

Housing Authority of

Fresno County

Fresno, California

Annual Comprehensive Financial Report

Year Ended

December 31, 2021

HOUSING AUTHORITY OF FRESNO COUNTY
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

Issued by
Accounting & Finance Department

HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California
Year Ended December 31, 2021
TABLE OF CONTENTS

	Page
Introductory Section	
Transmittal Letter	i
Organizational Chart	v
List of Principal Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii
 Financial Section	
Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements:	
Statement of Net Position	12
Statement of Revenues, Expenses and Changes in Net Position	15
Statement of Cash Flows	17
Notes to the Basic Financial Statements	20
Required Supplementary Information:	
Schedule of Changes in Net Pension Liability and Related Ratios	62
Schedule of Pension Plan Contributions	63
Other Supplementary Information:	
Financial Data Schedule	67
 Statistical Section	
Net Position by Component (Table 1)	81
Change in Net Position (Table 2)	82
Operating Revenues by Source (Table 3)	83
Non-Operating Revenues by Source (Table 4)	84
Ratio of Debt to Capital Assets (Table 5)	85
Tenant Demographics – Population Statistics (Table 6)	86
Principal Employers (Table 7)	87
Regional Demographics – Population Statistics (Table 8)	88
Property Characteristics and Dwelling Unit Composition (Table 9)	89
Employee Demographics (Table 10)	90
 Single Audit Section	
Independent Auditors' Reports	92
Schedule of Expenditures of Federal Awards	97
Notes to Schedule of Expenditures of Federal Awards	98
Schedule of Findings and Questioned Costs	99

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



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September 23, 2022

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, 2021. 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, 2021. 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 2021, HUD and other federal agencies provided approximately 83% 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 2021, the Public Housing program was funded at 95.9% of eligibility. Funding for Section 8 was prorated at 100% for HAP and 84.7% 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 2,300 units and bringing over to \$511 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 2021, FH began conversion of an existing 64-unit senior housing property in Sanger, CA. The property was converting from the Low-Income Public Housing (LIPH) program to Project Based Vouchers (PBV's) through the HUD RAD conversion. The scope of repairs for the project included the replacement of mechanical equipment, the upgrading of accessibility features within ADA units, and the improvement of certain site features. The project was funded by a mortgage loan from Citizen Business Bank.

FH began construction of Esperanza Commons project. The project consists of fifty-nine (59) low-income housing tax credit units and one manager unit. The project was financed with \$11 million of LIHTC financing, as well as investments from USDA, County of Fresno and Fresno Housing. Construction is expected to be completed by Q2, 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, 2021 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, 2020. This was the first 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. FH believes that our current annual comprehensive financial reporting continues to meet the GFOA's requirement and FH intends to submit its financial report for the year ended December 31, 2021 to the GFOA for award consideration.

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.

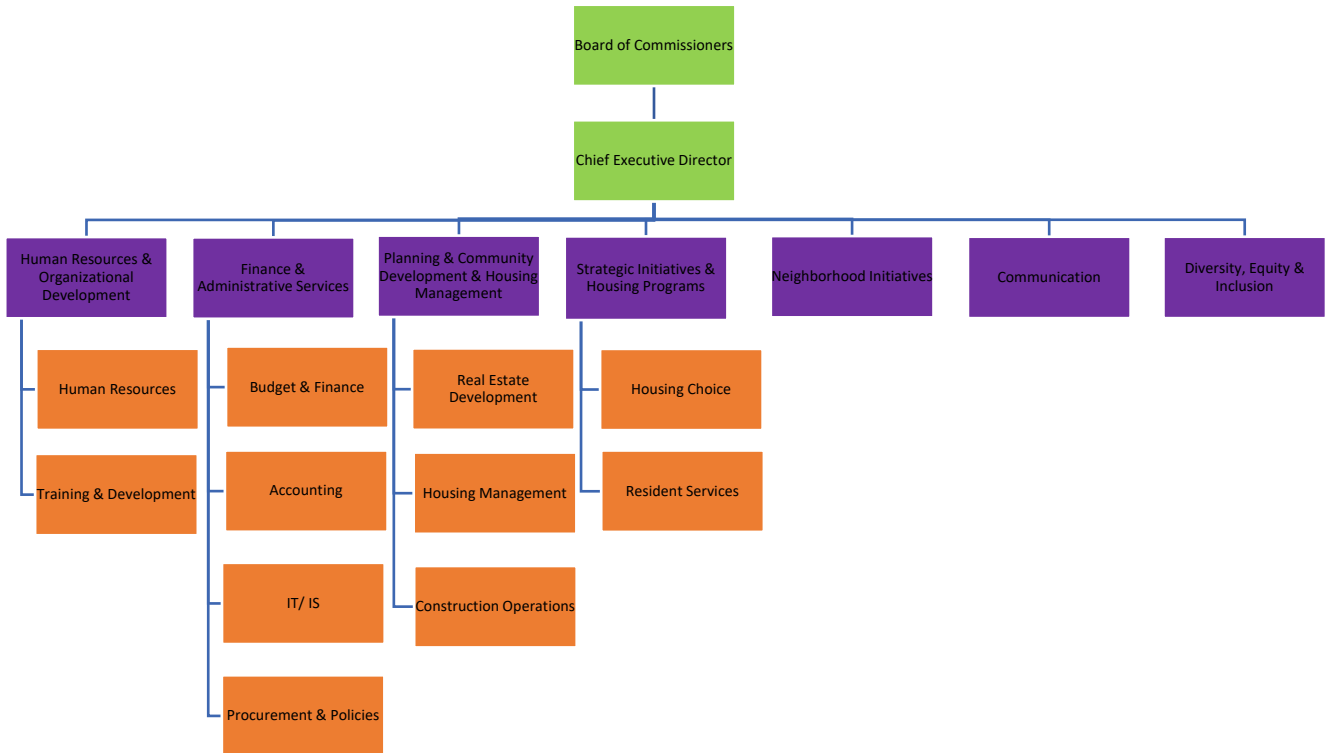
In closing, without the leadership and support of the members of the Boards of Commissioners, preparation of this report would not have been made possible.

Respectfully Submitted,

Tyrone Roderick Williams

Tyrone Roderick Williams
Chief Executive Director

**Housing Authority of Fresno County
Organizational Chart
December 31, 2021**



**Housing Authority of Fresno County
List of Principal Officials
December 31, 2021**

Board of Commissioners:

Cary Catalano
Chairperson

Nikki Henry
Vice-Chairperson

Valori Gallaher
Commissioner

Stacy Sablan
Commissioner

Sophia Ramos
Commissioner

Edugiben Ortiz
Commissioner

Joey Fuentes
Commissioner

Management:

Tyrone Roderick Williams
Chief Executive Director

Marc' Bady
Chief Inclusion and Empowerment Officer

Michael Duarte
Chief Real Estate Officer

Jeff Cardell
Director of Human Resources

Christina Husbands
Director of Real Estate Development

I-Hsin (Nicole) Diaz
Director of Finance and Accounting



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, 2020

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, 2021, 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 financial position of the business-type activities and the discretely presented component unit of the Housing Authority of Fresno County, as of December 31, 2021, 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, 2021 of \$1,645,019 is included in investments in joint ventures in the statement of net position and the Agency's share of Silvercrest, Inc.'s income for the year then ended of \$48,210 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 Financial Data Schedule required by the U.S. Department of Housing and Urban Development ("HUD") and 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 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 Financial Data Schedule required by HUD and 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 September 23, 2022, 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.

CohnReznick LLP

Sacramento, California
September 23, 2022

**Housing Authority of Fresno County
Management's Discussion and Analysis
Year Ended December 31, 2021**

Introduction

This narrative overview and analysis of the Housing Authority of Fresno County's (the "Agency") performance through December 31, 2021, 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, 2021 and 2020. 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.
- Required Supplementary Information includes the Schedule of Changes in Net Pension Liability and Related Rations 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 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
	2021	2020		
Assets				
Unrestricted Current Assets	\$ 14,048,672	\$ 13,786,426	\$ 262,246	1.90%
Restricted Current Assets	1,456,863	2,271,933	(815,070)	-35.88%
Capital Assets, Net of Accumulated Depreciation	13,837,129	13,419,525	417,604	3.11%
Other Non-current Assets	56,599,791	53,467,214	3,132,577	5.86%
Total Assets	85,942,455	82,945,098	2,997,357	3.61%
Deferred Outflows	1,186,082	1,561,784	(375,702)	-24.06%
Total Assets and Deferred Outflows	<u>\$ 87,128,537</u>	<u>\$ 84,506,882</u>	<u>\$ 2,621,655</u>	<u>3.10%</u>
Liabilities				
Current Liabilities	\$ 8,561,834	\$ 7,879,547	\$ 682,287	8.66%
Non-Current Liabilities	10,968,069	15,239,382	(4,271,313)	-28.03%
Total Liabilities	19,529,903	23,118,929	(3,589,026)	-15.52%
Deferred Inflows	3,143,896	107,921	3,035,975	2813.15%
Total Liabilities and Deferred Inflows	<u>22,673,799</u>	<u>23,226,850</u>	<u>(553,051)</u>	<u>5.15%</u>
Net Position				
Net Investment in Capital Assets	9,217,669	8,990,647	227,022	2.53%
Restricted Net Position	804,396	941,169	(136,773)	-14.53%
Unrestricted Net Position	54,432,673	51,348,216	3,084,457	6.01%
Total Net Position	<u>64,454,738</u>	<u>61,280,032</u>	<u>3,174,706</u>	<u>5.18%</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 87,128,537</u>	<u>\$ 84,506,882</u>	<u>2,621,655</u>	<u>3.10%</u>

Total assets and DOR of the Agency at December 31, 2021 and 2020 amounted to \$87.1 million and \$84.5 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 receivable, assets held for sale and investments in joint ventures. The principal changes in assets from December 31, 2020 to December 31, 2021 were increases in other assets. The increase in other assets was mainly attributable to investments in Silvercrest, Inc., which was reported as a joint-venture investment of the Agency.

Total liabilities and DIR of the Agency were \$22.6 million and \$23.2 million at December 31, 2021 and 2020, respectively. Current liabilities include short-term accounts payable, accrued liabilities, current portions of long-term debt, and unearned revenue. Current liabilities increased from \$7.8 million in 2020 to \$8.5 million in 2021 due mainly to various related party loans coming due. Non-current liabilities decreased from \$15.2 million in 2020 to \$10.9 million in 2021 mainly due to a decrease of \$3.8 million in the net pension liability. 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 5.18% during the year from \$61.2 million in 2020 to \$64.4 million in 2021.

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, 2021 to December 31, 2021.

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.

