designed to reduce costs with the least effect on services. We have been adamant that despite funding cuts, we would continue to maintain housing for existing residents and voucher participants. As a result, the Agency is better poised to weather additional funding cuts without further capacity reductions.

While we acknowledge the challenges, and face political, economic and public health realities head-on, we remain committed more than ever to our mission of creating and sustaining vibrant communities across the City of Fresno. Our strategy for accomplishing this includes: developing and maintaining quality affordable housing for low-income individuals throughout the City of Fresno; implementing exceptional programs that invest in our residents; encouraging partnerships with local, regional and national organizations to build the Fresno community; and generating public will to address the housing needs of low-income individuals. We are confident our strategy will allow us to attain these goals and strengthen the Agency's ability to address the housing and quality-of-life challenges facing Fresno, both now and in the future.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances to demonstrate the Agency's accountability for the money it receives. For questions about this report or requests for additional financial information, please contact the individual below.

I-Hsin (Nicole) Diaz
Director of Finance and Accounting
1331 Fulton Street
Fresno, CA 93721
Phone: (559) 443-8400

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS AND DEFERRED OUTFLOWS

Unrestricted Current Assets

Cash and Cash Equivalents	\$	5,331,324
Accrued Interest Receivable		50,000
Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$21,607		200,101
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$61,192		51,840
Current Lease Receivable		507,592
Due From Other Governments		883,601
Due From Related Parties		2,379,168
Prepaid Expenses		480,905

Total Unrestricted Current Assets 9,884,531

Restricted Current Assets

Restricted Cash		3,131,661
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Total Restricted Current Assets 3,131,661

Total Current Assets 13,016,192

Non-Current Assets

Capital Assets

Capital Assets - Not being depreciated		9,223,061
Capital Assets - Depreciable, Net of Accumulated Depreciation of \$43,974,058		13,003,795

Total Capital Assets, Net 22,226,856

Other Non-Current Assets

Lease Receivable		2,768,470
Notes Receivable From Related Parties		52,808,994
Notes Receivable From Non-Related Parties		281,213
Interest Receivable From Related Parties, Net of Allowance for Doubtful Accounts of \$1,176,421		9,381,143
Interest Receivable - Non-Related Parties		1,112
Investments In Joint Ventures		56,680,982
Assets Held For Sale		1,369,385

Total Other Non-Current Assets 123,291,299

Total Non-Current Assets 145,518,155

Total Assets 158,534,347

Deferred Outflow of Resources - Pension Related 4,033,416

Total Deferred Outflow of Resources 4,033,416

Total Assets and Deferred Outflows \$ 162,567,763

(Continued)

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2022
(Continued)

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Current Liabilities

Vendors and Contractors Payable	\$ 1,736,971
Accrued Salaries	396,861
Accrued Compensated Absences	523,349
Accrued Interest Payable	370,095
Resident Security Deposits	303,017
Due To Other Governments	431,386
Due To Related Parties	4,558,028
Current Lease Liability	386,129
Other Current Liabilities - Related Parties	41,019
Other Current Liabilities - Non-Related Parties	439,064
Notes Payable - Related Parties	3,876,566
Notes Payable - Non-Related Parties	150,696
Unearned Revenue	2,095,435

Total Current Liabilities 15,308,616

Non-Current Liabilities

Lease Liability	726,906
Notes Payable - Related Parties	2,465,030
Notes Payable - Non-Related Parties	11,475,618
Accrued Interest Payable	1,159,670
Accrued Compensated Absences	313,764
Other Accrued Non-Current Liabilities	50,371
Net Pension Liability	12,784,258

Total Non-Current Liabilities 28,975,617

Total Liabilities 44,284,233

Deferred Inflows of Resources - Pension Related 211,133

Deferred Inflows of Resources - Lease Related 3,276,062

Total Deferred Inflows of Resources 3,487,195

Total Liabilities and Deferred Inflows 47,771,428

Net Position

Net Investment in Capital Assets	4,373,579
Restricted for:	
Housing Assistance Payments	245,518
Other Externally Required Reserves	501,456
Unrestricted	109,675,782

Total Net Position 114,796,335

Total Liabilities, Deferred Inflows and Net Position \$ 162,567,763

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

Operating Revenues	
Rental Revenue	\$ 4,042,706
Fee Revenue	1,004,383
HUD Grants	66,291,552
Other Governmental Grants	6,498,960
Other Revenue	3,170,752
Developer Fee Revenue	753,756
Total Operating Revenues	<u>81,762,109</u>
Operating Expenses	
Administrative Expense	14,362,907
Tenant Services Expense	1,663,736
Utilities Expense	1,024,660
Maintenance & Operations Expense	3,118,655
Protective Services Expense	261,774
Insurance Expense	375,061
General Expense	2,011,057
Housing Assistance Payments	55,453,089
Depreciation	1,561,850
Total Operating Expenses	<u>79,832,789</u>
Operating Income (Loss)	<u>1,929,320</u>
Non-Operating Revenues (Expenses)	
Interest Revenue, Unrestricted	46,061
Interest Revenue, Restricted	1,217
Interest Revenue on Notes Receivable	2,004,301
Interest Expense	(401,691)
Share of Joint Venture Income (Loss)	(985,928)
Gain (Loss) from Insurance Claims	(890)
Gain from Disposition of Capital Assets	5,152
Total Non-Operating Revenues (Expenses)	<u>668,222</u>
Income (Loss) Before Contributions and Transfers	<u>2,597,542</u>
Capital Contributions	<u>1,982,315</u>
Increase (Decrease) in Net Position	<u>4,579,857</u>
Net Position, Beginning of Year	<u>110,216,478</u>
Net Position, End of Year	<u>\$ 114,796,335</u>

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows From Operating Activities:

Cash Received from Tenants	\$ 3,995,019
Cash Received from Others	5,106,193
Cash Paid to Employees for Services	(16,881,798)
Cash Paid to Suppliers for Goods and Services	(4,587,466)
Cash Received from Operating Grants	76,934,839
Cash Paid for Housing Assistance	(55,453,089)

Net Cash Provided by Operating Activities	9,113,698
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Cash Flows From Capital and Related Financing Activities:

Acquisition of Capital Assets	(2,739,588)
Proceeds from Sale of AHS	5,152
Principal Proceeds on Long Term Debt - Related Parties	7,493,561
Principal Proceeds on Long Term Debt - Non-Related Parties	6,901,445
Principal Paid on Long Term Debt - Related Parties	(6,952,819)
Principal Paid on Long Term Debt - Non-Related Parties	(4,117,443)
Interest Paid on Long Term Debt	(28,945)
Principal Paid on Lease Liability	(397,867)

Net Cash Used for Capital and Related Financing Activities	163,496
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Cash Flows from Noncapital Financing Activities:

Issuance of Notes Receivable	(9,496,479)
Principal Received on Issuance of Notes Receivable	487,342
Interest Received on Notes Receivable	474,735

Net Cash Used for Noncapital Financing Activities	(8,534,402)
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Cash Flows From Investing Activities:

Contribution to Investments in Joint Venture	(3,052,260)
Interest Received From Investments	46,061
Interest on Restricted Cash	1,217

Net Cash Used By Investing Activities	(3,004,982)
---------------------------------------	-------------

Net Decrease to Cash and Cash Equivalents	(2,262,190)
Cash and Cash Equivalents at Beginning of Year	10,725,175
Cash and Cash Equivalents at End of Year	\$ 8,462,985

**Reconciliation of Cash and Cash Equivalents Per Statement of Net Position
to Cash and Cash Equivalents Per Statement Of Cash Flows:**

Cash and Cash Equivalents	\$ 5,331,324
Restricted Cash	3,131,661
Cash and Cash Equivalents at End of Year	\$ 8,462,985

(Continued)

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Continued)

Reconciliation of Operating Income to Net

Cash Provided By (Used For) Operating Activities:

Operating Income	\$ 1,929,320
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:	
Depreciation	1,561,850
Other Expenses	(890)
(Increase) Decrease in Accounts Receivable - Tenants	(47,687)
(Increase) Decrease in Accounts Receivable - Other	165,629
(Increase) Decrease in Lease Receivable	(3,276,062)
(Increase) Decrease in Due From Other Governments	1,849,364
(Increase) Decrease in Due From Related Parties	(517,014)
(Increase) Decrease in Prepaid Expenses	269,294
(Increase) Decrease in Deferred Outflows	(2,603,646)
Increase (Decrease) in Accounts Payable - Vendors	644,315
Increase (Decrease) in Due To Related Parties	956,207
Increase (Decrease) in Accrued Salaries	25,032
Increase (Decrease) in Accrued Compensated Absences	(160,810)
Increase (Decrease) in Other Accrued Liabilities	(164,786)
Increase (Decrease) in Accounts Payable - Other Governments	132,389
Increase (Decrease) in Unearned Revenue	1,723,381
Increase (Decrease) in Resident Security Deposits Payable	12,563
Increase (Decrease) in Net Pension Liability	6,717,849
Increase (Decrease) in Deferred Inflows	(102,600)
Net Cash Provided by Operating Activities	\$ 9,113,698

Significant Noncash Activities

Distribution from Joint Venture	5,858,779
Issuance of Notes Receivable	(5,858,779)
	\$ -

See accompanying notes to the basic financial statements

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**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1) Summary of Significant Accounting Policies

a) General Purpose

The Housing Authority of the City of Fresno, California (the Agency) is responsible for the development and implementation of certain housing programs and activities within the City of Fresno, California. The Agency provides housing to families under a variety of programs including conventional Low-Income Public Housing, Housing Choice Vouchers, Section 42 Low-Income Housing Tax Credits, Migrant Services, Farm Labor Housing, Emergency Housing, and others.

b) Financial Reporting Entity

The Agency was established by a resolution of the Fresno City Council on March 14, 1940. The Agency is governed by a seven-member Board of Commissioners appointed by the Mayor of the City of Fresno, where five members are appointed to four-year terms, and two members, also residents of the Agency's housing programs, are appointed to two-year terms.

As required by Generally Accepted Accounting Principles, these financial statements present the Agency and any component units. A component unit is an entity for which the primary government is considered to be financially accountable.

- The primary government is considered to be financially accountable for an organization if it appoints a voting majority of that organization's governing body, and (1) if the primary government is able to impose its will on that organization or (2) there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
- The primary government may also be considered financially accountable for an organization if that organization is fiscally dependent on the primary government (i.e., the organization is unable to approve or modify its budget, levy taxes or set rates/charges, or issue bonded debt without approval from the primary government).
- In certain cases, other organizations are included as component units if the nature and significance of their relationship with the primary government are such that their exclusion would cause the primary government's financial statements to be misleading or incomplete, even though the primary government is not considered financially accountable for that organization under the criteria previously described. A legally separate, tax exempt organization is reported as a component unit if (1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the primary government or its constituents; (2) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the organization; and (3) the economic resources received or held by the organization are significant to the primary government.

Component units must be classified as either "blended" or "discrete" in the primary government's financial statements. A component unit is "blended" if the governing boards of the two organizations are substantially the same, or if the component unit provides services entirely or almost entirely to the primary government. Component units that do not meet either of these two

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criteria are considered “discrete” and are reported only in the government-wide financial statements.

A brief description of the Agency’s blended component unit is as follows:

Pacific Gardens Enterprises, Inc. a California Corporation. In 2010, the Agency purchased 100% of the Corporation’s outstanding stock. Pacific Gardens Enterprises, Inc. consists of a 56-unit affordable housing project in the City of Fresno. In March 2011, the Agency entered into a Purchase and Sale Agreement with Pacific Garden, LP related to the building and improvements, and Ground Lease agreement related to the land and improvement. The Limited Partnership pays rent to the Corporation for the use of the land. Separate financial statements are not issued for Pacific Gardens Enterprises, Inc.

c) Basis of Presentation

The basic accounting and reporting entity is a “fund”. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives with special regulations, restrictions or limitations.

The Agency has chosen to report its activity as one fund. The fund of the Agency is considered to be an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are also used when the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

d) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Agency’s operations are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred.

When the Agency incurs an expense for which both restricted and unrestricted resources may be used, it is the Agency’s policy to use restricted resources first and then unrestricted resources as needed.

e) Cash and Cash Equivalents

The Agency’s cash and cash equivalents are considered to be cash on hand, demand deposits, and reserves for replacements with original maturities of three months or less from the date of acquisition that are not specifically restricted as to use.

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f) Restricted Cash

Restricted cash represents deposits to lender required replacement reserve and impound accounts, insurance reserve, program funding and security deposit.

g) Assets Held for Sale

Several of the Agency's funds administer homeownership programs. Assets held for sale consist of housing units set aside by the Agency for these homeownership programs. These assets are recorded at the Agency's cost to purchase the property or upon entering into a contract for sale, the estimated realizable value, if lower. See Note 10 for further discussion.

h) Capital Assets

Capital assets are defined by the Agency as assets with an initial, individual cost of \$5,000 or more and having an estimated useful life of greater than one year. All purchased capital assets are valued at historical cost. Contributed capital assets are recorded at acquisition value at the time received.

Capital assets acquired for proprietary funds are capitalized in the respective funds to which they apply. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. Buildings are being depreciated over a useful life of thirty years, modernization costs over ten years, and dwelling and other equipment over five years.

Major outlay for capital assets are capitalized as projects are constructed. For certain projects that are intended to be sold or transferred, construction in progress remains capitalized in the financial statements until such sale or transfer occurs.

i) Impairment of Capital Assets

The Agency reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is magnitude and outside of the normal life cycle of the capital asset being evaluated. As of December 31, 2022, there has been no impairment of the capital assets.

j) Predevelopment Costs

The Agency incurs costs in connection with properties it is considering for development as well as costs associated with projects in the initial stages of development. These costs include such items as market studies, purchase options, environmental study costs, legal and accounting costs. Predevelopment costs are capitalized until such time as the project is no longer considered desirable or feasible, at which time the costs are expensed. Predevelopment costs related to projects that are ultimately developed are subsequently recorded as receivables to be repaid by the applicable projects.

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k) Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated net of an allowance for doubtful accounts. The Agency estimates an allowance based on an analysis of specific tenants, and landlord participants taking into consideration past due accounts and an assessment of the debtor's general ability to pay.

l) Net Position

Net position represents the difference between assets and DOR and liabilities and DIR. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, including the interest due on the borrowing (excluding inter-fund borrowing). Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

m) Operating Revenue and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Agency, these revenues are typically rental charges, developer revenue and operating grants. Operating expenses are necessary costs that have been incurred in order to provide the good or service that are the primary activity of the fund. All revenue and expenses not meeting these definitions are reported as non-operating revenue and expenses.

n) Income Taxes

The Agency is exempt from Federal Income and California Franchise Taxes except for taxable transactions incurred by the blended component unit operated by the Agency. The Agency files federal and state tax returns for the blended component unit.

o) Grant Restrictions

The Agency has received loans and grants from the U.S. Department of Housing and Urban Development, the U.S. Department of Agriculture, and the California Housing Finance Agency to build and improve housing projects. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

Further, if the fund equity of the Agency's U.S. Department of Agriculture program exceeds certain levels, the payments on these notes must be increased.

p) Use of Estimates

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, and accordingly, include amounts that are based on management's best estimates and judgments. Accordingly, actual results may differ from the estimates.

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q) Notes Receivable

The accompanying financial statements reflect the recording of certain notes receivable that represent loans made to various parties, including related parties. In certain cases, the amount of collection is dependent upon future residual receipts to be generated by the property or contingent upon the ability of the owner to sell the property at an amount sufficient to pay all liens against the property, including the obligation to the Agency. Where reasonably estimable, an allowance for doubtful accounts has been recorded to reflect management's best estimate of likely losses associated with non-repayment. An estimate of any additional potential losses associated with non-repayment cannot be reasonably estimated at this time.

r) Leases

Lessee: The Agency is a lessee under noncancellable leases and recognizes a lease liability and an intangible right-of-use lease asset in the statement of net position. The Agency recognizes lease liabilities with an initial individual value of \$1,000 or more and a useful life in excess of one year. The Agency initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The right-of-use lease asset is initially measured as the initial amount of the lease liability, adjusted for payments made at or before the lease commencement date. Subsequently, the right-of-use lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Key estimates and judgments related to leases include how the Agency determines (1) the discount rate it uses to discount the expected lease payments at present value, (2) the lease term, and (3) the 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
- The lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Agency is reasonably certain to exercise.

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

The right-of-use lease assets is included within capital assets in the statement of net position.

Lessor: The Agency is a lessor under noncancellable leases and recognizes a lease receivable and a deferred inflow of resources in the statement of net position. The Agency initially measures the lease receivable at the present value of the payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement

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date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term. Key estimates and judgments related to leases include how the Agency determines (1) the discount rate it uses to discount the expected lease receipts at present value, (2) the lease term, and (3) lease receipts.

- The Agency uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- The lease receipts included in the measurement of the lease receivable are composed of fixed payments (or in substance fixed payments) from the lessee.

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

s) Investments in Joint Ventures

The Agency has investments in joint ventures that are owned, operated, or governed by two participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. See Note 9 for further disclosure.

t) Defined Benefit Pension Plan

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Agency's California Public Employees' Retirement Systems (CalPERS) Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

GAAP requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

u) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until that time. The Agency has one item that qualifies for reporting in this category: Deferred Outflows- Pension Related.

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In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has two items that qualify for reporting in this category: Deferred Inflows - Pension Related and Deferred Inflows – Leases Related.

v) New Accounting Pronouncements

During the year ended December 31, 2022, the Agency implemented the following new accounting standards issued by the GASB:

Statement No. 87, "Leases". GASB Statement No. 87 requires that government lessees recognize a lease liability and an intangible asset representing the lessee's right to use the leased asset and report in its financial statements amortization expense for using the leased asset for the shorter of the lease term or the useful life of the underlying asset, interest expense on the lease liability and note disclosures about the lease. The Statement also requires government lessors recognize a lease receivable and a deferred inflow of resources and continue to report the leased asset in its financial statements and report in its financial statements lease revenue recognized over the term of the lease corresponding with the reduction of the deferred inflow, interest income on the receivable and note disclosures about the lease. The requirements of this Statement are effective for the Agency's fiscal year ending December 31, 2022. The adoption of this Statement had the following effect on net position as reported as of December 31, 2021.

Net position, December 31, 2021	\$110,216,478
Adjustments:	
Lease receivable	4,002,851
Deferred inflow - leases	(4,002,851)
Right of use assets	1,510,902
Lease liability	<u>(1,510,902)</u>
Restated net position, December 31, 2021	<u>\$110,216,478</u>

Statement No 91, "Conduit Debt Obligations". The primary objectives of Statement No 91 are to provide a single method to report conduit debt obligations and to eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures. The requirements of this Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 92, "Omnibus 2020". GASB Statement No. 92 addresses a variety of topics including, among other things, Leases, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans, Fiduciary Activities, Measurement of liabilities related to AROs. The requirements of this Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 93, "Replacement of Interbank Offered Rates". GASB Statement No. 93 assists state and local governments in the transition away from existing interbank offered rates (IBOR) to

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other reference rates because of global reference rate reform, wherein the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form at the end of 2021. The objective of this Statement is to address implications that result from the replacement of an IBOR in Statement No. 53, Accounting and Financial Reporting for Derivative Instruments and Statement No. 87, Leases and other accounting and financial reporting implications. The removal of LIBOR as an appropriate benchmark interest rate in this Statement are effective for Agency's year ending December 31, 2022. All other requirements of this statement are effective for the Agency's year ending December 31, 2023. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of the Statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

Statement No. 99, "Omnibus 2022". GASB Statement No. 99 addresses a variety of topics including, among other things, Leases, PPPs, and SBITAs, extension of use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, financial guarantees, and classification and reporting of derivative instruments. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the Agency's year ending December 31, 2024. All other requirements of this statement are effective for the Agency's year ending December 31, 2022. The adoption of this Statement had no impact on the Agency's financial statements and related disclosures.

The Authority is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". GASB Statement No. 94 establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs). The requirements of this Statement are effective for Agency's year ending December 31, 2023.
- Statement No. 96, "Subscription-Based Information Technology Arrangements". GASB Statement No. 96 establishes standards of accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. Under this Statement, a government generally should recognize a right-to-use subscription asset, an

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intangible asset, and a corresponding subscription liability. The requirements of the Statement are effective for the Agency's year ending December 31, 2023.

- Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62". Statement No. 100 establishes standards to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for Agency's year ending December 31, 2024.
- Statement No. 101, "Compensated Absences". Statement No. 101 establishes standards to unify the recognition and measurement model of liabilities for compensated absences. The requirements of this Statement are effective for Agency's year ending December 31, 2024.

2) Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents held by the Agency at December 31, 2022, was classified as follows in the accompanying Statement of Net Position:

Cash & Cash Equivalents	\$ 5,331,324
Restricted Cash	3,131,661
Total Cash, Cash Equivalents and Restricted Cash	\$ 8,462,985

Disclosure Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value will be to changes in market interest rates. In accordance with the Agency's Investment Policy, the Agency manages its exposure to interest rate risks by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Disclosure Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

For the year ended December 31, 2022, the Agency did not maintain a significant equity position in investment pool activities. It is the policy of the Agency to invest only in highly rated securities to the extent practicable and where applicable by law.

Concentration of Credit Risk

The investment policy of the Agency contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments

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in any one issuer (other than external investment pools) that represent 5% or more of the Agency's total investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Agency's Investment Policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires California banks and savings and loan associations to secure the Agency's deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral. The market value of mortgages must equal at least 150% of the face value of deposits. The market value of government securities must equal at least 110% of the face value of deposits. Such collateral must be held in the pledging bank's trust department in a separate depository in an account for the Agency.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (broker-dealer, etc.) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's Investment Policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

The Agency executed a "General Depository Agreement" with Wells Fargo on April 21, 2014. This agreement states that any portion of the PHA funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities as prescribed by HUD. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulation.

The Agency's cash deposits, and cash equivalents are \$8,462,985 at December 31, 2022. Bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and for amounts over \$250,000 collateralized with securities held by the pledging financial institutions in the Agency's name in accordance with California Government Code as discussed above. \$2,740,555 is collateralized as of December 31, 2022, and the remaining \$5,722,430 is uncollateralized cash deposits and cash equivalents.

Pooled Cash and Cash Equivalents

The Agency's cash and investments are pooled with the Housing Authority of Fresno County's cash and cash equivalents. Income from the investment of the pooled cash is allocated to each Agency's funds on a monthly basis, based on the average monthly balance of the fund as a percent of the average monthly total pooled cash balance.

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3) Restricted Cash

Restricted cash consists of funds that cannot be disbursed by the Agency unless approval is obtained from another government agency, mortgagor, or restrictions are released.

Cash held by the California Housing Finance Agency (CHFA) can only be used for major repairs or insurance on the associated project and upon receipt of prior written approval from CHFA. Cash held as replacement reserves for the USDA projects cannot be disbursed without the approval of the USDA Rural Economic and Community Development. The funds held by CHFA, excess HAP funds and the funds held for the replacement of the USDA program projects are also reported as restricted net position. The amounts held by the Agency on behalf of program participants, tenants and for future HAP payments not yet taken as revenue are also reported as payable from restricted assets.

Details of restricted cash at December 31, 2022 are as follows:

Cash Restricted for:	Cash Restriction	In Liabilities	In Restricted Net Position
Escrow	\$ 34	\$ -	\$ 34
HAP Funding	363,582	118,064	245,518
Tenant Security Deposits	303,017	303,017	-
Emergency Housing Vouchers	810,786	464,333	346,453
Other Reserves	1,654,242	1,499,273	154,969
	\$ 3,131,661	\$ 2,384,687	\$ 746,974

4) Accounts Receivable

The Agency's accounts receivable consists of related party receivables, grant program receivables, overpayment to landlords and tenant rent receivables. Accounts receivable are carried at amortized costs, net of allowance for doubtful accounts. Provisions for losses are charged to operations in amounts sufficient to maintain an allowance for losses at a level considered adequate to cover probable losses inherent to the Agency's accounts receivable. The allowance for losses is based on management's evaluation of the collectability of the receivables and historical loss experience.

Accounts receivable at December 31, 2022 consist of the following:

Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$21,607	\$ 200,101
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$61,192	51,840
Total Accounts Receivable	\$ 251,941

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5) Due from Other Governments

At December 31, 2022, amounts Due from Other Governments consists of the following:

U.S. Department of HUD	\$	458,941
Other		424,660
		458,941
Total Due from Other Governments	\$	883,601

6) Due from Related Parties

At December 31, 2022, amounts Due from Related Parties consists of the following:

Housing Self Insurance Corporation	\$	6,250
Limited Partnerships		1,616,025
Silvercrest, Inc.		756,893
		1,622,278
Total Due from Related Parties	\$	2,379,168

7) Capital Assets

Changes in the Capital Assets during the year ended December 31, 2022 were as follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
Capital assets not depreciated:				
Land	\$ 2,669,425	\$ -	\$ -	\$ 2,669,425
Construction in progress	6,329,964	223,672	-	6,553,636
Total capital assets not depreciated	8,999,389	223,672	-	9,223,061
Capital assets being depreciated:				
Buildings and Improvements	51,339,169	2,502,564	-	53,841,733
Equipment / Software	1,688,835	13,352	(76,969)	1,625,218
Intangible Right of Use Leases	1,510,902	-	-	1,510,902
Total capital assets being depreciated	54,538,906	2,515,916	(76,969)	56,977,853
Less accumulated depreciation for:				
Buildings and Improvements	(41,325,108)	(1,155,379)	-	(42,480,487)
Equipment / Software	(1,164,070)	(28,745)	76,969	(1,115,846)
Intangible Right of Use Leases	-	(377,725)	-	(377,725)
Total accumulated depreciation	(42,489,178)	(1,561,849)	76,969	(43,974,058)
Total capital assets being depreciated, net	12,049,728	954,067	-	13,003,795
Total Capital Assets, Net	\$ 21,049,117	\$ 1,177,739	\$ -	\$ 22,226,856

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8) Notes Receivable

The following is a summary of changes in Notes Receivable during the year ended December 31, 2022:

	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Payments/ Deletions</u>	<u>Balance 12/31/2022</u>	<u>Interest Receivable</u>
<u>Non-Related Parties:</u>					
City of Clovis-Clovis Senior Ctr	\$ 234,566	\$ -	\$ (26,690)	\$ 207,876	\$ 1,112
844 S. Chance	76,300	-	(2,963)	73,337	-
Total due from non-related parties	<u>310,866</u>	<u>-</u>	<u>(29,653)</u>	<u>281,213</u>	<u>1,112</u>
<u>Related Parties:</u>					
Better Opportunities Builders, Inc.	125,000	-	-	125,000	-
Limited Partnerships:					
Fresno Edison II (Legacy Commons)	4,150,000	-	-	4,150,000	643,151
Fresno Pacific Gardens	2,738,430	-	-	2,738,430	1,777,081
Parc Grove Commons II	3,129,538	-	-	3,129,538	3,486,573
Renaissance at Alta Monte	400,000	-	-	400,000	-
Renaissance at Santa Clara Street	400,000	-	-	400,000	142,384
Fresno Renaissance at Trinity	400,000	-	-	400,000	-
Renaissance at Santa Clara Street AHP	638,839	-	-	638,839	159,696
Fresno Renaissance at Trinity - AHP Loan	200,000	-	-	200,000	-
Southeast Fresno RAD	10,601,534	-	-	10,601,534	1,717,154
Viking Village RAD	955,349	-	-	955,349	169,322
YEC Limited (HOPE VI)	6,258,336	-	-	6,258,336	860,059
Doragon @ Chinatown-Cap Fund	1,045,000	-	-	1,045,000	-
FHA Note Rec RP L/T - Doragon @ Chinatown-IIG	1,044,000	-	-	1,044,000	-
Mon. at Chinatown-EPRI/Solar	-	536,309	-	536,309	-
Doragon @ Chinatown-TCC AHD	2,001,830	4,087,925	-	6,089,755	176,428
Doragon @ Chinatown-TCC HRI	2,123,569	122,245	-	2,245,814	-
Doragon @ Chinatown	-	1,000,000	-	1,000,000	-
Villages at Barstow-Alegre	1,450,000	-	-	1,450,000	117,289
Villages at Paragon	250,000	750,000	(457,689)	542,311	50,000
The Arthur at Blackstone	-	3,000,000	-	3,000,000	71,333
Fresno 1101 Parkway	-	5,858,779	-	5,858,779	60,673
Total due from related parties	<u>37,911,425</u>	<u>15,355,258</u>	<u>(457,689)</u>	<u>52,808,994</u>	<u>9,431,143</u>
Total	<u>\$ 38,222,291</u>	<u>\$ 15,355,258</u>	<u>\$ (487,342)</u>	<u>\$ 53,090,207</u>	<u>\$ 9,432,255</u>

City of Clovis

The Agency has purchased a \$500,000 subordinate, multifamily housing revenue bond for the Silver Ridge at Clovis project. The bond was purchased with homebuyer reserve proceeds. The proceeds of the bond were used to develop an apartment complex for seniors in the City of Clovis. The bond matures September 1, 2040 and accrues interest at a rate of 1% per annum.

Annual principal and interest payments depend on the residual cash flows of this future tax credit project. The availability of these cash flows to make future payments is unknown. As of December 31, 2022, the outstanding principal balance was \$207,876 with accrued interest of \$1,112.

844 South Chance

On January 14, 2021, the Agency entered a loan agreement in the amount of \$76,300 with the buyer of the property located at 844 South Chance Avenue, Fresno. The loan is secured by the Deed of

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Trust. The loan accrues interest at 2.74% per annum, payable monthly beginning March 1, 2021 with a maturity of February 1, 2051. As of December 31, 2022, the outstanding principal balance was \$73,337.

Better Opportunities Builders, Inc.

On September 18, 2008, the Agency has made a loan of \$125,000 to Better Opportunities Builders, Inc. (BOB). The loan is unsecured and interest free. No payments are due on this loan for 60 months after the date the Agency records the final release of construction covenants for the projects pursuant to the Disposition and Development Agreement (DDA). BOB is considered to be a related party of the Agency. As of December 31, 2022, the outstanding principal balance was \$125,000.

Fresno Edison II, LP

On April 14, 2017, the Agency entered into two loan agreements with Fresno Edison II, LP to develop and construct Low-Income housing units. The first loan, Capital and Operating Fund Loan agreement for \$1,800,000 bears an interest rate of 4.0% compounded annually and with a maturity date of April 14, 2072. Principal and interest payable annually commencing on June 1, 2019 from available cash flow.

The second loan, HACF Disposition Funds Loan Agreement for \$2,350,000 bears an interest rate of 4.0% compounded annually with a maturity date of April 14, 2072 with principal and interest payable annually commencing on May 1, 2017 from available cash flow. The note is secured by, among other security, a subordinate lien mortgage covering the fee simple interest of the Partnership.

As of December 31, 2022, the total outstanding principal balances for both loans was \$4,150,000 with accrued interest of \$643,151.

Fresno Pacific Gardens, LP

The Agency has authorized three loans to Fresno Pacific Gardens, LP, for the purpose of rehabilitation and construction of a mixed-income rental unit project composed of 55 rental units and one manager's unit known as Pacific Gardens on land owned by the Agency. All three loans are secured by a deed of trust of the development's property. Fresno Pacific Gardens, LP is considered a related party of the Agency.

The first loan was authorized on March 14, 2011 for \$1,588,656. The loan bears an interest rate of 5.4625% compounded annually, with principal and interest payable annually commencing January 1, 2012 from available cash flow. The note is secured by the deed of trust of the development's property located in Fresno, California.

The second loan was also authorized on March 14, 2011 in the amount of \$599,774. The loan bears an interest rate of 5.4625% compounded annually, with principal and interest payable annually commencing January 1, 2012 from available cash flow after payment of the principal and interest due on the first loan.

The third loan was also authorized on March 14, 2011 in the amount of \$550,000. The loan bears an interest rate of 5.4625% compounded annually, with principal and interest payable annually

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commencing January 1, 2012 from available cash flow after payment of principal and interest due on the first and second loans.

As of December 31, 2022, the outstanding principal balance for all three loans was \$2,738,430 with accrued interest of \$1,777,081.

Parc Grove Commons II, LP

On January 27, 2010, the Agency authorized a loan to Parc Grove Commons II, LP, for \$5,322,730 for the development and construction of a mixed-income tax credit rental unit project comprised of 215 rental units of which 31 are Public Housing units. Interest accrues at a rate of 5%, compounded annually prior to construction completion and 7.5% compounded annually thereafter. The entire amount of principal and accrued interest for both notes is due and payable on February 1, 2065. The note is secured by the deed of trust of the development's property located in Fresno, California. As of December 31, 2022, the outstanding principal balance was \$3,129,538 with accrued interest of \$3,486,573.

Renaissance at Alta Monte, LP

On December 13, 2011, the Agency entered into a loan agreement with the Renaissance at Alta Monte, LP for an amount of \$400,000. This loan is secured by a Deed of Trust, bears interest at a simple rate of 7.5% during construction and 8.75% after construction completion. The loan matures on November 30, 2065. The loan is payable in annual amounts equal to 50% of the residual receipts as defined in Article 1, Section 1.3 of the promissory note dated December 13, 2011. As of December 31, 2022, the outstanding principal was \$400,000. Accrued interest on the loan have been fully reserved as of December 31, 2022.

Renaissance at Santa Clara Street, LP

On December 1, 2010, the Agency entered into a loan agreement with Renaissance at Santa Clara Street, LP for an amount of \$400,000 (the "FH Loan"). The loan bears interest on the outstanding balance at 8.75%. The FH Loan is secured by a Deed of Trust, and matures on December 30, 2066. Beginning January 14, 2014, annual payments of interest and principal are due equal to 50% of the residual receipts, as defined in the Partnership Agreement. As of December 31, 2022, the outstanding principal balance on the FH Loan was \$400,000 with accrued interest of \$142,284. Accrued interest in the amount of \$400,777 have been reserved as of December 31, 2022.

On November 14, 2014, the Agency entered into an AHP loan agreement with Renaissance at Santa Clara Street, LP, for \$638,839 with a maturity date of June 1, 2068. The loan bears interest at 8.75% per annum. As of December 31, 2022, the outstanding principal on the AHP Loan was \$638,839 with accrued interest of \$159,696. Accrued interest in the amount of \$342,688 have been reserved as of December 31, 2022.

The total principal recorded for both loans at December 31, 2022 was \$1,038,839 with accrued interest of \$302,080.

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Fresno Renaissance at Trinity, LP

On December 1, 2010, the Agency authorized a loan of \$400,000 to Fresno Renaissance at Trinity, LP, a related party to the Housing Authority of the City of Fresno, for the purpose of financing a 21-unit low-income multifamily project known as Renaissance at Trinity. The loan bears no interest with payments due on or before the maturity date of November 30, 2065. The note is secured by a deed of trust of the development's property located in Fresno, California. Fresno Renaissance at Trinity, LP, is considered to be related party of the Agency. The outstanding balance at December 31, 2022 was \$400,000.