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

	December 31,		Increase (Decrease)	Percentage Change
	2021	2020		
Operating Revenues				
Rental Income and Other	\$ 8,479,302	\$ 9,521,721	\$ (1,042,419)	-10.95%
Grant Revenue	49,028,747	50,621,092	(1,592,345)	-3.15%
Total Operating Revenues	57,508,049	60,142,813	(2,634,764)	-4.38%
Operating Expenses	58,055,461	57,287,674	767,787	1.34%
Operating Income (Loss)	(547,412)	2,855,139	(3,402,551)	-119.17%
Non-Operating Revenues/(Expenses)				
Interest Income, net	1,332,811	1,316,130	16,681	1.27%
Other Revenue/(Expenses), net	(855,552)	282,385	(1,137,937)	-402.97%
Total Non-Operating Revenues	477,259	1,598,515	(1,121,256)	-70.14%
Net Income/(Loss) before Capital Contributions	(70,153)	4,453,654	(4,523,807)	-101.58%
Capital & Equity Contributions/(Distributions)	1,648,050	150,327	1,497,723	996.31%
Increase/(Decrease) in Net Position	1,577,897	4,603,981	(3,026,084)	-66%
Net Position, Beginning of Year	61,280,032	56,676,051	4,603,981	8.12%
Change in Reporting Entity	1,596,809	-	1,596,809	100%
Net Position, End of Year	\$ 64,454,738	\$ 61,280,032	\$ 3,174,706	5.18%

The preceding statement of revenues, expenses and changes in net position reflects the year ended December 31, 2021, compared to the year ended December 31, 2020. Overall, operating revenues decreased by 4.3%, or \$2.6 million, from 2020 to 2021; operating expenses remained consistent during the year; non-operating revenues decreased by 70.1% or \$1.1 million from 2020 to 2021; and capital contributions increased by \$1.5 million from prior year. These changes lead to a total increase in net position by \$3.1 million from December 31, 2020 to December 31, 2021.

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

- The decrease in operating revenues is attributable to receipts of the developer fees.
- The net decrease in non-operating revenues/(expenses) was mainly attributable to loss from disposition 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 \$1.59 million was to report the beginning equity in Silvercrest, Inc. as a joint venture of the Agency.

Capital Assets

The table below shows the Agency's capital assets, net of accumulated depreciation and amortization, at December 31, 2021, and 2020.

	December 31,		Increase (Decrease)	Percentage Change
	2021	2020		
Land	\$ 1,747,763	\$ 1,817,636	\$ (69,873)	-3.84%
Structures	4,784,460	6,717,067	(1,932,607)	-28.77%
Equipment	754,451	911,214	(156,763)	-17.20%
Construction in Progress	6,550,455	3,973,608	2,576,847	64.85%
Total Capital Assets, Net	\$ 13,837,129	\$ 13,419,525	\$ 417,604	3.11%

Overall, the Agency's capital assets increased by \$.4 million during 2021. 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, 2021 and 2020. 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
	2021	2020		
Notes Payable - Non-Related Parties	\$ 3,983,453	\$ 3,515,107	\$ 468,346	13.32%
Notes Payable - Related Parties	4,397,848	4,675,612	(277,764)	-5.94%
Total Debt	<u>\$ 8,381,301</u>	<u>\$ 8,190,719</u>	<u>\$ 190,582</u>	<u>2.33%</u>

The Notes Payable - Non-Related Parties increased by 13.32% or \$0.4 million mainly attributed to loan for rehabilitation of the blended component unit. See Note 12 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 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, 2021

ASSETS AND DEFERRED OUTFLOWS	Primary Government	Kerman Acre, L.P.
Unrestricted Current Assets		
Cash and Cash Equivalents	\$ 8,626,617	\$ 58,718
Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$14,030	215,631	8,774
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$40,109	706,642	-
Due From Other Governments	326,782	-
Due From Related Parties	3,679,446	-
Prepaid Expenses	493,554	7,909
Total Unrestricted Current Assets	14,048,672	75,401
Restricted Current Assets		
Restricted Cash	1,456,863	28,525
Total Restricted Current Assets	1,456,863	28,525
Total Current Assets	15,505,535	103,926
Non-Current Assets		
Capital Assets		
Capital Assets - Not being depreciated	8,298,218	119,217
Capital Assets - Depreciable, Net of Accumulated Depreciation of \$55,550,968	5,538,911	1,957,188
Total Capital Assets, Net	13,837,129	2,076,405
Other Non-Current Assets		
Notes Receivable From Related Parties	33,957,676	-
Notes Receivable From Non-Related Parties, Net of allowance for doubtful accounts of \$914,860	-	-
Interest Receivable - Related Parties, Net of allowance for doubtful accounts of \$597,992	5,509,876	-
Investments In Joint Ventures	18,232,686	-
Equity Interest In Component Unit	(1,446,075)	-
Assets Held For Sale	345,628	-
Total Other Non-Current Assets	56,599,791	-
Total Assets	85,942,455	2,180,331
Deferred Outflow of Resources - Pension Related	1,186,082	-
Total Deferred Outflow of Resources	1,186,082	-
Total Assets and Deferred Outflows	\$ 87,128,537	\$ 2,180,331

(Continued)

HOUSING AUTHORITY OF FRESNO COUNTY
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2021
(Continued)

LIABILITIES, DEFERRED INFLOWS AND NET POSITION	Primary Government	Kerman Acre, L.P.
Current Liabilities		
Vendors and Contractors Payable	\$ 1,240,878	\$ 16,433
Accrued Salaries	218,341	-
Accrued Compensated Absences	454,141	-
Resident Security Deposits	221,102	5,971
Due To Other Governments	282,275	-
Due To Related Parties	542,415	4,899
Other Current Liabilities - Related Parties	4,804	249,381
Other Current Liabilities - Non-Related Parties	254,207	7,968
Notes Payable - Related Parties	4,397,848	-
Accrued Interest Payable	177,650	-
Unearned Revenue	768,173	248
Total Current Liabilities	8,561,834	284,900
Non-Current Liabilities		
Notes Payable - Related Parties	-	782,020
Notes Payable - Non-related Parties	3,983,453	3,102,168
Accrued Interest Payable	275,349	846,681
Accrued Compensated Absences	204,245	-
Family Self-Sufficiency Escrow	33,890	-
Net Pension Liability	6,471,132	-
Total Non-Current Liabilities	10,968,069	4,730,869
Total Liabilities	19,529,903	5,015,769
Deferred Inflows of Resources - Pension Related	3,143,896	-
Total Deferred Inflows of Resources	3,143,896	-
Total Liabilities and Deferred Inflows	22,673,799	5,015,769
Net Position		
Net Investment in Capital Assets	9,217,669	(1,807,783)
Restricted for:		
Other Externally Required Reserves	804,396	22,306
Unrestricted	54,432,673	(1,049,961)
Total Net Position	64,454,738	(2,835,438)
Total Liabilities, Deferred Inflows and Net Position	\$ 87,128,537	\$ 2,180,331

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, 2021

	Primary Government	Kerman Acre, L.P.
Operating Revenues		
Rental Revenue	\$ 3,807,849	\$ 105,910
Fee Revenue	392,859	-
HUD Grants	47,687,217	-
Other Governmental Grants	1,341,530	60,058
Developer Fee Revenue	1,343,833	-
Other Revenue	2,934,761	1,205
Total Operating Revenues	<u>57,508,049</u>	<u>167,173</u>
Operating Expenses		
Administrative Expense	8,341,690	92,025
Tenant Services Expense	387,453	8,232
Utilities Expense	1,450,161	16,684
Maintenance & Operations Expense	3,004,153	61,058
Protective Services Expense	73,896	471
Insurance Expense	492,640	9,455
General Expense	2,957,168	4,053
Housing Assistance Payments	40,203,048	-
Depreciation	1,145,252	103,695
Total Operating Expenses	<u>58,055,461</u>	<u>295,673</u>
Operating Income (Loss)	<u>(547,412)</u>	<u>(128,500)</u>
Non-Operating Revenues (Expenses)		
Interest Revenue, Unrestricted	11,213	-
Interest Revenue, Restricted	7,350	7
Interest Revenue on Notes Receivable	1,319,218	-
Interest Expense	(4,970)	(114,257)
Fraud Recovery	19,420	-
Share of Joint Venture Income	525,137	-
Loss from Equity Interest in Component Unit	(123,856)	-
Loss from Insurance Claims	(10,329)	-
Loss from Disposition of Capital Assets	(1,265,924)	-
Total Non-Operating Revenues (Expenses)	<u>477,259</u>	<u>(114,250)</u>
Income (Loss) Before Contributions and Transfers	<u>(70,153)</u>	<u>(242,750)</u>
Capital Contributions	1,648,050	-
Increase (Decrease) in Net Position	<u>1,577,897</u>	<u>(242,750)</u>
Net Position, Beginning of Year	61,280,032	(2,592,688)
Change in Reporting Entity	1,596,809	-
Net Position, End of Year	<u>\$ 64,454,738</u>	<u>\$ (2,835,438)</u>

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, 2021

	<u>Primary Government</u>
Cash Flows from Operating Activities:	
Cash Received from Tenants	\$ 3,522,055
Cash Received from Others	4,095,933
Cash Paid to Employees for Services	(11,817,906)
Cash Paid to Suppliers for Goods and Services	(4,752,378)
Cash Received from Operating Grants	49,383,256
Cash Paid for Housing Assistance	<u>(40,985,423)</u>
Net Cash Used for Operating Activities	<u>(554,463)</u>
Cash Flows From Capital and Related Financing Activities:	
Acquisition of Capital Assets	(2,633,643)
Principal Proceeds on Long Term Debt - Related Parties	661,807
Principal Proceeds on Long Term Debt - Non-Related Parties	1,000,453
Principal Paid on Long Term Debt - Related Parties	(939,571)
Principal Paid on Long Term Debt - Non-Related Parties	(532,107)
Interest Paid on Notes Payable	<u>(31,648)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(2,474,709)</u>
Cash Flows from Noncapital Financing Activities:	
Repayments and Interest Received on Notes Receivable	<u>184,732</u>
Net Cash Provided by Noncapital Financing Activities	<u>184,732</u>
Cash Flows From Investing Activities:	
Interest Received from Investments	11,213
Interest on Restricted Cash	<u>7,350</u>
Net Cash Provided by Investing Activities	<u>18,563</u>
Net decrease to cash and cash equivalents	(2,825,877)
Cash and cash equivalents at beginning of year	<u>12,909,357</u>
Cash and cash equivalents at end of year	<u><u>\$ 10,083,480</u></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	\$ 8,626,617
Restricted Cash	<u>1,456,863</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 10,083,480</u></u>

(Continued)

HOUSING AUTHORITY OF FRENO COUNTY
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

	<u>Primary Government</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:	
Operating Income (Loss)	\$ (547,412)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities	
Depreciation	1,145,252
Fraud Recovery	19,420
Other Expenses	(10,329)
(Increase) Decrease in Accounts Receivable - Tenants	(61,746)
(Increase) Decrease in Accounts Receivable - Other	(547,173)
(Increase) Decrease in Due from Other Governments	2,065,104
(Increase) Decrease in Due from Related Parties	(1,857,140)
(Increase) Decrease in Prepaid Expenses	(224,048)
(Increase) Decrease in Deferred Outflows	375,702
Increase (Decrease) in Accounts Payable - Vendors	608,940
Increase (Decrease) in Due to Related Parties	444,814
Increase (Decrease) in Accrued Salaries	(88,745)
Increase (Decrease) in Accounts Payable - Other Governments	(196,682)
Increase (Decrease) in Unearned Revenue	(782,375)
Increase (Decrease) in Other Current Liabilities	(101,587)
Increase (Decrease) in FSS Liabilities	(10,045)
Increase (Decrease) in Resident Security Deposits Payable	(27,393)
Increase (Decrease) in Accrued Compensated Absences	33,749
Increase (Decrease) in Pension Liability	(3,828,744)
Increase (Decrease) in Deferred Inflows	<u>3,035,975</u>
 Net Cash Used for Operating Activities	 <u>\$ (554,463)</u>
 Significant Noncash Activities:	
Increase in Investments in Joint Ventures	\$ 1,596,809
Assumption of Notes Receivable	914,860
Disposition of Capital Assets	<u>195,137</u>
	<u><u>\$ 2,706,806</u></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, 2021

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.