On December 1, 2010, the Agency entered into a loan agreement with Fresno Renaissance at Trinity, LP. The Agency was awarded a grant through the Affordable Housing Program (AHP) and these funds were in turn loaned to the Fresno Renaissance at Trinity, LP. The note bears no interest with principal payable upon completion of the project. The outstanding balance of the loan due from Fresno Renaissance at Trinity, LP at December 31, 2022 was \$200,000.

Southeast Fresno RAD, LP

On December 18, 2013, the Agency entered into a loan agreement with Southeast Fresno RAD, LP for \$6,377,000 to purchase three former public housing sites and rehabilitate into a 191-unit low-income multi-family project. The note bears an interest rate of 3.32% compounded annually, with principal and interest payable monthly commencing January 1, 2016 from available cash flow, as defined in the Partnership Agreement.

On December 18, 2013, the Agency entered into a second loan agreement with Southeast Fresno RAD, LP for \$5,000,000 for the purpose of redevelopment and rehabilitation of three former public housing sites into two sites that will consist of 191-units of low-income housing. The note bears an interest rate of 4.0% compounded annually. Principal and interest payment will commence on January 1, 2015 from available cash flow as defined in the Partnership Agreement.

The outstanding principal balances for the two loans at December 31, 2022, were \$10,601,534 with accrued interest of \$1,717,154.

Viking Village RAD, LP

On March 18, 2014, the Agency entered into a Purchase Loan agreement with Viking Village RAD, LP for \$831,886 to sell certain property to rehabilitate into Low-Income housing units. The note bears a 3.32% interest compounded annually and with a maturity date of March 18, 2069. Principal is payable upon maturity and interest is payable from available cash flow.

On March 18, 2014, the Agency entered into a second loan agreement with Viking Village RAD, LP for \$917,387 for the rehabilitation of the above-mentioned property. The note bears a 3.36% interest compounded annually and with a maturity of March 18, 2069. Principal is payable upon maturity and interest is payable from available cash flow.

The outstanding principal balances for the two loans at December 31, 2022 was \$955,349 with accrued interest of \$169,322.

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YEC Limited

The Agency has authorized three loans to YEC Limited, a California Limited Partnership for the purpose of financing the development and construction of a 69-unit public housing development in Fresno, California known as Yosemite Village. The project received low-income housing tax credits through the California Tax Credit Allocation Committee and is intended for rental to low-income families.

The first loan was authorized on November 1, 2008 for \$990,000. This loan is secured by the deed of trust of the development's property. This loan and applicable interest, if any, is deferred until November 1, 2063.

The second loan was also authorized on November 1, 2008 for \$362,984 which was passed-through from an allocation of Replacement Housing Factor (RHF) funds provided by the U.S. Department of Housing and Urban Development (HUD). This loan is unsecured, non-interest bearing and is due November 1, 2063.

The third loan was authorized on November 6, 2009 for \$5,829,325. This loan is secured by the deed of trust of the development's property. This loan bears no interest and is deferred until November 1, 2063.

As of December 31, 2022, the outstanding principal balances for all three loans was \$6,258,336 with accrued interest of \$860,059.

Doragon @ Chinatown, LP

On August 1, 2020, the Agency entered into an HAFC Capital Funds loan agreement with Doragon @ Chinatown, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,045,000. The HAFC (Cap Funds) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. The note bears no interest and matures on September 30, 2077. As of December 31, 2022, the outstanding principal balance on the Cap Funds loan was \$1,045,000.

On August 1, 2020, the Agency entered into an HAFC Infill Infrastructure grant program (IIG) loan agreement with Doragon @ Chinatown, LP, in the amount of \$1,160,000. The HAFC (IIG) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. This loan bears no interest and matures on September 30, 2077. As of December 31, 2022, the outstanding principal balance on the Cap Funds loan was \$1,044,000.

On August 1, 2020, the Agency entered into a the Monarch @ Chinatown HACF (EPRI/Solar) loan agreement with Doragon @ Chinatown, LP for the amount \$850,876. The EPRI/Solar Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement. The loan bears no interest and matures on September 30, 2077. The entire amount of principal is due at maturity. As of December 31, 2022, the outstanding principal balance on the EPRI/Solar Loan was \$536,309.

On August 1, 2020, the Agency entered into an HAFC (TCC-AHD) loan agreement with Doragon @ Chinatown, LP for the amount \$8,004,319. The loan bears interest on the outstanding balance at 3%. The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement, and matures on September 30, 2077. The entire amount of principal and accrued interest

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for both notes is due at maturity. As of December 31, 2022, the outstanding principal balance on the TCC-AHD Loan was \$6,089,755 with accrued interest of \$176,429.

On August 1, 2020, the Agency entered into an HAFC (TCC-HRI) loan agreement with Doragon @ Chinatown, LP for the amount \$2,800,000. The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement. The loan bears no interest and matures on September 30, 2077. The entire amount of principal is due at maturity. As of December 31, 2022, the outstanding principal balance on the TCC-HRI Loan was \$2,245,814.

On October 11, 2017, the Agency authorized of advance for pre-developmental activities, closing costs and development activities for the Chinatown Housing Development project. The funds were advanced in 2022 and bears no interest. As of December 31, 2022, the outstanding principal balance on the advance was \$1,000,000.

As of December 31, 2022, the outstanding principal balances for all six loans was \$11,960,878 with accrued interest of \$176,428.

Villages at Barstow, LP

On December 23, 2020, the Agency entered into a loan agreement with The Villages at Barstow, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,450,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on January 31, 2078. As of December 31, 2022, the outstanding principal balance for the loan was \$1,450,000 with accrued interest of \$117,289.

The Villages at Paragon, LP

On July 23, 2019, the Agency entered into a pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,000,000 for the rehabilitation of The Villages at Paragon Apartments. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears interest at 5% per annum and matures on January 31, 2078. As of December 31, 2022, the outstanding principal balance for the loan was \$542,311 with accrued interest of \$50,000.

The Arthur at Blackstone, LP

On May 26, 2022, the Agency entered into a loan agreement with The Arthur at Blackstone, LP, a related party of the Housing Authority of the City of Fresno in the amount of \$3,000,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on May 1, 2080. As of December 31, 2022, the outstanding principal balance for the loan was \$3,000,000 with accrued interest of \$71,333.

Fresno 1101 Parkway, LP

On May 26, 2022, the Agency entered into a loan agreement with Fresno 1101 Parkway, LP, a related party of the Housing Authority of the City of Fresno in the amount of \$5,858,779. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on June 1, 2079. As of December 31, 2022, the outstanding principal balance for the loan was \$5,858,779 with accrued interest of \$60,673.

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9) Investment in Joint Ventures

As of December 31, 2022, the Agency's investment in joint ventures is comprised of the following:

Housing Relinquished Fund Corporation	\$ 43,006,051
Housing Self Insurance Corporation	(63,322)
Silvercrest, Inc.	13,799,436
Villa Del Mar, Inc.	<u>(61,183)</u>
Total Investments in Joint Venture	<u>\$ 56,680,982</u>

Housing Relinquished Fund Corporation (HRFC) – This entity was created as a steward for the Housing Authority of the City and County of Fresno's development and investment capital. HRFC's Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 75% allocation on distribution of net assets upon dissolution of HRFC. HRFC does not issue separate financial statements. As of December 31, 2022, HRFC has total assets, liabilities and equity of \$59,049,571, \$5,426,772 and \$53,622,799, respectively. For the year end December 31, 2022, HRFC's revenue and expenses were \$1,716,009 and \$309,282, respectively.

Housing Self Insurance Corporation (HSIC) – This entity was organized to provide additional security against a variety of insurable and non-insurable losses to include deductibles, payouts, settlements, and other related obligations. HSIC's Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has an 84% allocation on distribution of net assets upon dissolution of HSIC. HSIC does not issue separate financial statements. As of December 31, 2022, HSIC has total assets, liabilities and equity (deficit) of \$271,241, \$6,250 and \$264,991, respectively. For the year end December 31, 2022, HSIC's revenue and expenses were \$0 and \$36,859, respectively.

Silvercrest, Inc. - This entity is a California non-profit public benefit corporation. Silvercrest, Inc. was formed as a vehicle to own and operate a number of housing developments throughout Fresno County, primarily in a limited partnership arrangement with local developers. Silvercrest, Inc.'s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 74% allocation on distribution of net assets upon dissolution of Silvercrest, Inc. Audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. As of December 31, 2022, Silvercrest, Inc. has total assets, liabilities and equity of \$29,044,880, \$14,376,433 and \$14,368,447, respectively. For the year end December 31, 2022, Silvercrest, Inc.'s revenue and expenses were \$3,591,846 and \$12,423,670, respectively.

Villa Del Mar, Inc. – This entity was created for purposes of ownership and management of the 48-unit Villa Del Mar affordable housing project in the City of Fresno. Villa Del Mar, Inc.'s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 100% allocation on distribution of net assets upon dissolution of Villa Del Mar, Inc. Villa Del Mar, Inc. does not issue separate financial statements. As of December 31, 2022, Villa Del Mar, Inc. has total assets, liabilities and equity (deficit) of \$17,336, \$63,581 and (\$46,245), respectively. For the year end December 31, 2022, Villa Del Mar, Inc.'s revenue and expenses were \$3,091 and \$2,025, respectively.

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10) Assets Held for Sale

Assets held for sale consist of homes that are being developed using a variety of Federal, State, and local funds. The assets held for sale are recorded in the following funds as of December 31, 2022:

CHFA Program	\$ 1,037,878
City Public Housing Program	331,507
Total Asset Held for Sale	\$ 1,369,385

The Agency used a portion of loans from the California Housing Finance Agency (CHFA) HELP Program to purchase properties for use in future developments or for the future sale to program participants. The Agency purchased a parcel of land at a total cost of \$1,037,878 to be used for future development. At December 31, 2022, the carrying value of remaining asset held for sale was \$1,037,878.

In accordance with Section 5 of the Public Housing Act, the Agency sells single family homes to qualified low-income residents. At December 31, 2022, the book value of homes held for sale were \$331,507.

11) Leases

Lease receivable

The Agency, as a lessor, has entered into lease agreements for the use of certain ground and commercial spaces. Terms of the agreements are listed below. As an interest rate implicit in the Agency's leases is not readily determinable, the Agency used the incremental borrowing rate of 3.52% obtained from their lenders. For the year ended December 31, 2022, the Agency has the following leases:

	Current Lease Receivable	Non-Current Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
<u>Ground Lease</u>					
Pacific Garden Ground Lease	\$ 15,488	\$ 1,520,599	\$ 1,536,087	\$ 15,442	\$ 4,558
<u>Commerical Lease</u>					
1260-Marderosian Building	52,267	1,039,681.00	1,091,948	8,534	6,467
Plaza Terrace El Puente	322,997	-	322,997	634,767	116,665
VA Parc Grove Parking Lot	116,840	208,190	325,030	46,846	5,237
Total	\$ 507,592	\$ 2,768,470	\$ 3,276,062	\$ 705,589	\$ 132,927

Ground lease

Pacific Gardens - On March 14, 2011, the Agency entered into a 99-year ground lease agreement with Pacific Gardens, LP, for the property located at 516 E Kings Canyon Rd, Fresno, CA. The Agency is receiving annual payments through March 3, 2110.

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Commercial lease

1260-Marderosian Building - On December 8, 2021, On December 8, 2021, the Agency and the Housing Authority of the City of Fresno, a related party, jointly entered into a 5-year lease agreement with Central Valley Community Foundation, a California nonprofit corporation, for the property located at 1260 Fulton Street, Fresno, CA 93721. The Agency is receiving monthly payments through 2027, with two 5-year options to extend.

Plaza Terrace El Puente - On September 26, 2017, the Agency entered into a 5-year lease agreement with County of Fresno, a political subdivision of the State of California, for the property located at 4041 Plaza Drive, Fresno, CA 93702 (from October 2017 – September 2018) and 937 Klette Avenue, Fresno, CA 93706 (August 2018 – June 2023). The Agency is receiving monthly payments through 2023.

VA Parc Grove Parking Lot - On August 19, 2022, the Agency entered into a 1-year lease agreement with Department of Veterans Affairs for the parking lot located at E. Clinton Avenue/N. Angus Street, Fresno, CA 93703. The Agency is receiving monthly payments through 2023, with one 3-year option to extend.

The following is a schedule of future lease payments expected through the terms of the lease agreements note above subsequent to December 31, 2022:

	<u>Total future rental payments</u>	<u>Less amount representing interest</u>	<u>Present value of future lease payments receivable</u>
2023	\$ 642,656	\$ (135,064)	\$ 507,592
2024	240,359	(45,812)	194,547
2025	198,408	(39,504)	158,904
2026	110,000	(36,295)	73,705
2027	112,025	(34,149)	77,876
2028-2032	603,230	(132,230)	471,000
2033-2037	589,945	(88,690)	501,255
2038-2042	100,000	(22,699)	77,301
2043-2047	100,000	(17,407)	82,593
2048-2052	100,000	(16,188)	83,812
2053-2057	100,000	(14,952)	85,048
2053-2062	100,000	(13,697)	86,303
2063-2067	100,000	(12,424)	87,576
2068-2072	100,000	(11,132)	88,868
2073-2077	100,000	(9,821)	90,179
2078-2082	100,000	(8,490)	91,510
2083-2087	100,000	(7,140)	92,860
2088-2092	100,000	(5,770)	94,230
2093-2097	100,000	(4,380)	95,620
2098-2102	100,000	(2,969)	97,031
2103-2107	100,000	(1,538)	98,462
2108-2110	40,000	(210)	39,790
Total	<u>\$ 3,936,623</u>	<u>\$ (660,561)</u>	<u>\$ 3,276,062</u>

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Lease Payable

On January 1, 2021, the Agency, as a lessor, had entered a 1-year lease agreement with Silvercrest, Inc., a related party, for the real property called located at 777 N Parkway, Fresno, CA 93728. As an interest rate implicit in the Silvercrest, Inc's lease is not readily determinable, the Agency used the incremental borrowing rate of 3.52% obtained from their lenders. The Agency has exercised the option to extend the agreement for additional 4-years and is paying monthly payments of \$35,000 through 2025.

	Current Lease Liability	Non-Current Lease Liability	Right of Use Asset, Net	Lease Amortization Expense	Lease Interest Expense
Silvercrest, Inc	\$ 386,129	\$ 726,906	\$ 1,133,177	\$ 377,725	\$ 22,133

The following is a schedule for the future minimum lease payment requirements through the term of the lease agreement noted above subsequent to December 31, 2022:

	Total future required payments	Less amount representing interest	Present value of future minimum lease payments
2023	\$ 420,000	\$ (33,871)	\$ 386,129
2024	420,000	(49,141)	370,859
2025	420,000	(63,953)	356,047
Total	<u>\$ 1,260,000</u>	<u>\$ (146,965)</u>	<u>\$ 1,113,035</u>

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12) Long-Term Liabilities

Changes in long-term liabilities for the year ended December 31, 2022, were as follows:

	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Payments/ Deletions</u>	<u>Balance 12/31/2022</u>	<u>Due Within One Year</u>
<u>Notes Payable - Non-Related Parties:</u>					
U.S. Department of Agriculture					
City of Fresno - NSP San Ramon	3,000,036	-	-	3,000,036	-
City of Fresno- 844 S. Chance Ave	-	-	-	-	-
Santa Clara-AHP	638,839	-	-	638,839	-
Trinity- AHP	200,000	-	-	200,000	-
San Ramon Apartments	987,811	6,445	(20,596)	973,660	16,068
Valley Republic Bank - Marderosian Bldg	-	1,250,000	(9,018)	1,240,982	29,711
Mortgages					
Dayton Square	1,370,439	-	(1,370,439)	-	-
El Cortez Apartments	1,091,261	-	(1,091,261)	-	-
Woodside Apartments	1,553,926	-	(1,553,926)	-	-
Dayton Square	-	1,925,000	(24,622)	1,900,378	35,778
El Cortez Apartments	-	1,535,000	(19,634)	1,515,366	28,529
Woodside Apartments	-	2,185,000	(27,947)	2,157,053	40,610
	8,842,312	6,901,445	(4,117,443)	11,626,314	150,696
<u>Notes Payable - Related Parties:</u>					
P&CD (Pacific Garden Enterp.) to HRFC	1,340,894	-	-	1,340,894	-
P&CD (Various pre-dev) to HRFC	2,926,850	7,493,561	(6,952,819)	3,467,592	3,467,592
Helm Home to HRFC	872,040	-	-	872,040	-
Office building to HRFC	154,000	-	-	154,000	-
LIPH (Townsend) to HRFC	98,097	-	-	98,097	-
Roosevelt Apartment	408,973	-	-	408,973	408,974
	5,800,854	7,493,561	(6,952,819)	6,341,596	3,876,566
<u>Other Liabilities:</u>					
Interest Payable	1,157,019	427,509	(54,763)	1,529,765	370,095
Compensated Absences	997,923	1,676,637	(1,837,447)	837,113	523,349
Homebuyers Earned Payments	46,854	3,517	-	50,371	-
Net Pension Liability	6,066,409	6,717,849	-	12,784,258	-
	8,268,205	8,825,512	(1,892,210)	15,201,507	893,444
Total Notes Payable	\$ 22,911,371	\$ 23,220,518	\$ (12,962,472)	\$ 33,169,417	\$ 4,920,706

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The following is a schedule of debt payment requirements to maturity for notes payable:

Year Ending December 31	Principal	Interest	Total
2023	\$ 4,027,262	\$ 370,095	\$ 4,397,357
2024	1,618,126	364,689	1,982,815
2025	500,038	357,309	857,347
2026	506,854	350,493	857,347
2027	513,652	287,149	800,801
2028-2032	3,350,556	1,675,271	5,025,827
2033-2037	5,951,404	1,295,821	7,247,225
2038-2042	750,009	502,054	1,252,063
2043 & Beyond	750,009	502,054	1,252,063
	\$ 17,967,910	\$ 5,704,935	\$ 23,672,845

City of Fresno NSP (Neighborhood Stabilization Program)

In March 2013, the Agency entered into a Loan Agreement with the City of Fresno for \$1,800,000 to administer the Neighborhood Stabilization Program, a federal program funded by HUD. This loan is intended for the construction, rehabilitation, and/or preservation of project units and affordable housing units. In March 2014, an Amendment to the Agreement was made to increase the loan amount to \$3,000,000. This note carries a 2% simple annual interest rate. Current payment terms are based upon residual cash flow of the properties being funded with principal and interest payable 30 years from origination date. As of December 31, 2022, the outstanding balance of this note was \$3,000,036.