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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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.

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.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

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

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

outside of the normal life cycle of the capital asset being evaluated. As of December 31, 2021, there has been no impairment of the capital assets.

j) 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.

k) 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.

l) 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.

m) 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.

n) 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.

o) 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

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

management's best estimates and judgments. Accordingly, actual results may differ from the estimates.

p) 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.

q) 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.

r) 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, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

s) 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

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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 qualifies for reporting in this category: Deferred Inflows - Pension Related.

t) New Accounting Pronouncements

During the year ended December 31, 2021, the Agency implemented the following new accounting standards issued by the GASB:

Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period". GASB Statement 89 provides accounting requirements for interest cost incurred before the end of a construction period. It establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. It also simplifies accounting for interest cost incurred before the end of a construction period. For financial statements prepared using the economic resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred. Such interest cost should not be capitalized as part of the historical cost of a capital asset. For financial statements prepared using the current financial resources measurement focus, interest incurred before the end of a construction period should continue to be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for the Agency's year ended December 31, 2021.

Statement No 90, "Majority Equity Interests". The primary objective of GASB No 90 is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the financial statements relevance for certain component units. It specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition as an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special- purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment or permanent fund. The requirements of this Statement are effective for the Agency's year ended December 31, 2021.

Statement No. 98, "The Annual Comprehensive Financial Report". GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. The requirements of the Statement are effective for the Agency's year ended December 31, 2021.

The adoption of the above statements did not have a significant effect on the Agency's financial statements for the year ended December 31, 2021.

The effective dates of certain provisions in the following pronouncements are postponed by one year:

- Statement No. 83, "Certain Asset Retirement Obligations"
- Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements"
- Statement No. 91, "Conduit Debt Obligations"

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

- Statement No. 92, "Omnibus 2020"
- Statement No. 93, "Replacement of Interbank Offered Rates"

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, "Leases"
- Implementation Guide No. 2019-3, "Leases"

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

- 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 year ending December 31, 2022.
- 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.
- 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.
- 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 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.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

- 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. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance". The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.
- 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.
- 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.
- 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.
- 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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, were classified as follows in the accompanying Statement of Net Position:

	Primary Government	Kerman Acre, L.P.
Cash & Cash Equivalents	\$ 8,626,617	\$ 58,718
Restricted Cash	1,456,863	28,525
Total Cash, Cash Equivalents and Restricted Cash	\$ 10,083,480	\$ 87,243

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, 2021, 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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 \$8,626,617 at December 31, 2021. 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, 2021 and the remaining \$5,153,457 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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021 are as follows:

Cash Restricted for:	Cash			Kerman Acre, LP		
	Restriction	In Liabilities	In Restricted Net Position	Cash Restriction	In Liabilities	In Restricted Net Position
HAP Funding	\$ 40,334	\$ -	\$ 40,334	\$ -	\$ -	\$ -
Tenant Security Deposits	221,102	221,102	-	5,971	5,971	-
Emergency Housing Vouchers	765,966	239,750	526,216	-	-	-
Other Reserves	429,461	191,615	237,846	22,554	248	22,306
	\$ 1,456,863	\$ 652,467	\$ 804,396	\$ 28,525	\$ 6,219	\$ 22,306

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, 2021 consists of the following:

Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$14,030	\$ 215,631
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$40,109	<u>706,642</u>
Total Accounts Receivable	<u>\$ 922,273</u>

5) Due from Other Governments

At December 31, 2021, amounts Due from Other Governments consists of the following:

U.S. Department of HUD	\$ 10,967
Other	<u>315,815</u>
Total Due from Other Governments	<u>\$ 326,782</u>

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

6) Due from Related Parties

At December 31, 2021, amounts Due from Related Parties consists of the following:

Housing Authority of the City of Fresno	\$ 3,259,092
Limited Partnership	420,354
	<u>420,354</u>
Total Due from Related Parties	\$ 3,679,446
	<u><u>\$ 3,679,446</u></u>

7) Capital Assets

Changes in the Capital Assets during the year ended December 31, 2021 were as follows:

	Balance 12/31/2020	Additions	Dispositions	Balance 12/31/2021
Capital assets not depreciated:				
Land	\$ 1,817,636	\$ -	\$ (69,873)	\$ 1,747,763
Construction in progress	3,973,608	2,576,847	-	6,550,455
Total capital assets not depreciated	5,791,244	2,576,847	(69,873)	8,298,218
Capital assets being depreciated:				
Buildings and Improvements	63,136,986	28,316	(4,281,957)	58,883,345
Equipment / Software	2,178,054	28,480	-	2,206,534
Total capital assets being depreciated	65,315,040	56,796	(4,281,957)	61,089,879
Less accumulated depreciation for:				
Buildings and Improvements	(56,419,919)	(960,009)	3,281,043	(54,098,885)
Equipment / Software	(1,266,840)	(185,243)	-	(1,452,083)
Total accumulated depreciation	(57,686,759)	(1,145,252)	3,281,043	(55,550,968)
Total capital assets being depreciated, net	7,628,281	(1,088,456)	(1,000,914)	5,538,911
Total Capital Assets, Net	\$ 13,419,525	\$ 1,488,391	\$ (1,070,787)	\$ 13,837,129

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

8) Notes Receivable

The following is a summary of changes in notes receivable during the year ended December 31, 2021:

	<u>Balance 12/31/2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 12/31/2021</u>	<u>Interest Receivable</u>
<u>Non-Related Parties:</u>					
Mendota RDA-SERAF	\$ -	\$ 375,142	\$ -	\$ 375,142	\$ -
Mendota RDA	-	539,718	-	539,718	-
Allowance	-	(914,860)	-	(914,860)	-
Total non-related parties, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Related Parties:</u>					
Kerman Acre L.P	\$ 678,835	\$ -	\$ -	\$ 678,835	\$ 95,764
Kingsburg Marion Villas AHP	450,000	-	-	450,000	107,183
Magill Terrace	3,240,000	-	-	3,240,000	229,882
Mendota RAD	6,000,000	-	-	6,000,000	1,541,098
Orange Cove AHP	800,000	-	-	800,000	191,742
Orange Cove RAD	5,430,000	-	-	5,430,000	1,603,737
Parlier Oak Grove	3,345,000	-	-	3,345,000	221,653
Reedley Kings River Commons AHP	578,000	-	-	578,000	-
Reedley Trailside Terrace	2,431,000	-	-	2,431,000	581,966
Reedley Trailside Terrace AHP	540,000	-	-	540,000	-
Sanger Memorial Village	3,440,000	-	-	3,440,000	436,632
Shockley Terrace LP	2,160,258	-	-	2,160,258	500,219
Clovis Solivita	4,249,583	-	-	4,249,583	-
Kingsburg Linnaea Villas	615,000	-	-	615,000	-
Total due from related parties	<u>33,957,676</u>	<u>-</u>	<u>-</u>	<u>33,957,676</u>	<u>5,509,876</u>
Total	<u>\$ 33,957,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,957,676</u>	<u>\$ 5,509,876</u>

Mendota RDA

In 2021, the Agency assumed a Supplemental Education Revenue Augmentation Fund (SERAF) Loan in the amount \$375,142 from Mendota RDA. The original loan was between Mendota RDA and the Mendota Redevelopment Agency. The loan bears no interest and principal payments are contingent upon available Redevelopment Property Tax Trust Fund (RPTTF).

In 2021, the Agency assumed multiple housing loans in the total amount of \$539,718 from Mendota RDA. The original loan was between Trustors and the Mendota Redevelopment Agency and secured by the Deed of Trust, Assignment of Rents and Fixtures Filing. The loans bear no interest.

As of December 31, 2021, the Agency deemed both loans as uncollectable and recorded a full allowance on the principal balances.

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, 2021 was \$678,835 with accrued interest of \$95,764.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021 was \$450,000 with accrued interest of \$107,183.

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.

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, 2021, the total outstanding principal balance of both loans was \$3,240,000 with accrued interest of \$229,882.

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, 2021, the total outstanding principal balance for both loans was \$6,000,000 with accrued interest of \$1,541,098.

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.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021, the total outstanding principal balance for both loans was \$6,230,000 with accrued interest of \$1,795,479.

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, 2021, the outstanding principal balance of the loan was \$3,345,000 with accrued interest \$221,653.

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, 2021 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.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

As of December 31, 2021, the total outstanding principal balance for both loans was \$2,971,000 with accrued interest of \$581,966.

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.

As of December 31, 2021, the total outstanding principal balance for both loans was \$3,440,000 with accrued interest of \$436,632.

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, 2016, 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, 2021, the total outstanding principal balance for both loans was \$2,160,258 with accrued interest of \$500,219.

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, 2021, the total outstanding principal balance for both loans was \$4,249,583.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021 was \$615,000.

9) Investment in Joint Ventures

Investment in joint ventures as of December 31, 2021 consists of the following:

Joint Venture:	
Housing Relinquished Fund Corporation	\$ 16,540,807
Housing Self Insurance Corporation	48,813
Silvercrest, Inc.	1,645,019
Villa Del Mar. Inc.	<u>(1,953)</u>
Total Investments in Joint Venture	<u>\$ 18,232,686</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 33% 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 (deficit) of \$54,533,329, \$5,376,787 and \$49,156,542, respectively. For the year end December 31, 2021, HRFC's revenue and expenses were \$1,536,313 and \$125,102, 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 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, 2021, HSIC has total assets, liabilities and equity (deficit) of \$303,475, \$1,550 and \$301,925, respectively. For the year end December 31, 2021, HSIC's revenue and expenses were \$120,000 and \$49,827, 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 7% 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, 2021, Silvercrest, Inc. has total assets, liabilities and equity (deficit) of \$32,929,118, \$9,428,847 and \$23,500,271, respectively. For the year end

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

December 31, 2021, Silvercrest, Inc.'s revenue and expenses were \$6,526,866 and \$5,838,156, 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, 2021, Villa Del Mar, Inc. has total assets, liabilities and equity (deficit) of \$0, \$47,311 and (\$47,311), respectively. For the year end December 31, 2021, Villa Del Mar, Inc.'s revenue and expenses were \$0 and \$3,000, 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, 2021:

County Public Housing Program	<u>\$ 345,628</u>
Total Asset Held for Sale	<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, 2021, the book value of homes held for sale were \$345,628.

11) 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.

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, 2021, the Agency's share of its partners' deficit in the Kerman Acre, L.P. component unit was \$1,446,075.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

12) Long Term Liabilities

Changes in long-term liabilities during the fiscal year ended December 31, 2021 were as follows:

	Balance 12/31/2020	Additions	Payments/ Deletions	Balance 12/31/2021	Due Within One Year
Notes Payable - Non-Related Parties:					
U.S. Department of Agriculture Mendota FLH	\$ 532,107	\$ -	\$ (532,107)	\$ -	\$ -
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	-
Notes Pay LT AHP - Kingsburg Linnaea Villas	615,000	-	-	615,000	-
Notes Pay - Sanger Wedgewood	-	1,000,453	-	1,000,453	-
	3,515,107	1,000,453	(532,107)	3,983,453	-
Notes Payable - Related Parties:					
P&CD (Various pre-dev) to HRFC	3,830,771	661,807	(939,571)	3,553,007	3,553,007
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
	4,675,612	661,807	(939,571)	4,397,848	4,397,848
Other Liabilities:					
Interest payable	355,983	128,664	(31,648)	452,999	177,650
Family Self-Sufficiency	43,935	-	(10,045)	33,890	-
Compensated Absences	624,637	679,705	(645,956)	658,386	454,141
Net Pension Liability	10,299,876	-	(3,828,744)	6,471,132	-
	11,324,431	808,369	(4,516,393)	7,616,407	631,791
Total Notes Payable	\$ 19,515,150	\$ 2,470,629	\$ (5,988,071)	\$ 15,997,708	\$ 5,029,639

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

Year Ending December 31	Principal	Interest	Total
2022	\$ 4,397,848	\$ 177,650	\$ 4,575,498
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027-2031	1,250,000	-	1,250,000
2032-2036	-	-	-
2037-2041	-	-	-
2042 & Beyond	2,733,453	-	2,733,453
	\$ 8,381,301	\$ 177,650	\$ 8,558,951

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

U.S. Department of Agriculture Notes

The Agency entered into six notes with the United States Department of Agriculture Farmer Homes Administration under the Farm Labor Housing Union Loan program. In accordance with the notes, the Agency used the funds for the acquisition and development of four multi-unit rental housing developments. The notes accrue interest at 1% per annum. The notes mature at various dates beginning on January 6, 2014 and ending on April 2, 2035. As of December 31, 2021, the loan was paid in full.

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, 2021, 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, 2021, 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, 2021, the outstanding principal balance was \$800,000.

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, 2021, the outstanding principal balance was \$540,000.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021, the outstanding principal balance was \$615,000.

Sanger Wedgewood, LP

In 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, 2021, the outstanding principal balance was \$1,000,453 and accrued interest of \$7,500.

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, 2021 was \$3,553,007.

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, 2021 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 bearing and repayment terms are not explicitly stated. The outstanding principal balance at December 31, 2021 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, 2021 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, 2021 was \$33,890.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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. Except for the Executive Director who is entitled to 100% of the value of their sick leave upon request, 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, 2021, accrued vacation and vested sick leave have been valued by the Agency at \$658,386.

13) Due to Other Governments

At December 31, 2021, amounts due to other governments consists of the following:

Payments in Lieu of Taxes	\$	176,430
U.S. Department of HUD		105,419
Other		426
Total Due to Other Governments	\$	<u>282,275</u>

14) Due to Related Parties

At December 31, 2021, amounts due to related parties consist of the following:

Housing Authority of the City of Fresno	\$	379,593
Limited Partnership		112,285
Silvercrest, Inc.		50,537
Total Due to Related Parties	\$	<u>542,415</u>

15) Other Current Liabilities

Other current liabilities at December 31, 2021, consist of the following:

Payroll - Withholding Taxes, Benefits Payable	\$	72,469
Unclaimed Checks/Refunds		131,024
Accrued Expenses		45,542
Others		9,976
Total Other Current Liabilities	\$	<u>259,011</u>

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

16) Unearned Revenues

Unearned revenues at December 31, 2021, consist of the following:

Grant	\$ 701,310
Prepaid Tenant Rents	64,427
Other	<u>2,436</u>
Total Unearned Revenues	<u><u>\$ 768,173</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 \$19,500 established by IRS for 2021. 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 \$72,497 for the year ended December 31, 2021. 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.

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 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. 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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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%

Employees Covered:

Summary of Valuation Data (Counts)

	June 30, 2020
1. Active Members	103
2. Transferred Members	36
3. Terminated Members	78
4. Retired Members and Beneficiaries	107
5. Active to Retired Ratio [(1)/(4)]	0.96

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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, 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.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2020 valuation was rolled forward to determine the June 30, 2021 total pension liability based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
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 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter

¹ The Mortality table used was developed based on CalPERS-specific data. 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 improvements using 90% of Scale MP-2016 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 2017 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 as well as the expected pension fund cash flows. Using historical returns of all the Funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

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

Asset Class ¹	Current Target Allocation	Real Return Year 1-10 ²	Real Return Years 11+ ³
Global Public Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

(1) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period.

(3) An expected inflation of 2.92% used for this period.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Changes in Net Pension Liability

The Changes in Net Pension Liability for the measurement period ended June 30, 2021 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension Liability
Balance at: June 30, 2020	\$ 38,878,969	\$ 28,579,093	\$ 10,299,876
Changes recognized for the measurement period:			
Service Cost	853,087	-	853,087
Interest on Total Pension Liability	2,774,972	-	2,774,972
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	395,246	-	395,246
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,081,487	(1,081,487)
Contributions - Employee	-	439,320	(439,320)
Net Investment Income	-	6,359,791	(6,359,791)
Benefit Payments, including Refunds of Employee Contributions	(1,779,905)	(1,779,905)	-
Administrative Expense	-	(28,549)	28,549
Other Miscellaneous Income	-	-	-
Net Changes during 2020-2021	2,243,400	6,072,144	(3,828,744)
Balance at: June 31, 2021	\$ 41,122,369	\$ 34,651,237	\$ 6,471,132

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 7.15 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 (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate -1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability/(Assets)	\$ 12,024,474	\$ 6,471,132	\$ 1,888,319

Subsequent Events

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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 lives 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, 2021 was 3.5 years, which was obtained by dividing the total service years of 1,141 (the sum of remaining service lifetimes of the active employees) by 324 (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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**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Deferred Outflows and Deferred Inflows of Resources

For the measurement period ended June 30, 2021, the Agency incurred a pension expense of \$751,649.

As of June 30, 2021, 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	\$ -	\$ -
Differences between Expected and Actual Experience	586,991	(17,029)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(3,126,867)
Payment on pension contributions between measurement date and fiscal year end	599,091	-
Total	\$ 1,186,082	\$ (3,143,896)

The \$599,091 in pension payments between June 30 and December 31, 2021, 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, 2022. 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:	
2022	\$ (379,765)
2023	(614,944)
2024	(695,057)
2025	(867,139)
2026	-
Thereafter	-
	\$ (2,556,905)
	\$ 1,186,082
	(3,143,896)
	(1,957,814)
Payment on pension contributions between measurement date and fiscal year end	\$ (599,091)

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 \$301,300 for the year ended December 31, 2021. 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' 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

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

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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 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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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.

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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 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, 2021, 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

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, there is no substantial activity to report.

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.

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.

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.

22) 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.

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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.

e) COVID 19 Pandemic

The financial impact of the novel COVID-19 coronavirus has been felt both worldwide and in the United States, Throughout the United States businesses in all financial sectors have felt the negative impact of the COVID-19 pandemic as jobs have been lost due to sheltering in place in order to mitigate the spread of the virus.

While the Agency cannot readily estimate the financial impact that the pandemic will have on its business operations, the Agency does not believe that the Agency's mission will be adversely impacted as it has received federal stimulus funding to continue providing essential housing assistance to the families experiencing hardship in Fresno County.

23) 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, 2021, the Agency had reported the following as restricted net position:

Externally Required Restrictions:	
Housing Choice Vouchers	\$ 40,334
Emergency Housing Vouchers	526,216
USDA Programs	109,625
Other Reserves	128,221

Total Restricted Net Position	\$ 804,396

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

24) Blended Component Units

Below is a summary of the financial statements as of December 31, 2021 of the blended component unit.

Current assets	
Cash	\$ 1,072,378
Other assets	<u>26,715</u>
Total current assets	<u>1,099,093</u>
Non-current assets	
Capital assets, net	<u>1,047,767</u>
Total non-current assets	<u>1,047,767</u>
Total assets	<u>\$ 2,146,860</u>
Current liabilities	
Accounts payable	\$ 81,070
Other current liabilities	<u>45,551</u>
Total current liabilities	<u>126,621</u>
Non-current liabilities	
Mortgages and notes, net of current portion	<u>1,450,453</u>
Total non-current liabilities	<u>1,450,453</u>
Total liabilities	<u>1,577,074</u>
Total net position	<u>569,786</u>
Total liabilities and net position	<u>\$ 2,146,860</u>
Change in net position	
Revenues	\$ 79,955
Expenses	<u>178,122</u>
Income (loss) before transfers	<u>(98,167)</u>
Transfers	
Transfers in	667,953
Transfers out	<u>-</u>
Total transfers	<u>667,953</u>
Change in net position	569,786
Net position - beginning	-
Net position - end	<u>\$ 569,786</u>

**HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

A summary of the cash flow information of the blended component unit for the year ended December 31, 2021 is as follows:

Cash Flow Information	
Operating receipts	\$ 53,240
Operating expenses paid	<u>(431,315)</u>
Cash flows from operating activities	<u>(378,075)</u>
Proceeds from long term debt - non-related party	1,000,453
Proceeds from long term debt - related party	<u>450,000</u>
Cash flows from capital and related financing activities	<u>1,450,453</u>
Net increase in cash	1,072,378
Cash - beginning	-
Cash - end	<u><u>\$ 1,072,378</u></u>

25) 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-

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

General Partner, 44.00% to the Managing General Partner and 5.00% to the Limited Partner. 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, 2021:

	<u>Balance 12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2021</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	(1,049,957)	(103,695)	-	(1,153,652)
Equipment	(327,259)	-	-	(327,259)
Total accumulated depreciation	(1,377,216)	(103,695)	-	(1,480,911)
Total capital assets being depreciated, net	2,060,883	(103,695)	-	1,957,188
Total Capital Assets, Net	<u>\$ 2,180,100</u>	<u>\$ (103,695)</u>	<u>\$ -</u>	<u>\$ 2,076,405</u>

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 \$64,413 for a total depreciation for the year ended December 31, 2021, of \$103,695.

c) Long Term Liabilities

Changes in long-term liabilities for December 31, 2021, are as follows:

	<u>Balance 12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2021</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	732,425	114,256	-	846,681
	<u>\$ 4,616,613</u>	<u>\$ 114,256</u>	<u>\$ -</u>	<u>\$ 4,730,869</u>

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021, the outstanding principal balance was \$900,000.

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, 2021, the outstanding principal balance was \$2,202,168.

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, 2021, 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, 2021, 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, 2021, there was no outstanding balance for the ground lease.

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, 2021, the partnership management fee with interest was \$2,580, and is included in general partner fees on the Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2021, the amount owed for Co-General Partner management fee was \$22,671, and it is included in Other Current Liabilities on the Statement of Net Position.

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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, 2021, the partnership management fee with interest was \$25,803 and is included in General Partner fees on the Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2021, the amount owed for Managing General Partner management fee was \$226,710. 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, 2021, the outstanding amount owed to HACF were \$4,899.

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, 2021, interest expense was \$18,495. At December 31, 2021, the outstanding principal balance was \$103,185 with accrued interest of \$152,928.