Santa Clara-AHP

On November 14, 2014, the Agency entered into a promissory note with Mississippi Valley Company Bank in the amount of \$638,839 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interests. The Agency has loaned the proceeds to 1555 Santa Clara Street, LP, a related party. See Note 8 for the Notes Receivable from 1555 Santa Clara Street related to this AHP loan. As of December 31, 2022, the outstanding principal balance was \$638,839.

Fresno Renaissance at Trinity-AHP

On February 25, 2013, the Agency entered into a promissory note with Bank of the West in the amount of \$200,000 from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest. The Agency has loaned the proceeds to Fresno Renaissance at Trinity, LP, a related party. See Note 8 for the Notes Receivable from Fresno Renaissance at Trinity related to this AHP loan. As of December 31, 2022, the outstanding principal balance was \$200,000.

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San Ramon Apartments

On July 15, 2019, the Agency entered into a promissory note with Central Valley Community Bank in the amount of \$1,025,000. The fund was applied to the HRFC loan, which can be used on future affordable housing projects. The note accrues interest of 5.25% per annum and matures on July 15, 2029. As of December 31, 2022, the outstanding principal balance was \$973,660.

Mortgages

On January 14, 2004, the Agency borrowed \$5,000,000 from the Bank of the West, with the purpose of refinancing the debt on three apartment complexes: El Cortez Apartments, Dayton Square, and Woodside Apartments. Each of the three loans is secured by each apartment complex. On March 20, 2014, the three mortgages were re-financed for \$4,589,657 at 4.25% interest rate and set to mature on January 5, 2024. On April 21, 2022, the three loans were re-financed for \$5,645,000 at 3.79% interest rate and set to mature on April 21, 2037.

As of December 31, 2022, the balances were the following:

	<u>Principal</u>	<u>Monthly Payment</u>	<u>Due Within 1 Year</u>
Dayton Square	\$ 1,900,378	\$ 2,982	\$ 35,778
El Cortez	1,515,366	2,378	28,529
Woodside Apartments	2,157,053	3,385	40,610
	<u>\$ 5,572,797</u>		<u>\$ 104,917</u>

Marderosian Building Note

On March 16, 2022, the Agency and The Housing Authority of Fresno County, jointly entered into a loan agreement with Valley Republic Bank in the amount of \$2,500,000. Under the terms of the agreement, the loan bears 4.00% interest per annum and matures on April 5, 2037. The loan is allocated 50-50 between the borrowers. As of December 31, 2022, the outstanding principal balance was \$1,240,981 with accrued interest of \$0.

Housing Relinquished Fund Corporation (HRFC)

On June 2, 2010, the Agency recorded in the Planning and Community Development fund a promissory note entered into with the HRFC for \$2,700,000 for the acquisition of 100% of the shares of Pacific Gardens Enterprises, Inc., the sole owner of Pacific Gardens Apartments located in Fresno, California. Payments for the loan are to be made from the eventual sale or refinancing of the apartment complex. The loan carries an interest rate of 5% per annum and is due upon sale or refinance of the complex. The outstanding principal balance at December 31, 2022 was \$1,340,894.

The predevelopment loans are made throughout the year. Payments are to be made from the sale of the properties. The outstanding balance at December 31, 2022 was \$3,467,592.

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The Helm Home is located at 1749 L Street in Fresno, was purchased in March 2010 and is on the local register of historic sites. The loan carries an interest rate of 5% per annum and is due upon sale or refinance of the complex. The outstanding principal balance at December 31, 2022 was \$872,040.

The Agency entered into a promissory agreement with HRFC for \$154,000, a portion of the acquisition of the Central Office Building. This note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2022 was \$154,000.

On October 1, 2006, the Agency obtained a loan from HRFC for the purchase of the property at 3129 E. Townsend properties for \$98,097. The note bears no interest and the principal is payable upon sale of property. The outstanding principle balance on this note at December 31, 2022 was \$98,097. This property is currently in Assets Held for Sale.

On October 2, 2020, the Agency obtained a loan from HRFC for the purchase of the property at 466 N. Roosevelt property for \$408,973. The note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2022 was \$408,973.

Compensated Absences Payable

It is the Agency's policy to permit employees to accumulate earned but unused vacation leave, which will be paid to employees upon separation from the Agency's service or used in future periods. The Agency permits employees to accumulate earned but unused sick leave which will be used in future periods, paid to the employee upon termination, or upon retirement. The Executive Director is entitled to receive cash out of accrued sick leave at the time of separation. Other employees are paid 25% of the value of their unused sick leave upon voluntary separation, and 50% upon retirement or death.

Employees are paid 100% of unused vacation leave upon separation of employment as provided in the applicable collective bargaining agreement and in accordance with the law.

As of December 31, 2022, accrued vacation and vested sick leave has been valued by the Agency at \$837,113 with the current portion due in the amount of \$523,349.

13) Due to Other Governments

At December 31, 2022, amounts due to other governments consists of the following:

Payments in Lieu of Taxes	\$	93,304
U.S. Department of HUD		338,082
Total Due to Other Governments	\$	<u>431,386</u>

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14) Due to Related Parties

At December 31, 2022, amounts due to related parties consist of the following:

Housing Authority of Fresno County	\$ 4,428,783
Limited Partnerships	129,245
	<u>129,245</u>
Total Due to Related Parties	\$ 4,558,028
	<u><u>4,558,028</u></u>

15) Other Current Liabilities

Other current liabilities at December 31, 2022, consist of the following:

Payroll - Withholding Taxes, Benefits Payable	98,472
Unclaimed Checks/Refunds	161,939
Accrued Expenses	178,653
Retention Payable	41,019
	<u>41,019</u>
Total Other Current Liabilities	\$ 480,083
	<u><u>480,083</u></u>

16) Unearned Revenues

Unearned revenues at December 31, 2022, consist of the following:

Grant	\$ 2,081,668
Prepaid Tenant Rents	13,404
Other	363
	<u>363</u>
Total Unearned Revenues	\$ 2,095,435
	<u><u>2,095,435</u></u>

17) Deferred Compensation

The Agency offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all permanent employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Annual contributions by a participant may not exceed \$20,500 established by IRS for 2022. Employees may also borrow against their deferred compensation account while employed under the deferred compensation loan program. The 401(a) Plan also provides an employer-matching contribution on amounts up to \$900 per employee to defer into the 457 plan. The employer contribution to the 457 plan amounted to \$94,402 for the year ended December 31, 2022. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and their beneficiaries.

The Agency maintains two plans which are administered by Mass Mutual and the California Public Employees' Retirement System. These funds are not recorded as assets of the Agency since they

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are held in trust for the exclusive benefit of participants and their beneficiaries and are not subject to claims of the Agency's general creditors.

18) Defined Benefit Pension Plan

All qualified permanent and probationary employees are eligible to participate in the Local Government's Miscellaneous Plans, agent multiple-employer defined benefit pension plans administered by the CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Plan's Major Benefit Options

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment.

Shown below is a summary of the major optional benefits for which the agency has contracted.

Contract Package			
	Active Miscellaneous	Active Miscellaneous - PEPPRA	Receiving Miscellaneous
Benefit Provision			
Benefit Formula	2.0% @ 60	2.0% @ 62	
Social Security Coverage	Yes	Yes	
Full/Modified	Modified	Full	
Employee Contribution Rate	7.00%	6.25%	
Final Average Compensation Period	One Year	Three Year	
Sick Leave Credit	Yes	Yes	
Non-Industrial Disability	Standard	Standard	
Industrial Disability	No	No	
Pre-Retirement Death Benefits			
Optional Settlement 2W	No	No	
1959 Survivor Benefit Level	No	No	
Special	No	No	
Alternate (firefighters)	No	No	
Post-Retirement Death Benefits			
Lump Sum	\$500	\$500	\$500
Survivor Allowance (PRSA)	No	No	No
COLA	2%	2%	2%

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Employees Covered:

Summary of Valuation Data (Counts)

	June 30, 2021
1. Active Members	108
2. Transferred Members	31
3. Terminated Members	89
4. Retired Members and Beneficiaries	109
5. Active to Retired Ratio [(1)/(4)]	0.99

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

Average Annual Benefits represents benefit amounts payable by this plan only. Some members may have service with another agency and would therefore have a larger total benefit than would be included as part of the average shown here.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as to member contribution requirements are classified as plan member contributions.

For the measurement period ending June 30, 2022, the average active employee contribution rate was 6.60 percent of annual pay, and the average employer's contribution rate was 7.64 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

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Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2021 valuation was rolled forward to determine the June 30, 2022 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lessor of contract COLA or 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.3% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS experience Study and Review of Actuarial Assumptions report from December 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

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The expected real rates of return by asset class are as followed:

Asset Class ¹	Assumed asset allocation	Real Return ^{1, 2}
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap- weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Asset	15.00	3.21
Leverage	(5.00)	(0.59)

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study

Changes in Net Pension Liability

The changes in Net Pension Liability for the measurement period ended June 30, 2022, were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension Liability
Balance at: June 30, 2021	\$ 45,840,147	\$ 39,773,738	\$ 6,066,409
Changes recognized for the measurement period:			
Service Cost	1,081,529	-	1,081,529
Interest on Total Pension Liability	3,206,612	-	3,206,612
Changes of Benefit Terms	-	-	-
Changes of Assumptions	1,490,483	-	1,490,483
Differences between Expected and Actual Experience	(279,241)	-	(279,241)
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,291,712	(1,291,712)
Contributions - Employee	-	491,122	(491,122)
Net Investment Income	-	(2,976,523)	2,976,523
Benefit Payments, including Refunds of Employee Contributions	(2,239,012)	(2,239,012)	-
Administrative Expense	-	(24,777)	24,777
Other Miscellaneous Income	-	-	-
Net Changes during 2021-2022	3,260,371	(3,457,478)	6,717,849
Balance at: June 30, 2022	\$ 49,100,518	\$ 36,316,260	\$ 12,784,258

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate.

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Assets)	\$ 19,626,131	\$ 12,784,258	\$ 7,160,089

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Expected Average Remaining Service Lifetime (EARSL)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

The EARSL for the Plan for the measurement period ending June 30, 2022 is 3.4 years, which was obtained by dividing the total service years of 1,154 (the sum of remaining service lifetimes of the active employees) by 337 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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Deferred Outflows and Deferred Inflows of Resources

For the Measurement Period ending June 30, 2022, the Agency incurred a pension expense of \$2,093,218.

As of June 30, 2022, the Housing Authority of the City of Fresno has deferred outflows and deferred inflows of resources related to pensions listed below. Contributions subsequent to the measurement date are also shown as a Deferred Outflow of Resources.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	\$ 1,126,951	\$ -
Differences between Expected and Actual Experience	353,105	(211,133)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,871,028	-
Payment on pension contributions between measurement date and fiscal year end	682,332	-
Total	\$ 4,033,416	\$ (211,133)

The \$682,332 in pension payments between June 30 and December 31, 2022, reported as deferred outflows of resources related to employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Amortization of Deferred Outflows/(Inflows) of Resources
December 31:

2023	\$ 835,665
2024	699,243
2025	435,852
2026	1,169,191
2027	-
Thereafter	-
	\$ 3,139,951
	\$ 4,033,416
	(211,133)
	3,822,283
Payment on pension contributions between measurement date and fiscal year end	\$ (682,332)

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19) Insurance Coverage

HARRP

The Agency is a member of the Housing Authority Risk Retention Pool (HARRP). HARRP was established by public housing authorities participating in an intergovernmental cooperation agreement pursuant to specific statutes in Oregon, Washington, California and Nevada for the purpose of operating and maintaining a cooperative program of risk management and loss indemnification. HARRP offers property, general liability, automobile liability and physical damage, fidelity, and errors and omissions, which includes employment practices and director's and officers' liability insurance to participants. The relationship between the Agency and HARRP is such that HARRP is not a component unit of the Agency for financial reporting purposes.

The Agency's insurance expense was \$336,094 for the year ended December 31, 2022. The loss limits for the various types of insurance are follows: individual structure stated value, with full replacement cost, for property with a deductible per occurrence of \$10,000; \$2,000,000 for general liability with no deductible; \$2,000,000 for automobile liability, including losses arising from the use of a non-owned covered automobile; \$100,000 for employee dishonesty and forgery and alteration with a \$1,000 deductible; \$10,000 for employee theft with a \$1,000 deductible; and \$2,000,000 for errors and omissions with a 10% co-pay.

This activity related to risk management is also accounted for in the Housing Self Insurance Corporation (HSIC), a joint venture of the Agency. HSIC records an expense when it pays for repairs to the Agency's properties when incurred. HSIC records revenue when it receives payment from the Agency for insurance premiums recorded as expense by the Agency.

California Housing Workers' Compensation Authority

The Agency is insured for workers' compensation claims through the California Housing Workers' Compensation Authority (CHWCA). Under this program, the pool provides up to \$550,000 workers' compensation coverage and \$550,000 employer's liability coverage. The Authorities are insured for Statutory Workers' Compensation by the Safety National Casualty Corporation. The pool provides up to \$5,000,000 per occurrence.

20) Participation in Related Party Limited Partnerships

YEC Limited

YEC Limited, a California Limited Partnership, was formed to construct, hold and otherwise operate the 69-unit single family residential project known as Yosemite Village. The project is located in Fresno, California and is intended for rental to low-income families. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on February 7, 2007, by the Housing Authority of the City of Fresno as the Co-General Partner and Silvercrest, Inc., a California non-profit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. This agreement was later amended to admit Columbia Housing/PNC Institutional Fund XLI Limited Partnership as the Investment Limited Partner and Columbia Housing SLP Corporation as the Special Limited Partner.

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Together, the two General Partners (the Housing Authority of the City of Fresno and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Parc Grove Commons II, Limited Partnership

Parc Grove Commons II, a California Limited Partnership, was formed for the development and construction of a mixed-income tax credit rental unit project comprised of 215 rental units. The project is located in Fresno, California and is intended for rental to low-income families. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on March 11, 2008, by Silvercrest, Inc., a California non-profit public benefit corporation as the Managing General Partner, and the Housing Authority of the City of Fresno as the Co-General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. This agreement was later amended on January 27, 2010 to admit Wachovia Affordable Housing Community Development Corporation as the Investor Limited Partner and as State Equity Limited Partner.

Together, the two General Partners, (the Housing Authority of the City of Fresno and Silvercrest, Inc.) are allocated a 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Fresno Renaissance at Trinity, LP

Fresno Renaissance at Trinity, a California Limited Partnership, was formed to acquire, construct/rehabilitate, and operate the Renaissance at Trinity Apartments, a 21-unit permanent supportive housing project located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on June 9, 2010, by Fresno Renaissance at Trinity, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of December 1, 2010 to admit PNC Real Estate Tax Credit Capital Institutional Fund 47 Limited Partnership as the Investment Limited Partner, and Columbia Housing SLP Corporation as the Special Limited Partner.

Together, the two General Partners (Fresno Renaissance at Trinity, LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 and Note 12 for descriptions of any related party transactions between the Agency and the partnership.

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Fresno Renaissance at Alta Monte, LP

Fresno Renaissance at Alta Monte, a California Limited Partnership, was formed to acquire, construct/rehabilitate, and operate the Fresno Renaissance at Alta Monte, a 70-unit permanent supportive housing project located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on September 23, 2009, by Fresno Renaissance at Alta Monte, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of June 23, 2011 to admit PNC Real Estate Tax Credit Capital Institutional Fund 49 Limited Partnership as the Investment Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Together, the two General Partners (Fresno Renaissance at Alta Monte, LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

1555 Santa Clara Street, LP

1555 Santa Clara Street, a California Limited Partnership, was formed to acquire, construct, and operate 1555 Santa Clara Street, a 30-unit permanent supportive housing project located in the Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on December 14, 2011, by 1555 Santa Clara Street LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of June 22, 2011 to admit PNC Real Estate Tax Credit Capital Institutional Fund 47 Limited Partnership as the Investment Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Together, the two General Partners (1555 Santa Clara Street, LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Fresno Pacific Gardens, LP

Fresno Pacific Gardens, a California Limited Partnership, was formed to acquire, construct/rehabilitate, and operate the Fresno Pacific Gardens Apartments, a 56-unit multi-family housing development located in Fresno, California. The partnership received low-income housing tax credits through the California Tax Credit Allocation Committee.