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 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, 2021, the outstanding principal balance was \$678,835 with accrued interest of \$693,754.

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

HOUSING AUTHORITY OF FRESNO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

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 September 23, 2022, 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.

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, 2021
(With comparative information for the last 10 years)*

Measurement Date	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	\$ 853,087	\$ 891,464	\$ 896,748	\$ 820,144	\$ 699,487	\$ 603,788	\$ 606,288	\$ 584,039
Interest on Total Pension Liability	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	-	-	-	(323,504)	1,871,516	-	(488,519)	-
Difference between Expected and Actual Experience	395,246	(37,061)	1,320,247	676,861	218,283	291,575	(356,141)	-
Benefit Payments, Including Refunds of Employee Contribution	(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	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	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)	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	1,081,487	903,002	775,478	614,365	548,643	428,473	346,507	310,842
Contributions - Employee	439,320	493,804	440,009	420,261	365,654	332,070	314,962	291,580
Investment Income	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	(1,779,905)	(1,766,752)	(1,650,906)	(1,509,410)	(1,368,382)	(1,415,591)	(1,234,705)	(1,164,839)
Administrative Expense	(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	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	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)	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)	\$ 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	\$ 6,137,316	\$ 6,225,310	\$ 6,305,798	\$ 5,819,927	\$ 4,998,837	\$ 4,852,821	\$ 4,682,121	\$ 4,419,520
Plan Net Pension Liability as a Percentage of Covered Payroll	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, 2021. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2020 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: 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, 2021
(With comparative information for the last 10 years)*

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

Employer Fiscal Year End	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 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	(1,081,487)	(903,002)	(775,478)	(614,365)	(548,643)	(428,473)	(346,507)	(310,842)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 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	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 2020-2021 were derived from the June 30, 2018 funding valuation report as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2018 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2018 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.

SUPPLEMENTAL INFORMATION

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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.

Housing Authority of Fresno County (CA028)
FRESNO, CA

Entity Wide Balance Sheet Summary
Submission Type: Audited/ Single Audit
Fiscal Year End: 12/31/2021

	Project Total	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	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	6.1 Component Unit - Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
111 Cash - Unrestricted	\$2,559,839	\$413	\$182	\$2,301,903	\$1,270	\$1,403,838	\$1,432	\$109,655	\$0	\$58,718	
112 Cash - Restricted - Modernization and Development									\$765,875		
113 Cash - Other Restricted					\$128,819	\$40,334		\$299,063		\$22,553	
114 Cash - Tenant Security Deposits	\$160,868		\$14,681	\$29,568				\$800		\$5,971	
115 Cash - Restricted for Payment of Current Liabilities											
100 Total Cash	\$2,720,707	\$413	\$14,863	\$2,331,471	\$130,089	\$1,444,172	\$1,432	\$409,518	\$765,875	\$87,242	\$0
121 Accounts Receivable - PHA Projects											
122 Accounts Receivable - HUD Other Projects		\$10,967									
124 Accounts Receivable - Other Government					\$315,103			\$712			
125 Accounts Receivable - Miscellaneous	\$10,257			\$844,114		\$158,468		\$0			
126 Accounts Receivable - Tenants	\$179,006	\$0	\$33,530	\$6,398				\$6,985		\$8,774	
126.1 Allowance for Doubtful Accounts - Tenants	-\$10,494	\$0	-\$956	-\$100	\$0			\$0		\$0	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	-\$914,860	\$0	\$0		\$0			
127 Notes, Loans, & Mortgages Receivable - Current											
128 Fraud Recovery						\$69,395					
128.1 Allowance for Doubtful Accounts - Fraud						-\$40,109					
129 Accrued Interest Receivable											
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$178,769	\$10,967	\$32,574	-\$64,448	\$315,103	\$187,754	\$0	\$7,697	\$0	\$8,774	\$0
131 Investments - Unrestricted				\$1,110,827	\$62,382						
132 Investments - Restricted											
135 Investments - Restricted for Payment of Current Liability											
142 Prepaid Expenses and Other Assets	\$13,494				\$1,404					\$7,912	
143 Inventories											
143.1 Allowance for Obsolete Inventories											
144 Inter Program Due From	\$110,893			\$7,426,290		\$490,516	\$56,757				
145 Assets Held for Sale	\$345,628										
150 Total Current Assets	\$3,369,491	\$11,380	\$47,437	\$10,804,140	\$508,978	\$2,122,442	\$58,189	\$417,215	\$765,875	\$103,928	\$0
161 Land	\$480,631		\$41,254	\$723,411	\$50,118			\$60,000		\$119,217	
162 Buildings	\$41,443,878		\$2,238,856	\$3,566,839	\$602,180			\$2,955,593		\$3,110,840	
163 Furniture, Equipment & Machinery - Dwellings	\$0									\$327,259	
164 Furniture, Equipment & Machinery - Administration	\$268,981			\$33,022	\$493,181	\$59,742		\$175,815			
165 Leasehold Improvements											
166 Accumulated Depreciation	-\$39,459,020		-\$2,220,046	-\$2,221,184	-\$481,668	-\$51,076		-\$2,858,158		-\$1,481,017	
167 Construction in Progress	\$136,105			\$3,966,535	\$5,750			\$1,698,293			
168 Infrastructure	\$0										
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,870,575	\$0	\$60,064	\$6,068,623	\$669,561	\$8,666	\$0	\$2,031,543	\$0	\$2,076,299	\$0

Housing Authority of Fresno County (CA028)
 FRESNO, CA
 Entity Wide Balance Sheet Summary
 Submission Type: Audited/ Single Audit
 Fiscal Year End: 12/31/2021

	Project Total	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	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	6.1 Component Unit - Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
171 Notes, Loans and Mortgages Receivable - Non-Current	\$774,597			\$40,065,314							
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due											
173 Grants Receivable - Non Current											
174 Other Assets					\$0						
176 Investments in Joint Ventures				\$16,786,610							
180 Total Non-Current Assets	\$3,645,172	\$0	\$60,064	\$62,920,547	\$669,561	\$8,666	\$0	\$2,031,543	\$0	\$2,076,299	\$0
200 Deferred Outflow of Resources	\$134,506			\$120,032	\$40,564	\$396,863					
290 Total Assets and Deferred Outflow of Resources	\$7,149,169	\$11,380	\$107,501	\$73,844,719	\$1,219,103	\$2,527,971	\$58,189	\$2,448,758	\$765,875	\$2,180,227	\$0
311 Bank Overdraft											
312 Accounts Payable <= 90 Days	\$259,964		\$40,705	\$322,780	\$97,871	\$27,399		\$49,298	\$281	\$16,433	
313 Accounts Payable >90 Days Past Due											
321 Accrued Wage/Payroll Taxes Payable	\$17,576	\$1,626	\$1,930	\$17,975	\$6,739	\$72,998	\$559	\$4,175			
322 Accrued Compensated Absences - Current Portion	\$43,353	\$3,545	\$1,442	\$54,533	\$5,394	\$140,692	\$12,742	\$5,701			
324 Accrued Contingency Liability											
325 Accrued Interest Payable										\$846,681	
331 Accounts Payable - HUD PHA Programs						\$105,419					
332 Account Payable - PHA Projects											
333 Accounts Payable - Other Government	\$188,408				\$11,749	\$23,171				\$7,968	
341 Tenant Security Deposits	\$160,868		\$14,681	\$29,568						\$5,971	
342 Unearned Revenue	\$307,530		\$8,945	\$17,534	\$599			\$180,492	\$239,750		
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$4,008,663		\$323,185					
344 Current Portion of Long-term Debt - Operating Borrowings											
345 Other Current Liabilities	\$9,180			\$55,381	\$97,990			\$565		\$254,529	
346 Accrued Liabilities - Other	\$8,566	\$574	\$542	\$5,583	\$3,299	\$95,810	\$172	\$2,577			
347 Inter Program - Due To	\$167,649	\$20,893	\$277,419		\$289,563	\$490,516	\$66,653	\$6,389			
348 Loan Liability - Current											
310 Total Current Liabilities	\$1,163,094	\$26,638	\$345,664	\$4,512,017	\$513,204	\$1,279,190	\$80,126	\$249,197	\$240,031	\$1,131,582	\$0

Housing Authority of Fresno County (CA028)
 FRESNO, CA
 Entity Wide Balance Sheet Summary
 Submission Type: Audited/ Single Audit
 Fiscal Year End: 12/31/2021

	Project Total	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	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	6.1 Component Unit - Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$0		\$0				\$3,884,188	
352 Long-term Debt, Net of Current - Operating Borrowings				\$2,983,000		\$0					
353 Non-current Liabilities - Other				\$452,999		\$33,890					
354 Accrued Compensated Absences - Non Current	\$17,437	\$1,184	\$611	\$22,192	\$10,689	\$61,341	\$2,306	\$7,020			
355 Loan Liability - Non Current											
356 FASB 5 Liabilities											
357 Accrued Pension and OPEB Liabilities	\$732,866			\$654,879	\$221,313	\$2,165,241					
350 Total Non-Current Liabilities	\$750,303	\$1,184	\$611	\$4,113,070	\$232,002	\$2,260,472	\$2,306	\$7,020	\$0	\$3,884,188	\$0
300 Total Liabilities	\$1,913,397	\$27,822	\$346,275	\$8,625,087	\$745,206	\$3,539,662	\$82,432	\$256,217	\$240,031	\$5,015,770	\$0
400 Deferred Inflow of Resources	\$356,518			\$318,162	\$107,521	\$1,051,948					
508.4 Net Investment in Capital Assets	\$2,870,579	\$0	\$60,063	\$2,515,612	\$669,561	\$8,666	\$0	\$2,031,542	\$0	-\$1,807,890	
511.4 Restricted Net Position	\$184	\$0	\$0		\$128,221	\$0	\$0	\$118,571	\$526,216	\$22,305	\$0
512.4 Unrestricted Net Position	\$2,008,491	-\$16,442	-\$298,837	\$62,385,858	-\$431,406	-\$2,072,305	-\$24,243	\$42,428	-\$372	-\$1,049,958	\$0
513 Total Equity - Net Assets / Position	\$4,879,254	-\$16,442	-\$238,774	\$64,901,470	\$366,376	-\$2,063,639	-\$24,243	\$2,192,541	\$525,844	-\$2,835,543	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$7,149,169	\$11,380	\$107,501	\$73,844,719	\$1,219,103	\$2,527,971	\$58,189	\$2,448,758	\$765,875	\$2,180,227	\$0

Housing Authority of Fresno County (CA028)
 FRESNO, CA
 Entity Wide Balance Sheet Summary
 Submission Type: Audited/ Single Audit
 Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted							\$1,055,614	\$19,354	\$7,512,218		\$7,512,218
112 Cash - Restricted - Modernization and Development									\$765,875		\$765,875
113 Cash - Other Restricted									\$490,769		\$490,769
114 Cash - Tenant Security Deposits							\$16,764		\$228,652		\$228,652
115 Cash - Restricted for Payment of Current Liabilities											
100 Total Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$1,072,378	\$19,354	\$8,997,514	\$0	\$8,997,514
121 Accounts Receivable - PHA Projects											
122 Accounts Receivable - HUD Other Projects									\$10,967		\$10,967
124 Accounts Receivable - Other Government									\$315,815		\$315,815
125 Accounts Receivable - Miscellaneous								\$3,343,960	\$4,356,799		\$4,356,799
126 Accounts Receivable - Tenants							\$1,259		\$235,952		\$235,952
126.1 Allowance for Doubtful Accounts - Tenants							\$0	\$0	-\$11,550		-\$11,550
126.2 Allowance for Doubtful Accounts - Other							\$0	\$0	-\$914,860		-\$914,860
127 Notes, Loans, & Mortgages Receivable - Current											
128 Fraud Recovery									\$69,395		\$69,395
128.1 Allowance for Doubtful Accounts - Fraud									-\$40,109		-\$40,109
129 Accrued Interest Receivable											
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$0	\$0	\$0	\$1,259	\$3,343,960	\$4,022,409	\$0	\$4,022,409
131 Investments - Unrestricted									\$1,173,209		\$1,173,209
132 Investments - Restricted											
135 Investments - Restricted for Payment of Current Liability											
142 Prepaid Expenses and Other Assets							\$25,456	\$453,200	\$501,466		\$501,466
143 Inventories											
143.1 Allowance for Obsolete Inventories											
144 Inter Program Due From								\$10,487	\$8,094,943	-\$8,094,943	\$0
145 Assets Held for Sale									\$345,628		\$345,628
150 Total Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099,093	\$3,827,001	\$23,135,169	-\$8,094,943	\$15,040,226
161 Land							\$255,029	\$137,322	\$1,866,982		\$1,866,982
162 Buildings							\$412,923	\$2,153,209	\$56,484,318		\$56,484,318
163 Furniture, Equipment & Machinery - Dwellings									\$327,259		\$327,259
164 Furniture, Equipment & Machinery - Administration								\$662,402	\$1,693,143		\$1,693,143
165 Leasehold Improvements											
166 Accumulated Depreciation							-\$31,012	-\$2,205,545	-\$51,008,726		-\$51,008,726
167 Construction in Progress							\$410,827	\$332,944	\$6,550,454		\$6,550,454
168 Infrastructure									\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$1,047,767	\$1,080,332	\$15,913,430	\$0	\$15,913,430

Housing Authority of Fresno County (CA028)
 FRESNO, CA
 Entity Wide Balance Sheet Summary
 Submission Type: Audited/ Single Audit
 Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit Blended	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current									\$40,839,911	-\$457,500	\$40,382,411
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due											
173 Grants Receivable - Non Current											
174 Other Assets									\$0		\$0
176 Investments in Joint Ventures									\$16,786,610		\$16,786,610
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$1,047,767	\$1,080,332	\$73,539,951	-\$457,500	\$73,082,451
200 Deferred Outflow of Resources								\$494,122	\$1,186,087		\$1,186,087
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0	\$0	\$2,146,860	\$5,401,455	\$97,861,207	-\$8,552,443	\$89,308,764
311 Bank Overdraft											
312 Accounts Payable <= 90 Days							\$81,070	\$361,507	\$1,257,308		\$1,257,308
313 Accounts Payable >90 Days Past Due											
321 Accrued Wage/Payroll Taxes Payable								\$94,765	\$218,343		\$218,343
322 Accrued Compensated Absences - Current Portion								\$186,740	\$454,142		\$454,142
324 Accrued Contingency Liability											
325 Accrued Interest Payable							\$7,500		\$854,181	-\$7,500	\$846,681
331 Accounts Payable - HUD PHA Programs									\$105,419		\$105,419
332 Account Payable - PHA Projects											
333 Accounts Payable - Other Government									\$231,296		\$231,296
341 Tenant Security Deposits							\$16,115		\$227,203		\$227,203
342 Unearned Revenue							\$4,357		\$759,207		\$759,207
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue								\$66,000	\$4,397,848		\$4,397,848
344 Current Portion of Long-term Debt - Operating Borrowings											
345 Other Current Liabilities							\$17,579	\$379,788	\$815,012		\$815,012
346 Accrued Liabilities - Other								\$86,187	\$203,310		\$203,310
347 Inter Program - Due To		\$43,776						\$6,732,085	\$8,094,943	-\$8,094,943	\$0
348 Loan Liability - Current											
310 Total Current Liabilities	\$0	\$43,776	\$0	\$0	\$0	\$0	\$126,621	\$7,907,072	\$17,618,212	-\$8,102,443	\$9,515,769

Housing Authority of Fresno County (CA028)
 FRESNO, CA
 Entity Wide Balance Sheet Summary
 Submission Type: Audited/ Single Audit
 Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit Blended	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							\$1,450,453	\$0	\$5,334,641	-\$450,000	\$4,884,641
352 Long-term Debt, Net of Current - Operating Borrowings									\$2,983,000		\$2,983,000
353 Non-current Liabilities - Other									\$486,889		\$486,889
354 Accrued Compensated Absences - Non Current								\$82,427	\$205,207		\$205,207
355 Loan Liability - Non Current											
356 FASB 5 Liabilities											
357 Accrued Pension and OPEB Liabilities								\$2,695,874	\$6,470,173		\$6,470,173
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$1,450,453	\$2,778,301	\$15,479,910	-\$450,000	\$15,029,910
300 Total Liabilities	\$0	\$43,776	\$0	\$0	\$0	\$0	\$1,577,074	\$10,685,373	\$33,098,122	-\$8,552,443	\$24,545,679
400 Deferred Inflow of Resources								\$1,309,747	\$3,143,896		\$3,143,896
508.4 Net Investment in Capital Assets		\$0				\$0	-\$402,686	\$1,014,332	\$6,959,779		\$6,959,779
511.4 Restricted Net Position		\$0	\$0	\$0	\$0	\$0	\$0		\$795,497		\$795,497
512.4 Unrestricted Net Position	\$0	-\$43,776	\$0	\$0	\$0	\$0	\$972,472	-\$7,607,997	\$53,863,913		\$53,863,913
513 Total Equity - Net Assets / Position	\$0	-\$43,776	\$0	\$0	\$0	\$0	\$569,786	-\$6,593,665	\$61,619,189	\$0	\$61,619,189
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$0	\$0	\$0	\$0	\$2,146,860	\$5,401,455	\$97,861,207	-\$8,552,443	\$89,308,764

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.182 NIC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	10.427 Rural Rental Assistance Payments	14.EHV/ Emergency Housing Voucher	6.1 Component Unit Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
70300 Net Tenant Rental Revenue	\$2,325,897		\$167,351	\$400,848				\$833,806		\$105,910	
70400 Tenant Revenue - Other	\$7,554		\$2,774	\$469				\$2,006		\$35	
70500 Total Tenant Revenue	\$2,333,451	\$0	\$170,125	\$401,317	\$0	\$0	\$0	\$835,812	\$0	\$105,945	\$0
70600 HUD PHA Operating Grants	\$2,273,459	\$62,925				\$44,792,860	\$15,387		\$542,586		
70610 Capital Grants	\$820,680							\$827,370			
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			\$354,918	\$36,557	\$311,404			\$49,163		\$60,058	
71100 Investment Income - Unrestricted	\$95,762			\$1,231,071	\$0	\$0					
71200 Mortgage Interest Income											
71300 Proceeds from Disposition of Assets Held for Sale											
71310 Cost of Sale of Assets											
71400 Fraud Recovery	\$1,920			\$17,500							
71500 Other Revenue	\$9,224	\$9	\$44	\$5,920,717	\$599,286	\$38,568	\$48,159	\$21,024		\$1,170	
71600 Gain or Loss on Sale of Capital Assets	-\$673,541			\$1				-\$1,260,252			
72000 Investment Income - Restricted			\$4,246	\$25	\$303	\$500		\$2,270		\$7	
70000 Total Revenue	\$4,860,955	\$62,934	\$529,333	\$7,607,188	\$910,993	\$44,831,928	\$63,546	\$475,387	\$542,586	\$167,180	\$0
91100 Administrative Salaries	\$271,367	\$34,540	\$22,570	\$468,007	\$113,161	\$1,638,376	\$36,875	\$63,542	\$10,196	\$7,653	
91200 Auditing Fees	\$18,986			\$285		\$33,625				\$15,500	
91300 Management Fee	\$684,684		\$20,856	\$40,440	\$11,424	\$774,372		\$66,924			
91310 Book-keeping Fee	\$47,236					\$483,983					
91400 Advertising and Marketing	\$3,683		\$361	\$3,175	\$943			\$906		\$110	
91500 Employee Benefit contributions - Administrative	\$211,251	\$23,852	\$19,460	-\$529,265	\$131,848	\$1,033,354	\$18,128	\$63,558	\$3,792	\$8,322	
91600 Office Expenses	\$107,824		\$7,348	\$64,397	\$122,585	\$285,184	\$697	\$30,098	\$281	\$4,961	
91700 Legal Expense	\$1,936		\$1,428	\$48,130		\$1,159		\$2,570			
91800 Travel	\$66		\$103	\$600	\$2,187	\$137					
91810 Allocated Overhead											
91900 Other	\$165,859		\$14,300	\$266,637	\$45,010	\$399,724	\$4,588	\$35,788	\$1,415	\$56,961	
91000 Total Operating - Administrative	\$1,512,892	\$58,392	\$86,426	\$362,406	\$427,158	\$4,649,914	\$60,288	\$263,386	\$15,684	\$93,507	\$0
92000 Asset Management Fee	\$64,590										
92100 Tenant Services - Salaries											
92200 Relocation Costs											
92300 Employee Benefit Contributions - Tenant Services											
92400 Tenant Services - Other	\$190,767		\$213	\$57				\$1,555		\$8,000	
92500 Total Tenant Services	\$190,767	\$0	\$213	\$57	\$0	\$0	\$0	\$1,555	\$0	\$8,000	\$0
93100 Water	\$277,804		\$70,175	\$43,238	\$21,185			\$35,216		\$6,686	
93200 Electricity	\$46,741		\$1,637	\$17,848	\$62,463			\$50,847		\$1,680	