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The partnership was originally formed on January 1, 2011, by Fresno Pacific Gardens AGP LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of March 14, 2011 to admit PNC Real Estate Tax Credit Capital Institutional Fund 46 Limited Partnership as the Investment Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Together, the two General Partners (Fresno Pacific Gardens AGP LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 and Note 12 for descriptions of any related party transactions between the Agency and the partnership.

Bridges at Florence, LP

Bridges at Florence LP, a California Limited Liability Company, was formed to acquire, construct, and operate Bridges at Florence, a 34-unit affordable-housing complex and community resource building located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee. The purpose of this project is to expand availability of long-term housing for low-income persons residing in the City of Fresno, California.

The partnership was originally formed on April 12, 2012, by Bridges at Florence AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of April 4, 2013 to admit PNC Bank, National Association as the Investor Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Silvercrest, Inc., as Managing General Partner, is allocated 0.005% interest of all net profits (or net losses) of the partnership. Bridges at Florence AGP, LLC, as Administrative General Partner, is allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Parc Grove Commons Northwest, LP

Parc Grove Commons Northwest LP, was formed to acquire, construct, and operate Parc Grove Commons Northwest, a 148-unit affordable-housing complex and community resource building. The project received low-income housing tax credits through the California Tax Credit Allocation Committee. The purpose of this project is to expand availability of long-term housing for low-income persons residing in the City of Fresno, California.

The partnership was originally formed on March 1, 2012, by Parc Grove Commons Northwest AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of February 13, 2013 to admit Wells Fargo Affordable Housing Community

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Development Corporation as the Investor Limited Partner, and a to-be-designated entity as the Special Limited Partner.

Silvercrest, Inc. is the Managing General Partner and the Withdrawing Limited Partner. Parc Grove Commons Northwest AGP, LLC, is the Administrative General Partner. Each of those two entities is allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Southeast Fresno RAD, LP

Southeast Fresno RAD, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on December 1, 2013, by Southeast Fresno RAD AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. R4 FR Acquisition LLC is the Investor Limited Partner, and Silvercrest, Inc. is the Withdrawing Special Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to each of the two General Partners, Silvercrest, Inc. and Southeast Fresno RAD AGP, LLC. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Viking Village Fresno RAD, LP

Viking Village Fresno RAD, LP was formed to acquire, construct and/or rehabilitate, and operate an affordable-housing development and community resource building in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on March 18, 2014, by Viking Village Fresno RAD AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Bank National Association is the Investor Limited Partner, PNC Real Estate Tax Credit Capital Fund 47 is the State Limited Partner and Columbia Housing SLP Corporation as the Special Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to each of the two General Partners, Silvercrest, Inc. and Viking Village Fresno RAD AGP, LLC. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the Fresno County, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

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802 Van Ness Avenue, LP

802 Van Ness Avenue, LP, was formed to acquire, construct, and operate an affordable-housing complex, community resource building, and commercial space located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on October 17, 2013, by 802 Van Ness Avenue AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Real Estate Tax Credit Capital Institutional Fund 52 Limited Partnership is the Investor Limited Partner, and Columbia Housing SLP Corporation is the Special Limited Partner.

As the Managing General Partner and Administrative General Partner, Silvercrest, Inc. and 802 Van Ness Avenue AGP, LLC, respectively, are allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fulton West/Cedar Heights Scattered Site, LP

Fulton West/Cedar Heights Scattered Site, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Fresno, California. The Partnership was formed for the purpose of developing and operating a 45-unit project located in Fresno, California. The project qualifies for federal low-income housing tax credit program as described in the Internal Revenue Code Section 42. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on June 27, 2014, by Fulton West Scattered Site AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. BOAUSBLIHTC Fund 2015-1 is the Limited Partner and US Bancorp Community Development Corporation is the State Credit Partner.

Net profits or losses of the partnership are allocated 0.009% to the Administrative General Partner, 0.001% to the Managing General Partner, 98.99% to the Limited Partner and 1.0% to the State Credit Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Edison I Apartments, LP

Fresno Edison I Apartments, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Fresno, California. The Partnership was formed for the purpose of developing and operating a 45-unit project located in Fresno, California. The project qualifies for federal low-income housing tax credit program

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as described in the Internal Revenue Code Section 42. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

Fresno Edison I Apartments, L.P. was originally formed on February 1, 2015 and is a California limited partnership between Fresno Edison I Apartments AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, PNC Real Estate Tax Credit Capital Institutional Fund 47, LP as the Original Investment Limited Partner, PNC Real Estate Tax Credit Capital Institutional Fund 53, LLC as the Investment Limited Partner and Columbia Housing SLP Corporation as the Special Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, 99.99% to the Investment Limited Partner and 0.0% to the Special Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Lowell Neighborhood Project, LP

Lowell Neighborhood Project, LP was formed for the purpose of developing and operating a 30-unit project located in the City of Fresno, California.

Lowell Neighborhood Project, L.P. was originally formed on June 18, 2015 and is a California limited partnership between Lowell Neighborhood Project AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, and U.S. Bankcorp Community Development Corporation as the Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Edison II Apartments, LP

Fresno Edison II Apartments, LP was formed in February 2015 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California.

Fresno Edison II Apartments, LP is a limited partnership between Fresno Edison Apartments II AGP, LLC (the Administrative General Partner), Silvercrest, Inc. (the Managing General Partner) and US Bankcorp Community Development Corporation (the Limited Partner). The partnership was formed for the purpose of developing a 64-unit project located in Fresno, California known as Fresno Edison Apartments Phase II.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

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Parc Grove Commons III, LP

Parc Grove III, LP was formed in June 2016 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California.

Parc Grove Commons III, LP is a limited partnership between Renaissance Parc Grove AGP, LLC (the Administrative Partner), Silvercrest, Inc. (the Managing General Partner) and Wells Fargo Affordable Housing Community Development Corporation (the Investor Limited Partner). The Partnership was formed for the purpose of development and operating a 40-unit project located in Fresno, California known as Parc Grove Commons Northeast Veterans.

Net profits, losses or tax credits of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Mariposa Meadows, LP

Fresno Mariposa Meadows, LP is a limited partnership between Fresno Mariposa Meadows AGP, LLC (the Administrative General Partner), Silvercrest, Inc. (the Managing General Partner) and US Bancorp Community Development Corporation (the Limited Partner). The Partnership was formed for the purpose of developing and operating a 40-unit project located in Fresno, California known as Mariposa Meadows (the Project) consisting of twenty buildings placed in service on February 3, 2020. The project qualifies for the federal low-income housing tax credit program as described in the Internal Revenue Code Section 42. The partnership received an exemption from real estate taxes under California Revenue and Taxation Code section 214(g).

Pursuant to the Amended and Restated Agreement of Limited Partnership dated May 10, 2019, profits, losses and tax credits are allocated 0.005% to the Managing General Partner, 0.005% to the Administrative General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Villages at Paragon, LP

Villages at Paragon, LP was formed in July of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 28 units of multifamily housing. The project filed a notice to proceed with construction on December 6, 2019. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Villages at Broadway, LP

Villages at Broadway, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning,

**HOUSING AUTHORITY OF THE CITY OF FRESNO
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DECEMBER 31, 2022**

construction and development of the Complex. The complex is anticipated to include 25 units of multifamily housing. The project filed a notice to proceed with construction on April 6, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Doragon @ Chinatown, LP

Doragon @ Chinatown, LP was formed in August of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 57 units of multifamily housing. The project filed a notice to proceed with construction on July 23, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Doragon @ Chinatown, LP does not issue separate financial statements.

Villages at Barstow, LP

Villages at Barstow, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 42 units of multifamily housing. The project filed a notice to proceed with construction on December 23, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Villages at Barstow, LP does not issue separate financial statements.

The Arthur at Blackstone, LP

The Arthur at Blackstone, LP was formed in February of 2021 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 41 units of multifamily housing. The project filed a notice to proceed with construction on June 8, 2022. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. The Arthur at Blackstone, LP does not issue separate financial statements.

21) Other Related Parties

Better Opportunities Builders, Inc.

The Executive Director of the Agency serves as the Secretary-Treasurer of Better Opportunities Builders, Inc. (BOB). The Agency's Director of Planning & Community Development serves as the Chief Executive Officer of BOB. One of the Agency's Commissioners serves on the Board of Directors of BOB. The remaining Board of Directors are selected by other affiliated agencies. BOB has agreed to be the Managing General Partner in several low-income housing projects within the City of Fresno. The Agency provides management and bookkeeping services for BOB, and the Agency is reimbursed on a monthly basis for these costs.

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Housing Authority of Fresno County

The Housing Authority of Fresno County was established by a resolution of the Fresno County Board of Supervisors on February 5, 1946. The Authority is governed by a seven-member Board of Commissioners who are appointed to four-year terms by the County Board of Supervisors, reports on a calendar year, and has issued separate financial and compliance audits for 2022. The County and City Housing Authorities operate and report separately while sharing the same management team and staff. All significant related party transactions have been appropriately identified in the accompanying financial statements.

The budget document for the jointly managed operations is approved by both Boards. If one Board amends budgetary data subject to its jurisdiction, executive staff of the Authorities amends the joint budget as necessary to accommodate such changes. Although each Board takes action to approve its portion of the budget, the budget adoption process reflects considerable interplay between the two Boards and is essentially a single process managed by the shared management and staff of the two Authorities.

22) Inter-fund and Interagency Activity

The following is a summary of changes in Inter-fund loans as of December 31, 2022:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022	Interest
Receivables:					
City RF from NSP	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Total Receivables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Payables:					
NSP To City RF	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Total Payables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -

The Agency has made various inter-fund loans. Inter-fund balances have been eliminated in the Statement of Net Position.

23) Contingent Liabilities

a) Grants

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

b) Pending Litigation

In the normal course of operations, the Agency may become a defendant in various litigation disputes. In the opinion of management and counsel, the outcome of current litigation not already

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

accrued as a liability, is not expected to materially or adversely affect the financial position of the Agency.

c) Guarantees

The Agency has made certain guarantees with regards to the completion of development projects, including repayment of construction loans and tax credit delivery. On these development projects, the Agency has also made guarantees with regards to operating deficits for defined periods beyond stabilization of the property. In addition, the Agency has indemnified Silvercrest, Inc. and Better Opportunities Builder, Inc. related to general partner and developer obligations.

d) HUD Guaranteed Debt

In 1999, HUD directed the Agency to remove all HUD guaranteed debt from their financial statements. These HUD-guaranteed notes and bonds have not been forgiven by HUD. However, the Public Housing Programs' Annual Contributions Contract (ACC) states that all debt service requirements related to these notes will be HUD's responsibility. It is therefore management's opinion, that the Agency is not currently liable for these notes as long as the federal government continues to honor the ACC. Accordingly, the accompanying financial statements have not been adjusted to reflect any related loss contingency.

24) Restricted Net Position

Net position is reported as restricted when constraints placed on the net position uses are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation and/or imposed time restrictions. At December 31, 2022, the Agency had reported the following as restricted net position:

Externally Required Restrictions:	
Housing Choice Voucher	245,518
Emergency Housing Voucher	346,453
Other Reserves	155,003
Total Restricted Net Position	\$ 746,974

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NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

25) Blended Component Units

Below is a summary of the financial statements as of December 31, 2022 of the blended component unit.

Current assets	
Cash	\$ 108,976
Other assets	<u>1,576,087</u>
Total current assets	<u>1,685,063</u>
Non-current assets	
Capital assets, net	<u>53,856</u>
Total non-current assets	<u>53,856</u>
Total assets	<u>\$ 1,738,919</u>
Deferred inflow of resources	<u>1,536,087</u>
Total liabilities	<u>\$ 1,536,087</u>
Total net position	<u>\$ 202,832</u>
Change in net position	
Revenues	\$ 40,000
Expenses	<u>(4,334)</u>
Income (loss) before transfers	<u>35,666</u>
Transfers	
Transfers in	-
Transfers out	<u>-</u>
Total transfers	<u>-</u>
Change in net position	35,666
Net position - beginning	<u>167,166</u>
Net position - end	<u>\$ 202,832</u>

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A summary of the cash flow information of the blended component unit for the year ended December 31, 2022, is as follows:

Cash Flow Information	
Operating receipts	\$ 35,666
Operating expenses paid	<u>(16,409)</u>
Cash flows from operating activities	<u>19,257</u>
Net decrease in cash	13,605
Cash - beginning	<u>95,371</u>
Cash - end	<u><u>\$ 108,976</u></u>

26) Subsequent Events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Agency through (Report Date), the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Changes in Net Pension Liability and Related Ratios
for the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 2022
(With comparative information for the last 10 years)*

Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
TOTAL PENSION LIABILITY									
Service Cost	\$ 1,081,529	\$ 956,110	\$ 898,425	\$ 880,861	\$ 797,492	\$ 776,960	\$ 663,643	\$ 661,529	\$ 676,253
Interest on Total Pension Liability	3,206,612	3,101,668	2,936,254	2,804,543	2,624,537	2,506,027	2,446,728	2,364,282	2,263,160
Changes in Benefit Terms	-	-	-	-	-	-	112,322	-	-
Changes of Assumptions	1,490,483	-	-	-	(226,094)	1,986,632	-	(548,058)	-
Difference between Expected and Actual Experience	(279,241)	669,327	273,462	1,075,312	547,402	(187,114)	(245,424)	110,317	-
Benefit Payments, Including Refunds of Employee Contributions	(2,239,012)	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)	(1,753,743)	(1,774,461)
Net Change in Total Pension Liability	3,260,371	2,488,014	1,908,529	2,709,226	1,751,890	3,159,775	1,098,878	834,327	1,164,952
Total Pension Liability - Beginning	45,840,147	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713	32,723,835	31,889,508	30,724,556
Total Pension Liability - Ending (a)	49,100,518	45,840,147	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713	32,723,835	31,889,508
PLAN FIDUCIARY NET POSITION									
Net Plan to Plan Resource Movement	-	-	-	-	(72)	-	-	-	-
Contributions - Employer	1,291,712	1,139,232	987,323	806,755	637,719	485,952	398,558	337,706	319,132
Contributions - Employee	491,122	516,172	508,143	459,475	431,744	369,705	359,742	361,526	327,076
Investment Income	(2,976,523)	7,331,672	1,587,266	1,999,891	2,454,577	3,046,401	172,143	657,572	4,384,043
Benefit Payments, Including Refunds of Employee Contributions	(2,239,012)	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)	(1,753,743)	(1,774,461)
Administrative Expense	(24,777)	(33,024)	(45,424)	(22,143)	(46,171)	(40,885)	(17,465)	(32,261)	-
Other Miscellaneous Income	-	-	-	72	(87,680)	-	-	-	-
Net Change in Fiduciary Net Position	(3,457,478)	6,714,961	837,696	1,192,560	1,398,670	1,938,443	(965,413)	(429,200)	3,255,790
Plan Fiduciary Net Position - Beginning	39,773,738	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408	28,656,821	29,086,021	25,830,231
Plan Fiduciary Net Position - Ending (b)	36,316,260	39,773,738	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408	28,656,821	29,086,021
Plan Net Pension Liability - Ending (a) - (b)	\$ 12,784,258	\$ 6,066,409	\$ 10,293,356	\$ 9,222,523	\$ 7,705,857	\$ 7,352,637	\$ 6,131,305	\$ 4,067,014	\$ 2,803,487
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.96%	86.77%	76.26%	77.75%	80.11%	80.12%	81.87%	87.57%	91.21%
Covered Payroll	\$ 7,322,473	\$ 7,087,544	\$ 6,529,253	\$ 6,382,123	\$ 5,694,745	\$ 5,478,495	\$ 5,206,671	\$ 5,100,057	\$ 5,036,890
Plan Net Pension Liability as a Percentage of Covered Payroll	174.59%	85.59%	157.65%	144.51%	135.32%	134.21%	117.76%	79.74%	55.66%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date of June 30, 2022. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2021, valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: In 2022, demographic assumptions and inflation rate were changed in accordance to the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. None in 2019, 2020 or 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

* The fiscal year ended December 31, 2014, was the first year of implementation. Information for the last 10 years is not available.

HOUSING AUTHORITY OF THE CITY OF FRESNO
 Schedule of Pension Plan Contributions
 for the Measurement Period (Miscellaneous Plan)
 Year Ended December 31, 2022
 (With comparative information for the last 10 years)*

Schedule of Pension Plan Contribution for the Fiscal Years Ended December 31

Employer Fiscal Year End	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,291,712	\$ 1,139,232	\$ 987,323	\$ 806,755	\$ 637,719	\$ 485,952	\$ 398,558	\$ 337,706	\$ 319,132
Contribution in Relation to the Actuarially Determined Contribution	(1,291,712)	(1,139,232)	(987,323)	(806,755)	(637,719)	(485,952)	(398,558)	(337,706)	(319,132)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 7,322,473	\$ 7,314,484	\$ 7,177,834	\$ 6,813,937	\$ 6,361,633	\$ 5,699,120	\$ 5,427,848	\$ 5,302,303	\$ 5,077,265
Contributions as a Percentage of Covered Payroll	17.64%	15.58%	13.76%	11.84%	10.02%	8.53%	7.34%	6.37%	6.29%

Notes to Schedule of Pension Plan Contributions:

The actuarial method and assumptions used to set the actuarially determined contributions for the Fiscal Year 2021-2022 were derived from the June 30, 2019 funding valuation report as follows:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2019 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.5%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Other information:

* The fiscal year ended December 31, 2014 was the first year of implementation. Information for the last 10 years is not available.