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	Project Total	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	10.427 Rural Rental Assistance Payments	14.EHV/ Emergency Housing Voucher	6.1 Component Unit - Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
93300 Gas	\$1,670		\$2,149	\$1,097	\$4,618			\$5,066		\$289	
93400 Fuel											
93500 Labor											
93600 Sewer	\$229,609		\$15,886	\$25,485	\$58,210			\$67,230		\$5,009	
93700 Employee Benefit Contributions - Utilities											
93800 Other Utilities Expense	\$243,801		\$8,155	\$23,738	\$24,514			\$36,530		\$3,253	
93000 Total Utilities	\$799,625	\$0	\$98,002	\$111,406	\$170,990	\$0	\$0	\$194,889	\$0	\$16,917	\$0
94100 Ordinary Maintenance and Operations - Labor	\$283,435		\$22,540	\$27,682	\$97,722	\$262		\$48,012		\$9,716	
94200 Ordinary Maintenance and Operations - Materials and Other	\$235,236		\$43,934	\$34,130	\$15,559	\$1,832		\$30,399		\$7,018	
94300 Ordinary Maintenance and Operations Contracts	\$859,505		\$173,238	\$173,573	\$51,550		\$418	\$92,868	\$152	\$43,517	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0										
94000 Total Maintenance	\$1,378,176	\$0	\$239,712	\$235,385	\$164,831	\$2,094	\$418	\$171,279	\$152	\$60,251	\$0
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	\$0	\$0	\$0
96110 Property Insurance	\$99,520		\$10,135	\$29,453	\$19,071			\$20,016		\$7,411	
96120 Liability Insurance	\$16,332		\$1,509	\$1,942	\$3,906			\$3,758			
96130 Workmen's Compensation	\$46,051	\$575	\$4,207	\$11,602	\$16,282	\$36,486	\$487	\$8,453	\$189	\$1,550	
96140 All Other Insurance	\$16,295		\$1,351	\$7,196	\$4,596	\$12,823	\$400	\$3,336	\$264	\$494	
96100 Total Insurance Premiums	\$178,198	\$575	\$17,202	\$50,193	\$43,855	\$49,309	\$887	\$35,563	\$453	\$9,455	\$0
96200 Other General Expenses	\$801,198		\$2,569	\$63,967	\$132,968	\$136,430	\$5,658	\$5,453	\$285	\$1,763	
96210 Compensated Absences	\$70,391	\$3,368	\$5,311	\$10,642	\$22,488	\$242,390	\$10,196	\$14,122	\$168	\$2,192	
96300 Payments in Lieu of Taxes	\$176,430										
96400 Bad debt - Tenant Rents	\$13,916		\$956	\$100							
96500 Bad debt - Mortgages											
96600 Bad debt - Other				\$914,860							
96800 Severance Expense				\$10,690		\$12,379					
96000 Total Other General Expenses	\$1,061,935	\$3,368	\$8,836	\$1,000,259	\$155,456	\$391,199	\$15,854	\$19,575	\$453	\$3,955	\$0
96710 Interest of Mortgage (or Bonds) Payable											
96720 Interest on Notes Payable (Short and Long Term)				\$235				\$4,736		\$114,257	
96730 Amortization of Bond Issue Costs											
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$235	\$0	\$0	\$0	\$4,736	\$0	\$114,257	\$0
96900 Total Operating Expenses	\$5,186,183	\$62,335	\$450,391	\$1,759,941	\$962,290	\$5,092,516	\$77,447	\$690,983	\$16,742	\$306,342	\$0
97000 Excess of Operating Revenue over Operating Expenses	-\$325,228	\$599	\$78,942	\$5,847,247	-\$51,297	\$39,739,412	-\$13,901	-\$215,596	\$525,844	-\$139,162	\$0
97100 Extraordinary Maintenance	\$52,288		\$5,713	\$123,856	\$38,828			\$105,076			
97200 Casualty Losses - Non-capitalized											
97300 Housing Assistance Payments	\$2,580		\$283		\$22,231	\$40,226,571			\$0		
97350 HAP Portability-In											

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	Project Total	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	10.427 Rural Rental Assistance Payments	14 EHV/ Emergency Housing Voucher	6.1 Component Unit - Discretely Presented	14.CCC Central Office Cost Center CARES Act Funding
97400 Depreciation Expense	\$702,968		\$2,348	\$49,938	\$129,078	\$1,749		\$131,526		\$103,692	
97500 Fraud Losses											
97600 Capital Outlays - Governmental Funds											
97700 Debt Principal Payment - Governmental Funds											
97800 Dwelling Units Rent Expense											
90000 Total Expenses	\$5,944,019	\$62,335	\$458,735	\$1,933,735	\$1,152,427	\$45,320,836	\$77,447	\$927,585	\$16,742	\$410,034	\$0
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											
10092 Inter Project Excess Cash Transfer Out											
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	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$1,083,064	\$599	\$70,598	\$5,673,453	-\$241,434	-\$488,908	-\$13,901	-\$452,198	\$525,844	-\$242,854	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$4,008,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$5,962,318	-\$17,041	-\$309,372	\$59,228,017	\$607,810	-\$1,574,731	-\$10,342	\$2,644,739	\$0	-\$2,592,689	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0			\$0	\$0	\$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						-\$1,998,384					
11180 Housing Assistance Payments Equity						-\$65,255					
11190 Unit Months Available	6491			4336	2328	68100		1200	137		
11210 Number of Unit Months Leased	6298			4268	1402	64725		1153	0		
11270 Excess Cash	\$1,488,111										
11610 Land Purchases	\$0										
11620 Building Purchases	\$0										
11630 Furniture & Equipment - Dwelling Purchases	\$0										
11640 Furniture & Equipment - Administrative Purchases	\$0										
11650 Leasehold Improvements Purchases	\$820,680										
11660 Infrastructure Purchases	\$0										
13510 CFFP Debt Service Payments	\$0										
13901 Replacement Housing Factor Funds	\$0										

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue							\$79,948		\$3,913,760		\$3,913,760
70400 Tenant Revenue - Other								\$12,838			\$12,838
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$79,948	\$0	\$3,926,598	\$0	\$3,926,598
70600 HUD PHA Operating Grants								\$47,687,217			\$47,687,217
70610 Capital Grants							\$667,952		\$2,316,002		\$2,316,002
70710 Management Fee								\$1,598,700	\$1,598,700	-\$1,598,700	\$0
70720 Asset Management Fee								\$64,590	\$64,590	-\$64,590	\$0
70730 Book Keeping Fee								\$531,218	\$531,218	-\$531,218	\$0
70740 Front Line Service Fee											
70750 Other Fees								\$392,859	\$392,859		\$392,859
70700 Total Fee Revenue								\$2,587,367	\$2,587,367	-\$2,194,508	\$392,859
70800 Other Government Grants									\$812,100		\$812,100
71100 Investment Income - Unrestricted								\$11,097	\$1,337,930		\$1,337,930
71200 Mortgage Interest Income											
71300 Proceeds from Disposition of Assets Held for Sale											
71310 Cost of Sale of Assets											
71400 Fraud Recovery									\$19,420		\$19,420
71500 Other Revenue								\$1,206,064	\$7,844,265	-\$839,564	\$7,004,701
71600 Gain or Loss on Sale of Capital Assets									-\$1,933,792		-\$1,933,792
72000 Investment Income - Restricted							\$7		\$7,358		\$7,358
70000 Total Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$747,907	\$3,804,528	\$64,604,465	-\$3,034,072	\$61,570,393
91100 Administrative Salaries							\$14,581	\$2,003,986	\$4,684,854		\$4,684,854
91200 Auditing Fees							\$1,296	\$15,867	\$85,559		\$85,559
91300 Management Fee								\$1,598,700	\$1,598,700	-\$1,598,700	\$0
91310 Book-keeping Fee								\$531,219	\$531,219	-\$531,218	\$1
91400 Advertising and Marketing							\$1,997	\$19,143	\$30,318		\$30,318
91500 Employee Benefit contributions - Administrative							\$16,094	\$947,559	\$1,947,953		\$1,947,953
91600 Office Expenses							\$3,143	\$315,468	\$941,986	-\$226,636	\$715,350
91700 Legal Expense							\$537	\$127,491	\$183,251		\$183,251
91800 Travel								\$8,856	\$11,949		\$11,949
91810 Allocated Overhead											
91900 Other		\$34					\$7,508	\$494,735	\$1,492,559	-\$612,928	\$879,631
91000 Total Operating - Administrative	\$0	\$34	\$0	\$0	\$0	\$0	\$45,156	\$3,933,105	\$11,508,348	-\$2,969,482	\$8,538,866
92000 Asset Management Fee									\$64,590	-\$64,590	\$0
92100 Tenant Services - Salaries											
92200 Relocation Costs											
92300 Employee Benefit Contributions - Tenant Services											
92400 Tenant Services - Other								\$263	\$200,855		\$200,855
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$263	\$200,855	\$0	\$200,855
93100 Water							\$2,817	\$2,063	\$459,184		\$459,184
93200 Electricity							\$4,064	\$57,190	\$242,470		\$242,470

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
93300 Gas							\$39	\$4,646	\$19,574		\$19,574
93400 Fuel											
93500 Labor											
93600 Sewer							\$11,948	\$797	\$414,174		\$414,174
93700 Employee Benefit Contributions - Utilities											
93800 Other Utilities Expense							\$7,343	\$3,895	\$351,229		\$351,229
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$26,211	\$68,591	\$1,486,631	\$0	\$1,486,631
94100 Ordinary Maintenance and Operations - Labor							\$15,627	\$91,381	\$596,377		\$596,377
94200 Ordinary Maintenance and Operations - Materials and Other							\$7,464	\$24,295	\$399,867		\$399,867
94300 Ordinary Maintenance and Operations Contracts							\$26,981	\$72,236	\$1,494,038		\$1,494,038
94500 Employee Benefit Contributions - Ordinary Maintenance									\$0		\$0
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$50,072	\$187,912	\$2,490,282	\$0	\$2,490,282
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	\$0	\$0	\$0
96110 Property Insurance							\$3,771	\$10,101	\$199,478		\$199,478
96120 Liability Insurance							\$720	\$1,843	\$30,010		\$30,010
96130 Workmen's Compensation							\$2,737	\$58,406	\$187,025		\$187,025
96140 All Other Insurance							\$1,373	\$37,453	\$85,581		\$85,581
96100 Total Insurance Premiums	\$0	\$0	\$0	\$0	\$0	\$0	\$8,601	\$107,803	\$502,094	\$0	\$502,094
96200 Other General Expenses							\$6,063	\$516,639	\$1,672,993		\$1,672,993
96210 Compensated Absences							\$2,942	\$249,723	\$633,933		\$633,933
96300 Payments in Lieu of Taxes									\$176,430		\$176,430
96400 Bad debt - Tenant Rents							\$563		\$15,535		\$15,535
96500 Bad debt - Mortgages											
96600 Bad debt - Other									\$914,860		\$914,860
96800 Severance Expense								\$20,977	\$44,046		\$44,046
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$9,568	\$787,339	\$3,457,797	\$0	\$3,457,797
96710 Interest of Mortgage (or Bonds) Payable											
96720 Interest on Notes Payable (Short and Long Term)							\$7,500		\$126,728		\$126,728
96730 Amortization of Bond Issue Costs											
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500	\$0	\$126,728	\$0	\$126,728
96900 Total Operating Expenses	\$0	\$34	\$0	\$0	\$0	\$0	\$147,108	\$5,085,013	\$19,837,325	-\$3,034,072	\$16,803,253
97000 Excess of Operating Revenue over Operating Expenses	\$0	-\$34	\$0	\$0	\$0	\$0	\$600,799	-\$1,280,485	\$44,767,140	\$0	\$44,767,140
97100 Extraordinary Maintenance								\$8,921	\$334,682		\$334,682
97200 Casualty Losses - Non-capitalized											
97300 Housing Assistance Payments									\$40,251,665		\$40,251,665
97350 HAP Portability-In											

Housing Authority of Fresno County (CA028)

FRESNO, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/ Single Audit

Fiscal Year End: 12/31/2021

	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.235 Supportive Housing Program	14.PHC Public Housing CARES Act Funding	21.019 Coronavirus Relief Fund	14.HCC HCV CARES Act Funding	10.405 Farm Labor Housing Loans and Grants	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
97400 Depreciation Expense							\$31,013	\$96,631	\$1,248,943		\$1,248,943
97500 Fraud Losses											
97600 Capital Outlays - Governmental Funds											
97700 Debt Principal Payment - Governmental Funds											
97800 Dwelling Units Rent Expense											
90000 Total Expenses	\$0	\$34	\$0	\$0	\$0	\$0	\$178,121	\$5,190,565	\$61,672,615	-\$3,034,072	\$58,638,543
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											
10092 Inter Project Excess Cash Transfer Out											
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	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	-\$34	\$0	\$0	\$0	\$0	\$569,786	-\$1,386,037	\$2,931,850	\$0	\$2,931,850
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$66,000	\$4,074,663		\$4,074,663
11030 Beginning Equity	\$0	-\$43,742	\$0	\$0	\$0	\$0	\$0	-\$5,207,628	\$58,687,339		\$58,687,339
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors								\$0	\$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									-\$1,998,384		-\$1,998,384
11180 Housing Assistance Payments Equity									-\$65,255		-\$65,255
11190 Unit Months Available							2160		84752		84752
11210 Number of Unit Months Leased							2134		79980		79980
11270 Excess Cash									\$1,488,111		\$1,488,111
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	\$820,680		\$820,680
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 purpose of this table is to 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	the purpose of this table is to show 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

HOUSING AUTHORITY OF FRESNO COUNTY

Financial Trends

Net Position by Component
Last Ten Fiscal Years (Unaudited)

Year	Net Investment in capital			Total
	assets	Restricted	Unrestricted	
2012	\$ 20,048,589	\$ 4,615,044	\$ 8,997,257	\$ 33,660,890
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

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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
OPERATING REVENUES:										
Rental revenue	\$ 4,183,367	\$ 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
Fee revenue	80,733	82,202	386,357	298,248	482,856	748,301	580,458	634,849	536,236	392,859
HUD grants	35,685,906	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
Other governmental grants	1,161,353	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
Developer fee revenue							3,685,245	1,634,322	4,178,443	1,343,833
Other revenue	1,135,766	1,600,703	1,408,761	731,021	691,674	1,472,260	1,031,054	895,760	1,197,849	2,934,761
Total operating revenues	42,247,125	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
OPERATING EXPENSES:										
Administrative expense	8,305,560	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
Tenant services expense	28,313	20,493	18,658	587,452	12,713	8,381	758,574	576,561	646,717	387,453
Utilities	1,270,512	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
Maintenance and operations	2,847,348	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
Protective services	46,596	24,661	56,674	33,433	34,255	31,523	56,658	48,074	58,703	73,896
Insurance	563,131	569,319	354,286	428,823	502,349	474,865	526,118	363,375	356,075	492,640
General expense	1,490,564	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
Housing assistance payments	33,766,230	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
Depreciation	2,450,530	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
Total operating expenses	50,768,784	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
Operating income (loss)	(8,521,659)	(943,343)	(1,322,974)	(2,479,366)	(1,073,102)	(104,848)	(907,957)	(1,780,173)	2,855,139	(547,412)
NONOPERATING REVENUES (EXPENSES):										
Interest revenue, unrestricted	162,897	72,678	21,651	1,868	9,520	2,718	4,975	26,752	24,224	11,213
Interest revenue, restricted	11,049	1,650	4,473	3,153	6,096	2,563	4,100	5,614	6,335	7,350
Interest revenue on notes receivable	87,513	-	131,780	328,511	762,851	834,661	1,076,263	1,086,450	1,290,083	1,319,218
Interest expense	(295,296)	(113,885)	(130,594)	(81,538)	(87,211)	(65,617)	(32,464)	(20,523)	(4,512)	(4,970)
Fraud recovery	21,650	11,746	2,517	15,819	11,173	26,946	26,639	63,039	2,137	19,420
Share of joint venture income	141,391	260,750	54,432	400,264	470,216	283,126	1,854,502	175,980	385,365	525,137
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)
Loss from insurance claims	-	-	-	-	-	-	(14,397)	(4,500)	-	(10,329)
Write off in interest receivable	-	-	-	-	-	-	(428,946)	-	-	-
Developer fees	108,721	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	(87,439)	8,677,458	20,210	133,868	1,139,654	3,960,971	2,129,490	3,084,549	71	(1,265,924)
Total nonoperating revenues (expenses)	150,486	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
Income (loss) before contributions and transfers	(8,371,173)	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)
Capital contributions	1,641,291	1,098,798	-	159,853	-	67,608	215,605	2,520,488	150,327	1,648,050
Increase (decrease) in net position	(6,729,882)	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
Net position, beginning of year	40,390,771	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
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	40,390,771	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
Net position at end of year	\$ 33,660,889	\$ 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

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

Table 3

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
2012	\$ 4,183,367	10.00	\$ 35,685,906	84.47	\$ 1,161,353	2.75	\$ 80,733	0.19	\$ 1,135,766	2.69	\$ -	-	\$ 42,247,125	100
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

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		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
2012	\$ 261,459	59	\$ 21,650	5	\$ 141,391	32	\$ 108,721	24.4	\$ -	-	\$ -	-	\$ -	-	\$ (87,439)	(20)	\$ 445,782	100
2013	74,328	1	11,746	0	260,750	3	1,181,951	12	-	-	-	-	-	-	8,677,458	85	10,206,233	100
2014	157,904	32	2,517	1	54,432	11	261,677	53	-	-	-	-	-	-	20,210	4	496,740	100
2015	333,532	20	15,819	1	400,264	24	987,060	59	(186,864)	(11.1)	-	-	-	-	133,868	8	1,683,679	100
2016	778,467	21	11,173	0	470,216	13	1,399,766	37	(50,815)	(1.4)	-	-	-	-	1,139,654	30	3,748,461	100
2017	839,942	11	26,946	0	283,126	4	2,220,176	30	600	0.0	-	-	-	-	3,960,971	54	7,331,761	100
2018	1,085,338	21	26,639	1	1,854,502	36	-	-	59,504	1.2	-	-	-	-	2,129,490	41	5,155,473	100
2019	1,118,816	31	63,039	2	175,980	5	-	-	(849,799)	(23.7)	-	-	-	-	3,084,549	86	3,592,585	100
2020	1,320,642	77	2,137	0	385,365	23	-	-	-	-	-	-	-	-	71	0	1,708,215	100
2021	1,332,811	279	19,420	4	525,137	110	-	-	-	-	(123,856)	(26)	(10,329)	(2)	(1,265,924)	(265)	477,259	100

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

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		
2012	\$ 319,343	\$ 6,001,662	\$ 6,321,005	\$ 23,388,584	27.03%
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%

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

Table 6

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
2012	7,156	580	5,908	8,045	5,599	13,644
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

Public Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2012	1,060	145	817	1,143	879	2,022
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

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

Source: IT Department from Housing Authority of Fresno County

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 FRESNO COUNTY

Demographics and Economic Statistics

Principal Employers
Current Year and Nine Years Ago (Unaudited)

Employer	2021			2012		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Fresno Unified School District	14,272	1	3.19%	8,023	1	1.80%
County of Fresno	9,381	2	2.10%	6,309	2	1.41%
Community Medical Centers	8,800	3	1.97%	6,000	3	1.34%
Clovis Unified School District	8,429	4	1.89%	2,977	5	0.67%
California State University Fresno	5,010	5	1.12%	2,118	8	0.47%
State Center Community College District	4,520	6	1.01%	2,892	6	0.65%
City of Fresno	4,284	7	0.96%	3,258	4	0.73%
Children's Hospital of Central CA	4,140	8	0.93%	-	-	-
Saint Agnes Medical	2,867	9	0.64%	2,710	7	0.61%
Kaiser Permanente Medical	2,300	10	0.51%	1,873	10	0.42%
Pelco by Schneider Electric	-	-	-	1,972	9	0.44%
Total	64,003		14.32%	38,132		8.54%

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
2012	952,866	\$ 33,176	\$ 35,095	14.7%
2013	960,412	33,644	35,340	12.7%
2014	969,682	36,265	37,725	11.1%
2015	979,824	39,009	40,198	10.0%
2016	988,682	39,467	40,357	9.6%
2017	999,423	40,063	40,610	8.3%
2018	1,010,837	41,401	41,635	7.8%
2019	1,021,960	45,445	45,487	6.9%
2020	1,026,681	46,542	48,495	11.70%
2021	1,013,581	Not Available	Not Available	9.20%

Source:

Population: California State Department of Finance, Demographic Research Unit

Personal Income: Bureau of Economic Analysis (BEA)

Per Capita Personal Income: Bureau of Economic Analysis (BEA)

Unemployment Rate: California Employment Development Department (EDD),
Labor Market Information Division

* Amount in thousands

HOUSING AUTHORITY OF FRESNO COUNTY

Operating Information

Property Characteristics and Dwelling Unit Composition December 31, 2021 (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
Cazares Terrace II	36333 Mouren St.	20	1963
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
Sunset I	629 E. Springfield St.	20	1952
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
HOP Homes	Scattered Sites	1	
Total units - Public Housing		508	
Affordable Housing			
Name of development	Address	Number of units	Year built or acquired
Parkside Apartments	36200 N. Giffen Ave.	50	1979
Total Units		558	

HOUSING AUTHORITY OF FRESNO COUNTY

Operating Information

Employee Demographics
Last Ten Fiscal Years (Unaudited)

Calendar Year	Black	Asian/ Pacific Islander	White	Hispanic	Others	Total
2012	31	20	66	99	3	219
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

Source: Human Resource Department

Note: The County and City Housing Authorities operate and report separately while sharing the same management team and staff represented above.

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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the 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, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated September 23, 2022. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit and the Agency's investment in Silvercrest, Inc., 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
September 23, 2022

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 Fresno County

Report on Compliance for the Major Federal Program

Opinion on the 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 the Agency's major federal program for the year ended December 31, 2021. 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 Fresno County 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, 2021.

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 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 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.

CohnReznick LLP

Sacramento, California
September 23, 2022

**HOUSING AUTHORITY OF FRESNO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2021**

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:				
Rural Rental Housing (Rental Assistance Payments)	10.427		\$ 876,533	\$ -
Subtotal - U.S. Department of Agriculture			876,533	-
Department of Housing and Urban Development:				
Direct Assistance:				
Public and Indian Housing	14.850	Contract # SF-170	2,273,459	-
Resident Opportunity and Supportive Services - Service Coordinators	14.870	CA006RFS015A007	15,387	-
Public Housing Capital Fund	14.872	Contract # SF-170	820,680	-
Family Self-Sufficiency Program	14.896		62,924	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	Contract # SF-472	44,792,860	-
Emergency Housing Voucher	14.871		542,586	-
Subtotal - Housing Voucher Cluster			45,335,446	-
Subtotal - HUD Direct Assistance			48,507,896	-
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	354,918	-
Subtotal - U.S. Department of Housing and Urban Development			48,862,814	-
Total Expenditures of Federal Awards			\$ 49,739,347	\$ -

See accompanying notes to the schedule of expenditures of federal awards

HOUSING AUTHORITY OF FRESNO COUNTY

Notes to Schedule of Expenditures of Federal Awards Year Ended December 31, 2021

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, 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, 2021. 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. The expenditures are recognized in accordance with 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, 2021

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 program:
 - 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 programs:

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

- 8. Dollar threshold used to distinguish between Type A and Type B program: \$1,492,180

- 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, 2021**

B. Findings - Financial Statements Audit

None reported.

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

None reported.