PRELIMINARY DRAFT -
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SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Modernization Costs for Completed Projects
Year Ended December 31, 2022

<u>Grant Number</u>	<u>Approved Funds</u>	<u>Expended Funds</u>	<u>Disbursed Funds</u>	<u>Approved Funds Available to Expend</u>	<u>Expended Funds Available to be Disbursed</u>
CA01P006501-18	\$ 1,159,236	\$ 1,159,236	\$ 1,159,236	\$ -	\$ -
CA01P006501-19	1,200,125	1,200,125	1,200,125	-	-
CA01P006501-20	1,296,897	1,296,897	1,296,897	-	-
	<u>\$ 3,656,258</u>	<u>\$ 3,656,258</u>	<u>\$ 3,656,258</u>	<u>\$ -</u>	<u>\$ -</u>

PRELIMINARY DRAFT
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SUPPLEMENTAL INFORMATION

FINANCIAL DATA SCHEDULES

The following schedule is presented in accordance with reporting requirements under the U. S. Department of HUD's Uniform Financial Reporting Standards

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	14,892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAP)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program
111 Cash - Unrestricted	1,375,175	2,164	108,976	182	178,120	1,671,053	124,190		573
112 Cash - Restricted - Modernization and Development									
113 Cash - Other Restricted		50,000				1,748,239	191,174		
114 Cash - Tenant Security Deposits	92,441				14,799	166,903	29,600		
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash	1,467,616	52,164	108,976	182	192,919	3,586,195	344,964	0	573
121 Accounts Receivable - PHA Projects									
122 Accounts Receivable - HUD Other Projects	75,545			20,614			13,122		60,302
124 Accounts Receivable - Other Government						339,533	15,448		
125 Accounts Receivable - Miscellaneous	4,735		40,000	124		184,225	57,279		
126 Accounts Receivable - Tenants	136,492			0	80,604	3,252			
126.1 Allowance for Doubtful Accounts - Tenants	-20,242		0	0	-1,426	0	0	0	0
126.2 Allowance for Doubtful Accounts - Other	0		0	0	0	0	0	0	0
127 Notes, Loans, & Mortgages Receivable - Current						2,743,925			
128 Fraud Recovery								1,847	
128.1 Allowance for Doubtful Accounts - Fraud								0	0
129 Accrued Interest Receivable						272,163			
120 Total Receivables, Net of Allowances for Doubtful Accounts	196,530	0	40,000	20,738	79,178	3,543,098	85,849	1,847	60,302
131 Investments - Unrestricted						1,131,455			
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets	0					6,151	2,977		
143 Inventories	0								
143.1 Allowance for Obsolete Inventories									
144 Inter Program Due From	864,525					11,830,294			
145 Assets Held for Sale	331,507						1,037,878		
150 Total Current Assets	2,860,178	52,164	148,976	20,920	272,097	20,097,193	1,471,668	1,847	60,875
161 Land	419,271		53,856		158,970	1,762,800	106,690		
162 Buildings	31,287,500				2,647,920	13,197,790	3,989,440		
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration	278,530				32,814	151,974			
165 Leasehold Improvements									
166 Accumulated Depreciation	-28,800,444				-2,672,431	-7,382,812	-1,118,186		
167 Construction in Progress	63,010					5,135,350			
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation	3,247,867	0	53,856	0	167,273	12,865,102	2,977,944	0	0
171 Notes, Loans and Mortgages Receivable - Non-Current	11,494,607					48,019,824			
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due									
173 Grants Receivable - Non-Current									
174 Other Assets			1,536,087			2,912,018			
176 Investments in Joint Ventures	6,163,881					50,517,191			
180 Total Non-Current Assets	20,906,355	0	1,589,943	0	167,273	114,314,045	2,977,944	0	0
200 Deferred Outflow of Resources	270,239					215,788			
290 Total Assets and Deferred Outflow of Resources	24,036,772	52,164	1,738,919	20,920	498,370	134,627,026	4,449,612	1,847	60,875

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	14,892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program
311 Bank Overdraft									
312 Accounts Payable <= 90 Days	114,190	5,192			10,921	1,083,867	9,550		138
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable	11,781	9,016			2,539	48,119	14,968		911
322 Accrued Compensated Absences - Current Portion	31,266	4,686			4,549	69,421	32,585		13,589
324 Accrued Contingency Liability						586,802			
325 Accrued Interest Payable									
331 Accounts Payable - HUD PHA Programs									
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government	156,254					29,053			
341 Tenant Security Deposits	91,715				14,799		29,600		
342 Unearned Revenue	7,664				6,051	1,748,255	106,174		
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						3,602,221	16,068		
344 Current Portion of Long-term Debt - Operating Borrowings						408,973			
345 Other Current Liabilities					205	1,031,046			
346 Accrued Liabilities - Other	50,371						94		
347 Inter Program - Due To	864,525	990,023		225,857		34,788	2,685,944	215,737	103,181
348 Loan Liability - Current									
310 Total Current Liabilities	1,327,766	1,008,917	0	225,857	39,064	8,808,448	2,895,003	215,737	117,819
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	98,097					8,892,088	3,957,627		
352 Long-term Debt, Net of Current - Operating Borrowings						1,967,116			
353 Non-current Liabilities - Other						596,910	568,216		
354 Accrued Compensated Absences - Non Current	12,503			1,554	1,603	33,072	14,521		6,841
355 Loan Liability - Non Current						1,113,035			
356 FASB 5 Liabilities									
357 Accrued Pension and OPEB Liabilities	856,545					683,958			
350 Total Non-Current Liabilities	967,145	0	0	1,554	1,603	13,286,179	4,540,364	0	6,841
300 Total Liabilities	2,294,911	1,008,917	0	227,411	40,667	22,095,627	7,435,367	215,737	124,660
400 Deferred Inflow of Resources	14,146		1,536,067			1,751,271			
508.4 Net Investment in Capital Assets	3,149,943		53,856		167,272	370,795	-995,752		
511.4 Restricted Net Position	0	50,000				33	85,000		
512.4 Unrestricted Net Position	18,577,772	-1,006,753	148,976	-206,491	231,431	110,409,300	-2,075,003	-213,890	-63,785
513 Total Equity - Net Assets / Position	21,727,715	-956,753	202,832	-206,491	398,703	110,780,128	-2,965,755	-213,890	-63,785
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	24,036,772	52,164	1,738,919	20,920	439,370	134,627,026	4,449,612	1,847	60,875

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	1,200		380,000	160		60,926	296,425	4,199,144		4,199,144
112 Cash - Restricted - Modernization and Development						573,743		573,743		573,743
113 Cash - Other Restricted	245,518						19,970	2,254,901		2,254,901
114 Cash - Tenant Security Deposits								303,743		303,743
115 Cash - Restricted for Payment of Current Liabilities										
100 Total Cash	246,718	0	380,000	160	0	634,669	316,395	7,331,531	0	7,331,531
121 Accounts Receivable - PHA Projects										
122 Accounts Receivable - HUD Other Projects				168,916	120,443			458,942		458,942
124 Accounts Receivable - Other Government								354,981		354,981
125 Accounts Receivable - Miscellaneous	9,075		41,445		10,825		2,120,768	2,468,476		2,468,476
126 Accounts Receivable - Tenants								220,348		220,348
126.1 Allowance for Doubtful Accounts - Tenants	0		0	0	0		0	-21,668		-21,668
126.2 Allowance for Doubtful Accounts - Other	0		0	0	0		0	0		0
127 Notes, Loans, & Mortgages Receivable - Current								2,743,925	-1,128,277	1,615,648
128 Fraud Recovery	92,852							94,699		94,699
128.1 Allowance for Doubtful Accounts - Fraud	-61,193		0	0	0			-61,193		-61,193
129 Accrued Interest Receivable								272,163	-222,163	50,000
120 Total Receivables, Net of Allowances for Doubtful Accounts	40,734	0	41,445	168,916	131,268	0	2,120,768	6,530,673	-1,350,440	5,180,233
131 Investments - Unrestricted								1,131,455		1,131,455
132 Investments - Restricted										
135 Investments - Restricted for Payment of Current Liability										
142 Prepaid Expenses and Other Assets							433,331	442,459		442,459
143 Inventories								0		0
143.1 Allowance for Obsolete Inventories										
144 Inter Program Due From	644,562						34,789	13,374,170	-13,374,170	0
145 Assets Held for Sale								1,369,385		1,369,385
150 Total Current Assets	932,014	0	421,445	169,076	131,268	634,669	2,905,283	30,179,673	-14,724,610	15,455,063
161 Land							167,838	2,669,425		2,669,425
162 Buildings							2,720,730	53,843,380		53,843,380
164 Furniture, Equipment & Machinery - Administration	89,758						1,072,747	1,625,823		1,625,823
165 Leasehold Improvements										
166 Accumulated Depreciation	-89,758						-3,535,125	-43,598,756		-43,598,756
167 Construction in Progress							1,355,276	6,553,636		6,553,636
168 Infrastructure										
160 Total Capital Assets, Net of Accumulated Depreciation	0	0	0	0	0	0	1,781,466	21,093,508	0	21,093,508
171 Notes, Loans and Mortgages Receivable - Non-Current					1,342,384			60,856,815		60,856,815
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due										
173 Grants Receivable - Non Current										
174 Other Assets								4,448,105		4,448,105
176 Investments in Joint Ventures								56,680,892		56,680,892
180 Total Non-Current Assets	0	0	0	0	1,342,384	0	1,781,466	143,079,410	0	143,079,410
200 Deferred Outflow of Resources	1,676,288						1,871,102	4,033,417		4,033,417
290 Total Assets and Deferred Outflow of Resources	2,608,302	0	421,445	169,076	1,473,652	634,669	6,557,851	177,292,500	-14,724,610	162,567,890

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Balance Sheet Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
311 Bank Overdraft										
312 Accounts Payable <= 90 Days				2,075	42,393	54	744,770	2,013,150		2,013,150
313 Accounts Payable >90 Days Past Due										
321 Accrued Wage/Payroll Taxes Payable	75,642			494	4,884	1,486	226,800	396,660		396,660
322 Accrued Compensated Absences - Current Portion	191,787			48	9,702	105	162,628	520,366		520,366
324 Accrued Contingency Liability										
325 Accrued Interest Payable									-222,163	364,639
331 Accounts Payable - HUD PHA Programs	65,214							65,214		65,214
332 Account Payable - PHA Projects										
333 Accounts Payable - Other Government	11,182						75,468	271,957		271,957
341 Tenant Security Deposits								303,017		303,017
342 Unearned Revenue						227,290		2,095,434		2,095,434
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue								3,618,289		3,618,289
344 Current Portion of Long-term Debt - Operating Borrowings								408,973		408,973
345 Other Current Liabilities							3,589,897	4,621,148		4,621,148
346 Accrued Liabilities - Other	127,454						110,761	288,680		288,680
347 Inter Program - Due To	1,111,067	29,886	422,162	587,493	886,357		5,217,150	13,374,170	-13,374,170	0
348 Loan Liability - Current										
310 Total Current Liabilities	1,582,346	29,886	422,162	590,110	943,336	228,935	10,127,474	28,563,860	-13,596,333	14,987,527
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							154,000	13,101,812		13,101,812
352 Long-term Debt, Net of Current - Operating Borrowings								1,967,116	-1,128,277	838,839
353 Non-current Liabilities - Other								1,165,126		1,165,126
354 Accrued Compensated Absences - Non Current	80,600			4	5,142		157,923	313,763		313,763
355 Loan Liability - Non Current								1,113,035		1,113,035
356 FASB 5 Liabilities										
357 Accrued Pension and OPEB Liabilities	5,313,138						5,930,617	12,784,258		12,784,258
350 Total Non-Current Liabilities	5,393,738	0	0	4	5,142	0	6,242,540	30,445,110	-1,128,277	29,316,833
300 Total Liabilities	6,976,084	29,886	422,162	590,114	948,478	228,935	16,370,014	59,008,970	-14,724,610	44,284,360
400 Deferred Inflow of Resources	87,747						97,945	3,487,196		3,487,196
508.4 Net Investment in Capital Assets							1,627,465	4,373,579		4,373,579
511.4 Restricted Net Position	245,518					346,453	19,970	746,974		746,974
512.4 Unrestricted Net Position	-4,701,047	-29,886	-717	-421,038	525,174	59,281	-11,557,543	109,675,781		109,675,781
513 Total Equity - Net Assets / Position	-4,455,529	-29,886	-717	-421,038	525,174	405,734	-9,910,108	114,796,334	0	114,796,334
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	2,608,302	0	421,445	169,076	1,473,652	634,669	6,557,851	177,292,500	-14,724,610	162,567,890

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	14.892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program
70300 Net Tenant Rental Revenue	1,226,602				223,169	2,287,661	304,486		
70400 Tenant Revenue - Other	4,239				663	207			
70500 Total Tenant Revenue	1,230,841				223,832	2,287,868	304,486		
70600 HUD PHA Operating Grants	2,548,718	118,122		144,683				455,549	218,152
70610 Capital Grants	1,982,315								
70710 Management Fee									
70720 Asset Management Fee									
70730 Book Keeping Fee									
70740 Front Line Service Fee									
70750 Other Fees									
70700 Total Fee Revenue									
70800 Other Government Grants					443,762	4,845,760	60,688		
71100 Investment Income - Unrestricted	683,783					1,208,057			
71200 Mortgage Interest Income						2,279			
71300 Proceeds from Disposition of Assets Held for Sale									
71310 Cost of Sale of Assets									
71400 Fraud Recovery									
71500 Other Revenue	2,752	100,040	40,000		1	4,337,630	1,076,398		
71600 Gain or Loss on Sale of Capital Assets	1,838							855	
72000 Investment Income - Restricted					54	622	40		
70000 Total Revenue	6,450,247	218,162	40,000	144,683	667,649	12,682,216	1,441,612	456,404	218,152
91100 Administrative Salaries	186,358	245,788		14,021	41,220	385,783	472,312		22,329
91200 Auditing Fees	20,034		2,250			25,260	4,494		
91300 Management Fee	488,148				24,000	32,780		52,384	
91310 Book-keeping Fee	31,036								
91400 Advertising and Marketing	3,231	3,256				11,493	1,528		
91500 Employee Benefit contributions - Administrative	251,014	95,707		6,424	34,320	(500,964)	228,020		12,283
91600 Office Expenses	59,190	24,185		1,914	12,619	188,080	175,500		5,665
91700 Legal Expense	5,593					5,702			
91800 Travel		2,068			18	3,428	6,726		
91810 Allocated Overhead									
91900 Other	115,685	369,429	2,084	2,868	22,961	326,038	117,721		3,209
91000 Total Operating - Administrative	1,160,289	743,433	4,334	25,227	135,138	477,600	1,006,301	52,384	43,486
92000 Asset Management Fee	41,880								
92100 Tenant Services - Salaries									
92200 Relocation Costs						34			
92300 Employee Benefit Contributions - Tenant Services									
92400 Tenant Services - Other	15,046				4,521	898	29,609		
92500 Total Tenant Services	15,046				4,521	932	29,609		
93100 Water					24,301		5,016		
93200 Electricity	34,345				1,219	124,920	9,530		
93300 Gas	4,373				395	46,281	576		
93400 Fuel									
93500 Labor									
93600 Sewer	77,468				10,821		7,015		
93700 Employee Benefit Contributions - Utilities						61,648			
93800 Other Utilities Expense	192,701				16,748	50,015	6,596		
93000 Total Utilities	493,508				53,484	362,547	28,733		

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	14.892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program
94100 Ordinary Maintenance and Operations - Labor	185,434				36,793	122,831	3,313		
94200 Ordinary Maintenance and Operations - Materials and Other	156,616				33,764	83,060	5,725		
94300 Ordinary Maintenance and Operations Contracts	474,662	3,439		214	68,897	523,507	52,054		232
94500 Employee Benefit Contributions - Ordinary Maintenance									
94000 Total Maintenance	816,712	3,439	-	214	139,454	729,398	61,092	-	232
95100 Protective Services - Labor									
95200 Protective Services - Other Contract Costs									
95300 Protective Services - Other									
95500 Employee Benefit Contributions - Protective Services									
95000 Total Protective Services	-	-	-	-	-	-	-	-	-
96110 Property Insurance	110,808				16,411	93,347	10,472		
96120 Liability Insurance	16,007				1,628	5,002			
96130 Workmen's Compensation	11,396	2,268		136	2,841	(2,978)	4,577		426
96140 All Other Insurance	7,115	1,654		160	668	3,488	5,689		272
96100 Total Insurance Premiums	145,326	3,922	-	296	21,348	98,859	20,738	-	698
96200 Other General Expenses	3,725,352	2,685		151,848	3,859	443,383	55,909		171,370
96210 Compensated Absences	500,758	27,098		3,702	10,309	46,607	53,176		6,836
96300 Payments in Lieu of Taxes	93,304								
96400 Bad debt - Tenant Rents	7,445				(45)				
96500 Bad debt - Mortgages									
96600 Bad debt - Other	15,107					1,156			
96800 Severance Expense						1,150	51		
96000 Total Other General Expenses	4,341,966	29,783	-	155,550	14,123	492,276	119,136	-	178,206
96710 Interest of Mortgage (or Bonds) Payable						399,858			
96720 Interest on Notes Payable (Short and Long Term)	531				(153)	263,514	115,667		
96730 Amortization of Bond Issue Costs									
96700 Total Interest Expense and Amortization Cost	531				(153)	663,372	115,667		
96900 Total Operating Expenses	7,015,258	780,577	4,334	181,287	367,915	2,824,984	1,381,276	52,384	222,622
97000 Excess of Operating Revenue over Operating Expenses	(565,011)	(562,415)	35,666	(36,604)	299,734	9,857,232	60,336	404,020	(4,470)
97100 Extraordinary Maintenance	9,025				34,577	260,393	27,806		
97200 Casualty Losses - Non-capitalized									
97300 Housing Assistance Payments	5,134				700			521,415	550
97350 HAP Portability In									
97400 Depreciation Expense	295,820				1,107	668,346	144,414		
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payment - Governmental Funds									
97800 Dwelling Units Rent Expense									
90000 Total Expenses	7,325,237	780,577	4,334	181,287	404,299	3,753,723	1,553,496	573,799	223,172

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	Project Total	14.892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14.257 Homelessness Prevention and Rapid Re- Housing Program (RAF)	14.182 NIC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program
10010 Operating Transfer In	-								
10020 Operating transfer Out	-								
10030 Operating Transfers from/to Primary Government	-								
10040 Operating Transfers from/to Component Unit	-								
10050 Proceeds from Notes, Loans and Bonds	-								
10060 Proceeds from Property Sales	-								
10070 Extraordinary Items, Net Gain/Loss	-								
10080 Special Items (Net Gain/Loss)	-								
10091 Inter Project Excess Cash Transfer In	2,020,665								
10092 Inter Project Excess Cash Transfer Out	(2,020,665)								
10093 Transfers between Program and Project - In	-								
10094 Transfers between Project and Program - Out	-								
10100 Total Other financing Sources (Uses)	-								
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(874,990)	(662,415)	35,866	(36,604)	253,350	8,928,493	(111,884)	(117,395)	(5,020)
11020 Required Annual Debt Principal Payments	-								
11030 Beginning Equity	22,602,705	(394,338)	167,166	(169,887)	135,353	101,859,936	(2,882,172)	(96,495)	(58,765)
11050 Changes in Compensated Absence Balance	-								
11060 Changes in Contingent Liability Balance	-								
11070 Changes in Unrecognized Pension Transition Liability	-								
11080 Changes in Special Term/Severance Benefits Liability	-								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	-					(8,301)	8,301		
11100 Changes in Allowance for Doubtful Accounts - Other	-								
11170 Administrative Fee Equity	-								
11180 Housing Assistance Payments Equity	-								
11190 Unit Months Available	5,652		-	200	612	2,285	384	1,020	186
11210 Number of Unit Months Leased	5,601		-	200	605	2,266	373	733	186
11270 Excess Cash	818,131								
11610 Land Purchases	-								
11620 Building Purchases	-								
11630 Furniture & Equipment - Dwelling Purchases	-								
11640 Furniture & Equipment - Administrative Purchases	-								
11650 Leasehold Improvements Purchases	-								
11660 Infrastructure Purchases	-								
13510 CFFP Debt Service Payments	-								
13901 Replacement Housing Factor Funds	-								

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14 EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	1,359							4,043,277		4,043,277
70400 Tenant Revenue - Other								5,109		5,109
70500 Total Tenant Revenue	1,359							4,048,386		4,048,386
70600 HUD PHA Operating Grants	61,187,106			1,029,721	534,825	54,104		66,290,980		66,290,980
70610 Capital Grants								1,982,315		1,982,315
70710 Management Fee							1,886,095	1,886,095	(1,886,095)	
70720 Asset Management Fee							41,880	41,880	(41,880)	
70730 Book Keeping Fee							605,361	605,361	(605,361)	
70740 Front Line Service Fee										
70750 Other Fees							1,004,383	1,004,383		1,004,383
70700 Total Fee Revenue							3,537,719	3,537,719	(2,533,336)	1,004,383
70800 Other Government Grants							1,141,623	6,491,833		6,491,833
71100 Investment Income - Unrestricted					130,811		25,433	2,048,084		2,048,084
71200 Mortgage Interest Income								2,279		2,279
71300 Proceeds from Disposition of Assets Held for Sale										
71310 Cost of Sale of Assets										
71400 Fraud Recovery										
71500 Other Revenue	3,073						1,860,893	7,420,697	(4,489,455)	2,940,242
71600 Gain or Loss on Sale of Capital Assets							3,315	6,008		6,008
72000 Investment Income - Restricted								716		716
70000 Total Revenue	61,191,538			1,029,721	665,636	54,104	6,568,893	91,829,017	(7,013,791)	84,815,226
91100 Administrative Salaries	2,289,515			12,319	134,694	29,141	2,469,359	6,305,839		6,305,839
91200 Auditing Fees	49,075							101,113		101,113
91300 Management Fee	1,288,783							1,886,095	(1,886,095)	
91310 Book-keeping Fee	574,335							605,371	(605,361)	10
91400 Advertising and Marketing	242						15,339	35,089		35,089
91500 Employee Benefit Contributions - Administrative	1,869,978			5,450	65,297	10,994	1,754,408	3,832,931		3,832,931
91600 Office Expenses	334,308			1,073	142,194	970	566,718	1,512,416	(455,574)	1,056,842
91700 Legal Expense							118,324	129,619		129,619
91800 Travel	2,862				6,075		40,320	61,497		61,497
91810 Allocated Overhead										
91900 Other	331,694		717	2,889	93,430	5,850	686,683	2,081,258	(1,024,881)	1,056,377
91000 Total Operating - Administrative	6,740,792		717	21,731	441,690	46,955	5,651,151	16,551,228	(3,971,911)	12,579,317
92000 Asset Management Fee								41,880	(41,880)	
92100 Tenant Services - Salaries										
92200 Relocation Costs							685	719		719
92300 Employee Benefit Contributions - Tenant Services										
92400 Tenant Services - Other					98,388		25,036	173,498		173,498
92500 Total Tenant Services					98,388		25,721	174,217		174,217
93100 Water							1,984	295,507		295,507
93200 Electricity							83,172	253,186		253,186
93300 Gas							5,533	57,158		57,158
93400 Fuel										
93500 Labor										
93600 Sewer							695	95,997		95,997
93700 Employee Benefit Contributions - Utilities								61,648		61,648
93800 Other Utilities Expense							4,709	270,769		270,769
93000 Total Utilities							96,093	1,034,365		1,034,365

Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14. EHV/ Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor	3,296						123,267	474,934		474,934
94200 Ordinary Maintenance and Operations - Materials and Other	2,676						52,245	334,086		334,086
94300 Ordinary Maintenance and Operations Contracts	12,092			152	2,055	447	125,216	1,262,967		1,262,967
94500 Employee Benefit Contributions - Ordinary Maintenance										
94000 Total Maintenance	18,064	-	-	152	2,055	447	300,728	2,071,987	-	2,071,987
95100 Protective Services - Labor										
95200 Protective Services - Other Contract Costs										
95300 Protective Services - Other										
95500 Employee Benefit Contributions - Protective Services										
95000 Total Protective Services	-	-	-	-	-	-	-	-	-	-
96110 Property Insurance							14,838	245,876		245,876
96120 Liability Insurance								22,637		22,637
96130 Workmen's Compensation	21,000			119	1,360	248		41,193		41,193
96140 All Other Insurance	22,652			146	934	89	22,490	65,357		65,357
96100 Total Insurance Premiums	43,652	-	-	265	2,294	337	37,328	375,063	-	375,063
96200 Other General Expenses	42,434				1,005,571		105,238	2,016,887		7,795,388
96210 Compensated Absences	298,420			2,337	15,497	272	317,485	1,282,497		1,282,497
96300 Payments in Lieu of Taxes								93,304		93,304
96400 Bad debt - Tenant Rents								7,400		7,400
96500 Bad debt - Mortgages										
96600 Bad debt - Other	(1,390)				58,094		5,501	78,468		78,468
96800 Severance Expense							2,842	4,043		4,043
96000 Total Other General Expenses	339,464	-	-	1,007,908	178,829	51,144	2,342,715	9,251,100	(3,000,000)	6,251,100
96710 Interest of Mortgage (or Bonds) Payable								399,858		399,858
96720 Interest on Notes Payable (Short and Long Term)								379,559		379,559
96730 Amortization of Bond Issue Costs										
96700 Total Interest Expense and Amortization Cost								779,417		779,417
96900 Total Operating Expenses	7,141,972		717	1,030,056	723,256	98,883	8,453,736	30,279,257	(7,013,791)	23,265,466
97000 Excess of Operating Revenue over Operating Expenses	54,049,566		(717)	(335)	(57,620)	(44,779)	(1,884,843)	61,549,760	-	61,549,760
97100 Extraordinary Maintenance							890	332,691		332,691
97200 Casualty Losses - Non-capitalized										
97300 Housing Assistance Payments	54,744,348						180,942	55,453,089		55,453,089
97350 HAP Portability-In										
97400 Depreciation Expense							74,437	1,184,124		1,184,124
97500 Fraud Losses										
97600 Capital Outlays - Governmental Funds										
97700 Debt Principal Payment - Governmental Funds										
97800 Dwelling Units Rent Expense										
90000 Total Expenses	61,886,320	-	717	1,030,056	723,256	279,825	8,529,063	87,249,161	(7,013,791)	80,235,370

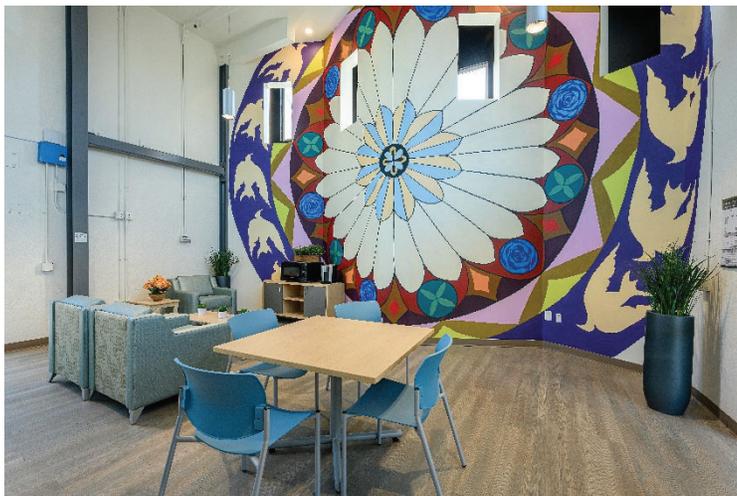
Housing Authority City of Fresno (CA006)
 Fresno, CA
 Entity Wide Revenue and Expense Summary
 Fiscal Year End: 12/31/2022
 Submission Type: Audited/Single Audit

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14. EHV/ Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
10010 Operating Transfer In								-		-
10020 Operating transfer Out								-		-
10030 Operating Transfers from/to Primary Government								-		-
10040 Operating Transfers from/to Component Unit								-		-
10050 Proceeds from Notes, Loans and Bonds								-		-
10060 Proceeds from Property Sales								-		-
10070 Extraordinary Items, Net Gain/Loss								-		-
10080 Special Items (Net Gain/Loss)								-		-
10091 Inter Project Excess Cash Transfer In								2,020,665		2,020,665
10092 Inter Project Excess Cash Transfer Out								(2,020,665)		(2,020,665)
10093 Transfers between Program and Project - In								-		-
10094 Transfers between Project and Program - Out								-		-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(694,782)	-	(717)	(335)	(57,620)	(225,721)	(1,960,170)	4,579,856		4,579,856
11020 Required Annual Debt Principal Payments	-	-	-	-	-	-	-	-		-
11030 Beginning Equity	(3,760,747)	(29,886)	-	(420,703)	582,794	631,455	(7,949,938)	110,216,478		110,216,478
11050 Changes in Compensated Absence Balance								-		-
11060 Changes in Contingent Liability Balance								-		-
11070 Changes in Unrecognized Pension Transition Liability								-		-
11080 Changes in Special Term/Severance Benefits Liability								-		-
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								-		-
11100 Changes in Allowance for Doubtful Accounts - Other								-		-
11170 Administrative Fee Equity	(4,399,155)							(4,399,155)		(4,399,155)
11180 Housing Assistance Payments Equity	(56,374)							(56,374)		(56,374)
11190 Unit Months Available	85,872	-	-	1,466	24	1,932	-	99,633		99,633
11210 Number of Unit Months Leased	83,411	-	-	1,466	24	201	-	95,066		95,066
11270 Excess Cash								818,131		818,131
11610 Land Purchases								-		-
11620 Building Purchases								-		-
11630 Furniture & Equipment - Dwelling Purchases								-		-
11640 Furniture & Equipment - Administrative Purchases								-		-
11650 Leasehold Improvements Purchases								-		-
11660 Infrastructure Purchases								-		-
13510 CFFP Debt Service Payments								-		-
13901 Replacement Housing Factor Funds								-		-

**Housing Authority of
the City of Fresno**

Statistical Section:

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic Information
- Operating Information



HOUSING AUTHORITY OF THE CITY OF FRESNO

Statistical Section

This section provides additional information regarding the Agency in the following categories:

Financial Trends	the tables in this section show how the Agency's financial position has changed over time	Table 1-2
Revenue Capacity	the tables in this section show the Agency's ability to generate revenue	Table 3-4
Debt Capacity	this table shows the Agency's debt burden over time and provide information on the ability to issue debt	Table 5
Demographics and Economic Statistics	the tables in this section portray the socioeconomic environment and provide information to allow comparison of companies to other governments over time	Table 6-8
Operating Information	the purpose of these tables is to show the Agency's operations and provide information to assess the government's economic condition	Table 9-10

PRELIMINARY DRAFT
SUBJECT TO CHANGE

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Financial Trends

Net Position by Component
Last Ten Fiscal Years (Unaudited)

Year	Net Investment in Capital			Total
	Assets	Restricted	Unrestricted	
2013	11,572,071	2,262,085	57,010,081	70,844,237
2014	6,028,575	2,079,758	64,007,650	72,115,983
2015	6,404,089	2,646,373	60,832,566	69,883,028
2016	4,769,521	619,142	64,524,416	69,913,079
2017	3,919,932	2,320,389	68,312,587	74,552,908
2018	3,560,130	1,174,748	69,164,036	73,898,914
2019	2,128,782	471,147	73,202,350	75,802,279
2020	4,180,635	708,261	78,330,222	83,219,118
2021	6,142,861	773,089	103,300,528	110,216,478
2022	4,373,579	746,974	109,675,782	114,796,335

Source: Previous year's audits and current year financial statements

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Financial Trends

Change in Net Position
Last Ten Fiscal Years (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OPERATING REVENUES:										
Rents	\$ 3,109,755	\$ 2,894,035	\$ 3,089,770	\$ 3,196,411	\$ 3,258,298	\$ 3,487,986	\$ 3,343,854	\$ 3,589,612	\$ 3,852,316	\$ 4,042,706
Fee revenue	97,098	476,859	354,951	601,303	552,747	729,316	777,139	656,836	830,161	1,004,383
HUD operating grants	53,303,231	53,508,904	54,383,867	50,398,482	54,637,261	52,580,052	60,539,026	64,119,949	61,539,512	66,291,552
Other governmental grants	1,175,526	1,075,842	455,625	351,782	2,085,524	1,010,723	1,228,617	2,881,639	7,752,811	6,498,960
Other revenue	1,821,304	1,201,116	1,259,466	2,156,993	2,447,587	2,644,984	2,052,322	1,882,065	1,822,851	3,170,752
Developer fee revenue	-	-	-	-	-	2,031,199	2,451,486	1,790,761	2,157,973	753,756
Total operating revenues	59,506,914	59,156,756	59,543,679	56,704,971	62,981,417	62,484,260	70,392,444	74,920,862	77,955,624	81,762,109
OPERATING EXPENSES:										
Administrative expense	9,873,691	10,900,220	10,759,053	9,927,066	12,577,813	11,634,740	13,643,112	12,634,820	15,912,382	14,362,907
Tenant services expense	70,885	153,454	499,593	109,582	1,472,123	1,699,098	1,579,335	1,743,436	1,815,269	1,663,736
Utilities expense	708,841	628,874	530,752	579,424	820,658	840,479	851,992	931,390	900,327	1,024,660
Maintenance and operations expense	2,465,561	1,891,255	1,978,848	1,923,354	2,058,131	2,146,495	2,177,493	2,194,738	2,559,212	3,118,655
Protective services expense	76,789	87,103	80,602	96,255	107,902	327,490	281,516	319,291	328,705	261,774
Insurance expense	477,656	265,620	314,550	370,853	427,511	395,381	321,644	290,287	476,891	375,061
General expense	1,535,173	994,399	931,461	1,972,644	1,819,057	1,654,261	1,463,321	1,998,590	1,721,496	2,011,057
Housing assistance payments	44,955,037	45,052,228	44,993,932	42,719,636	42,737,248	44,262,551	50,778,548	50,591,829	50,890,902	55,453,089
Depreciation	1,847,309	1,118,368	1,827,362	1,461,231	1,562,745	1,304,881	1,559,889	1,486,636	1,220,496	1,561,850
Total operating expenses	62,010,942	61,091,521	61,916,153	59,160,045	63,583,188	64,265,376	72,656,850	72,191,017	75,825,680	79,832,789
Operating income (loss)	(2,504,028)	(1,934,765)	(2,372,474)	(2,455,074)	(601,771)	(1,781,116)	(2,264,406)	2,729,845	2,129,944	1,929,320
NON-OPERATING REVENUES (EXPENSES):										
Interest revenue, unrestricted	701,344	30,755	3,857	91,547	3,292	6,081	36,549	33,051	13,679	46,061
Interest revenue, restricted	1,949	6,276	3,930	9,557	3,253	4,154	3,733	2,697	4,170	1,217
Interest revenue, notes receivable	-	400,035	936,283	1,092,438	1,308,920	1,462,442	1,416,294	1,477,406	1,651,474	2,004,301
Interest expense	(449,878)	(462,390)	(357,485)	(366,199)	(389,987)	(354,980)	(304,346)	(354,772)	(330,675)	(401,691)
Fraud recovery	5,950	1,768	19,268	24,733	37,470	49,727	41,023	7,348	1,174	-
Share of joint venture net income (loss)	256,540	523,505	642,541	836,301	392,363	1,075,432	537,242	676,893	1,564,210	(985,928)
Gain (loss) from insurance claim	-	-	-	-	-	-	(5,500)	-	7,231	(890)
Developer fees	1,369,797	1,740,661	1,451,931	1,192,393	1,674,870	-	-	-	-	-
Transfer from (to) other related entities	-	-	186,864	50,813	(600)	(59,504)	849,799	-	-	-
Gain (loss) on sale/disposition of capital assets	8,753,616	490,335	(49,824)	2,216	2,141,912	(97,988)	1,578,959	(3,313)	97,845	5,152
Write off of related party receivable	-	-	-	-	-	(1,035,979)	-	-	-	-
Total nonoperating revenues (expenses)	10,639,318	2,730,945	2,837,365	2,933,799	5,171,493	1,049,385	4,153,753	1,839,310	3,009,108	668,222
Income (loss) before contributions and transfers	8,135,290	796,180	464,891	478,725	4,569,723	(731,731)	1,889,347	4,569,155	5,139,052	2,597,542
Capital contributions-cash capital fund grants	220,211	-	157,128	-	77,328	50,826	-	2,847,684	643,556	1,982,315
Increase (decrease) in net position	8,355,501	796,180	622,019	478,725	4,647,051	(680,905)	1,889,347	7,416,839	5,782,608	4,579,857
Net position, Beginning of year	62,488,737	70,844,237	72,115,984	69,883,027	69,913,079	74,552,907	73,898,914	75,802,279	83,219,118	110,216,478
Prior period adjustment	-	475,566	(2,854,978)	(448,673)	(7,222)	26,912	14,018	-	-	-
Change in reporting entity	-	-	-	-	-	-	-	-	21,214,752	-
Net position, End of year	\$ 70,844,238	\$ 72,115,983	\$ 69,883,025	\$ 69,913,079	\$ 74,552,908	\$ 73,898,914	\$ 75,802,279	\$ 83,219,118	\$ 110,216,478	\$ 114,796,335

Source: Previous year's audits and current year financial statements

Table 3

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Tenant Rentals		Housing Assistance Payment Subsidies		Other Governmental Grants		Fee Revenue		Other Revenue		Developer Fee Revenue		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2013	3,109,755	5.23	53,303,231	89.57	1,175,526	1.98	97,098	0.16	1,821,304	3.06	-	-	59,506,914	100
2014	2,894,035	4.89	53,508,904	90.45	1,075,842	1.82	476,859	0.81	1,201,116	2.03	-	-	59,156,756	100
2015	3,089,770	5.19	54,383,867	91.33	455,625	0.77	354,951	0.60	1,259,466	2.12	-	-	59,543,679	100
2016	3,196,411	5.64	50,398,482	88.88	351,782	0.62	601,303	1.06	2,156,993	3.80	-	-	56,704,971	100
2017	3,258,298	5.17	54,637,261	86.75	2,085,524	3.31	552,747	0.88	2,447,587	3.89	-	-	62,981,417	100
2018	3,487,986	5.58	52,580,052	84.15	1,010,723	1.62	729,316	1.17	2,644,984	4.23	2,031,199	3.25	62,484,260	100
2019	3,343,854	4.75	60,539,026	86.00	1,228,617	1.75	777,139	1.10	2,052,322	2.92	2,451,486	3.48	70,392,444	100
2020	3,589,612	5.10	64,119,949	85.58	2,881,639	3.85	656,836	0.88	1,882,065	2.51	1,790,761	2.39	74,920,862	100
2021	3,852,316	4.94	61,539,512	78.94	7,752,811	9.95	830,161	1.06	1,822,851	2.34	2,157,973	2.77	77,955,624	100
2022	4,042,706	4.94	66,291,552	81.08	6,498,960	7.95	1,004,383	1.23	3,170,752	3.88	753,756	0.92	81,762,109	100

Source: Previous year's audits and current year financial statements

PRELIMINARY DRAFT - SUBJECT TO CHANGE

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

Non-Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Interest Income		Fraud Recovery		Share of Joint Venture Income (Loss)		Developer Fees		Transfer from (to) Other Related Entities		Gain (Loss) from Insurance Claim		Gain on Assets		Other		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2013	74,328	0.73	11,746	0.12	260,750	2.55	1,181,951	11.58	-	-	-	-	8,677,458	85.02	-	-	10,206,233	100
2014	157,904	31.79	2,517	0.51	54,432	10.96	261,677	52.68	-	-	-	-	20,210	4.07	-	-	496,740	100
2015	333,532	19.81	15,819	0.94	400,264	23.77	987,060	58.63	(186,864)	(11.10)	-	-	133,868	7.95	-	-	1,683,679	100
2016	778,467	20.77	11,173	0.30	470,216	12.54	1,399,766	37.34	(50,815)	(1.36)	-	-	1,139,654	30.40	-	-	3,748,461	100
2017	839,942	11.46	26,946	0.37	283,126	3.86	2,220,176	30.28	600	0.01	-	-	3,960,971	54.02	-	-	7,331,761	100
2018	1,085,338	21.05	26,639	0.52	1,854,502	35.97	-	-	59,504	1.15	-	-	2,129,490	41.31	-	-	5,155,473	100
2019	1,118,816	31.14	63,039	1.75	175,980	4.90	-	-	(849,799)	(23.65)	-	-	3,084,549	85.86	-	-	3,592,585	100
2020	1,320,642	77.31	2,137	0.13	385,365	22.56	-	-	-	-	-	-	71	-	-	-	1,708,215	100
2021	1,338,648	44.49	1,174	0.04	1,564,210	51.98	-	-	-	-	7,231	0.24	97,845	3.25	-	-	3,009,108	100
2022	1,649,888	246.91	-	-	(985,928)	(147.54)	-	-	-	-	(890)	(0.13)	-	-	5,152	0.77	668,222	100

Source: Previous year's audits and current year financial statements

PRELIMINARY DRAFT - SUBJECT TO CHANGE

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Debt Capacity

Ratio of Debt to Capital Assets
Last Ten Fiscal Years (Unaudited)

Year	Long - Term Debt			Capital Assets, Net	Ratio of Total Debt to Capital Assets
	Current Portion	Noncurrent Portion	Total		
2013	7,695,768	5,879,333	13,575,101	22,517,725	60.29%
2014	2,389,404	14,248,150	16,637,554	21,950,301	75.80%
2015	1,947,556	13,892,741	15,840,297	21,375,560	74.10%
2016	1,546,246	12,502,409	14,048,655	18,818,174	74.65%
2017	2,073,801	12,216,897	14,290,698	18,210,630	78.47%
2018	2,156,683	11,989,372	14,146,055	16,867,346	83.87%
2019	3,542,102	11,523,390	15,065,492	17,194,274	87.62%
2020	4,021,070	11,431,968	15,453,038	18,264,641	84.61%
2021	7,624,142	7,019,024	14,643,166	19,538,215	74.95%
2022	4,027,262	13,940,648	17,967,910	22,226,856	80.84%

Source: Previous year's audits and current year financial statements

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

Tenant Demographics – Population Statistics Last Ten Fiscal Years (Unaudited)

Housing Choice Voucher						
Year	Adults	Elderly	Minors	Females	Males	Total
2013	9,456	873	7,880	10,522	7,687	18,209
2014	9,528	981	8,134	10,924	7,719	18,643
2015	10,424	1,195	9,122	12,047	8,694	20,741
2016	9,342	1,233	8,313	10,941	7,947	18,888
2017	7,273	928	5,688	8,259	5,630	13,889
2018	9,453	1,239	7,376	10,653	7,415	18,068
2019	8,895	1,338	7,275	10,286	7,222	17,508
2020	9,193	1,707	8,565	11,561	7,904	19,465
2021	7,321	1,679	7,215	9,569	6,646	16,215
2022	7,370	1,744	7,143	9,570	6,687	16,257

Public Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2013	551	95	529	695	480	1,175
2014	425	69	424	548	370	918
2015	522	79	494	645	450	1,095
2016	447	77	444	569	399	968
2017	555	65	463	659	424	1,083
2018	565	60	459	661	423	1,084
2019	566	60	479	670	435	1,105
2020	473	56	424	569	384	953
2021	463	58	471	616	376	992
2022	453	52	457	594	368	962

Affordable Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	122	47	90	170	89	259
2017	118	30	99	151	96	247
2018	113	33	89	150	85	235
2019	108	33	93	151	83	234
2020	104	34	89	145	82	227
2021	99	36	76	132	79	211
2022	103	38	71	130	82	212

Source: IT Department from Housing Authority of the City of Fresno

Note: The demographic data for affordable housing prior to 2016 is not available.

Demographic data managed by 3rd party management is not included.

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

Principal Employers Current Year and Nine Years Ago (Unaudited)

Employer	2022			2013		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Fresno Unified School District	13,669	1	3.55%	-	-	-
Community Regional Medical Center	9,000	2	2.34%	3,589	2	1.83%
County of Fresno	8,870	3	2.30%	6,064	1	3.10%
Amazon.com, Inc	6,500	3	1.69%	-	-	-
Clovis Unified	6,400	5	1.66%	-	-	-
City of Fresno	4,605	6	1.20%	3,100	3	1.58%
Internal Revenue Service	4,230	7	1.10%	-	-	-
Foster Farms	3,063	8	0.80%	-	-	-
Valley Children's	3,000	9	0.78%	-	-	-
Saint Agnes Medical Center	2,900	10	0.75%	1,906	4	0.97%
California State University, Fresno	-	-	-	1,525	5	0.78%
Kaiser Permanete Fresno	-	-	-	1,012	7	0.52%
Lyons Magnus	-	-	-	600	8	0.31%
Guarantee Real Estate	-	-	-	455	9	0.23%
Total	62,237		16.17%	18,251		0.09%
Fresno City Employment	384,900			195,800		

Source: Employer Information- Fresno County Economic Development Corporation (EDD)
City of Fresno Employment Information - Employment Development Department (EDD) - Labor Market Information, State of California.

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

Regional Demographics – Population Statistics Last Ten Fiscal Years (Unaudited)

<u>Year</u>	<u>Population</u>	<u>Personal Income*</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	508,453	33,354	34,886	13%
2014	515,609	35,172	36,448	12%
2015	520,159	37,360	38,323	10%
2016	520,453	39,295	40,101	10%
2017	525,832	41,024	41,470	9%
2018	538,330	42,843	43,084	8%
2019	536,683	45,446	45,487	7%
2020	545,769	48,539	48,495	12%
2021	546,770	52,120	51,422	12%
2022	543,660	Not Available	Not Available	6%

Source:

Population: California State Department of Finance, Demographic Research Unit
 Personal Income: City of Fresno Annual Comprehensive Financial Report
 Per Capita Personal Income: City of Fresno Annual Comprehensive Financial Report
 Unemployment Rate: California Employment Development Department (EDD),
 Labor Market Information Division

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Operating Information

Property Characteristics and Dwelling Unit Composition
December 31, 2022 (Unaudited)

Public Housing			
Name of development	Address	Number of units	Year built or acquired
Sequoia Courts	515 S. Modoc	60	1942
Sierra Plaza	838 Tulare Street	70	1942
Fairview Heights Terrace	2195 S. Maud Street	74	1952
Sequoia Courts Terrace	549 S. Thorne Street	78	1942
Sierra Terrace	631 Kern Street	26	1952
Monte Vista Terrace	1132 N. Sherman Court	23	1952
DeSoto Gardens II	640 E. California Avenue	28	1995
Total units - Public Housing		<u>359</u>	
Affordable Housing			
Name of development	Address	Number of units	Year built or acquired
El Cortez Apts	4949 N. Gearhart Ave.	48	2004
Woodside Apts	3212 E. Ashcroft Ave.	76	2004
Dayton Square	3050 E. Daton	66	2004
San Ramon	1328 E. San Ramon	32	2013
Garland Gardens	3726 N. Pleasant, #101	51	1980
Total units - Affordable Housing		<u>273</u>	
Total Units		<u>632</u>	

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Operating Information

Employee Demographics
Last Ten Fiscal Years (Unaudited)

Calendar Year	Black	Asian/ Pacific Islander	White	Hispanic	Others	Total
2013	31	17	67	90	4	209
2014	25	19	72	89	7	212
2015	21	17	69	97	6	210
2016	21	19	68	93	5	206
2017	24	19	65	102	6	216
2018	23	23	61	111	9	227
2019	15	24	56	108	12	215
2020	17	26	53	110	15	221
2021	22	22	54	131	15	244
2022	16	22	45	132	23	238

Source: Human Resource Department

Note: The County and City Housing Authorities operate and report separately while sharing the same management

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

SINGLE AUDIT REPORTS AND RELATED SCHEDULES

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Housing Authority of the City of Fresno

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 business-type activities of the Housing Authority of the City of Fresno (the "Agency") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated (Report Date). Our report includes a reference to another auditor who audited the financial statements of Silvercrest, Inc., a joint venture of the Agency, as described in our report on the Agency's financial statements. The financial statements of Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Silvercrest, Inc.

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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

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

Sacramento, California
(Report Date)

PRELIMINARY DRAFT
SUBJECT TO CHANGE

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

To the Board of Commissioners
Housing Authority of the City of Fresno

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Housing Authority of the City of Fresno's (the "Agency") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the of the Agency's major federal program for the year ended December 31, 2022. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Fresno complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Sacramento, California
(Report Date)

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

**HOUSING AUTHORITY OF THE CITY OF FRESNO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Program/Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Housing and Urban Development:				
Direct Assistance:				
Supportive Housing Program	14.235		\$ 534,825	\$ -
Shelter Plus Care Program	14.238		1,029,721	-
Home Investment Partnerships Program	14.239		218,152	-
Homelessness Prevention and Rapid Re-Housing Program	14.257		144,683	-
Public and Indian Housing	14.850	Contract # SF-170	2,549,289	-
Public Housing Capital Fund	14.872	Contract # SF-170	1,982,315	-
Choice Neighborhoods Planning Grants	14.892		118,122	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	Contract # SF-472	61,187,106	-
Emergency Housing Vouchers	14.871		54,104	-
Mainstream Voucher Program	14.879		455,549	-
Subtotal - Housing Voucher Cluster			<u>61,696,759</u>	-
Subtotal - HUD Direct Assistance			<u>68,273,866</u>	-
Passed through the State of California Housing Finance Agency:				
Section 8 Project - Based Cluster				
Section 8 New Construction and Substantial Rehabilitation	14.182	CHFA # 76-54-N	443,762	-
Subtotal - Section 8 Project - Based Cluster			<u>443,762</u>	-
Passed through the City of Fresno:				
COVID-19 Emergency Solutions Grant (ESG-CV)				
Step Up on 99	14.231	N/A	287,337	287,337
Welcome Inn	14.231	E-20-MW-06-00001	854,286	854,286
Subtotal - COVID-19 Emergency Solutions Grant (ESG-CV)			<u>1,141,623</u>	1,141,623
Subtotal - U.S. Department of Housing and Urban Development			<u>69,859,251</u>	1,141,623.00
Total Expenditures of Federal Awards			<u>\$ 69,859,251</u>	<u>\$ 1,141,623</u>

See accompanying notes to the schedule of expenditures of federal awards

HOUSING AUTHORITY OF CITY OF FRESNO

**Notes to Schedule of Expenditures of Federal Awards
December 31, 2022**

Note 1 - Reporting Entity

The Housing Authority of the City of Fresno (the "Agency") is responsible for the development and implementation of certain housing programs and activities within the City of Fresno, California. The Agency provides housing to families under a variety of programs including conventional Low-Income Public Housing, Housing Choice Vouchers, Section 42 Low-Income Housing Tax Credits, Migrant Services, Farm Labor Housing, Emergency Housing, and others.

Note 2 - Indirect Cost Rate

The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the federal awards activity of the Agency under programs of the federal government for the year ended December 31, 2022. Federal awards received directly from federal agencies, as well as federal awards passed through from nonfederal agencies or other organizations are included in the Schedule. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). As the Schedule presents only the federal awards activity of the Agency, it is not intended to and does not present the financial position, change in net position or cash flows of the Agency as a whole.

Summary of Significant Accounting Policies

The expenditures included in the Schedule are reported under the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

HOUSING AUTHORITY OF CITY OF FRESNO

Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

A. Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified opinion
2. Internal control over financial reporting:
- a. Material weakness(es) identified? Yes x No
- b. Significant deficiency(ies) identified? Yes x None reported
3. Noncompliance material to financial statements noted? Yes x No

Federal Awards

4. Internal control over major federal programs:
- a. Material weakness(es) identified? Yes x No
- b. Significant deficiency(ies) identified? Yes x None reported
5. Type of auditor's report issued on compliance for major federal programs: Unmodified opinion
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? Yes x No

7. Identification of major federal programs:

<u>Assistance Listing Numbers(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871 & 14.879	Housing Voucher Cluster

8. Dollar threshold used to distinguish between Type A and Type B programs: \$2,095,776
9. Auditee qualified as low-risk auditee x Yes No

HOUSING AUTHORITY OF CITY OF FRESNO

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2022**

B. Findings - Financial Statements Audit

None reported.

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

None reported.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE