

**Housing Authority of
the City of Fresno**

Fresno, California

Annual Comprehensive Financial Report

Year Ended

December 31, 2021

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

Issued by
Accounting & Finance Department

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California
Year Ended December 31, 2021
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**Housing Authority of
the City of Fresno**
Fresno, California

Introductory Section:

Letter of Transmittal

Organizational Chart

List of Principal Officials

Certificate of Achievement for Excellence in Financial Reporting



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September 23, 2022

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

We are pleased to present the Annual Comprehensive Financial Report for the Housing Authority of the City of Fresno (Agency) for the year ended December 31, 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 an unmodified opinion on the Housing Authority of the City of Fresno'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 the City of Fresno was established by a resolution of the Fresno City Council on March 14, 1940. Agency was founded under the Health and Safety Code of the State of California and the United States Housing Act of 1937, and is governed by a seven-member Board of Commissioners appointed by the Mayor of the City of Fresno, where five members are appointed to four-year terms, and two members, also residents of the Agency's housing program, are appointed to two-year terms. The Housing Authority of the City of Fresno has been operating in conjunction with the Housing Authority of Fresno County since 1995 under a Joint Exercise of Powers Agreement, which authorizes the two agencies to pool resources and cooperate on designated projects of mutual interest. Collectively known as Fresno Housing (FH), the two housing authorities serve Fresno County under a variety of programs with the mission to create and sustain vibrant communities.

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

Economic Condition and Outlook

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

Congressional housing legislation and the Federal budget affect the FH more than local economic factors. FH's primary source of funding is HUD. As with most housing authorities, a majority of FH's operating and capital funding comes from federal sources in the form of operating subsidies, capital grant funds and Section 8 Housing Assistance Payments (HAP). In FY 2021, HUD and other federal agencies provided approximately 79% 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 \$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, The California Endowment (TCE) and Kresge Foundation (Kresge) invested a total of five million dollars – three million and two million respectively towards Fresno Housing's proprietary housing fund focused on affordable housing properties. Philanthropic funds were provided through investment loans to support affordable housing developments in high opportunity areas to finance mission-aligned affordable housing programmatic priorities.

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 the City of Fresno 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.

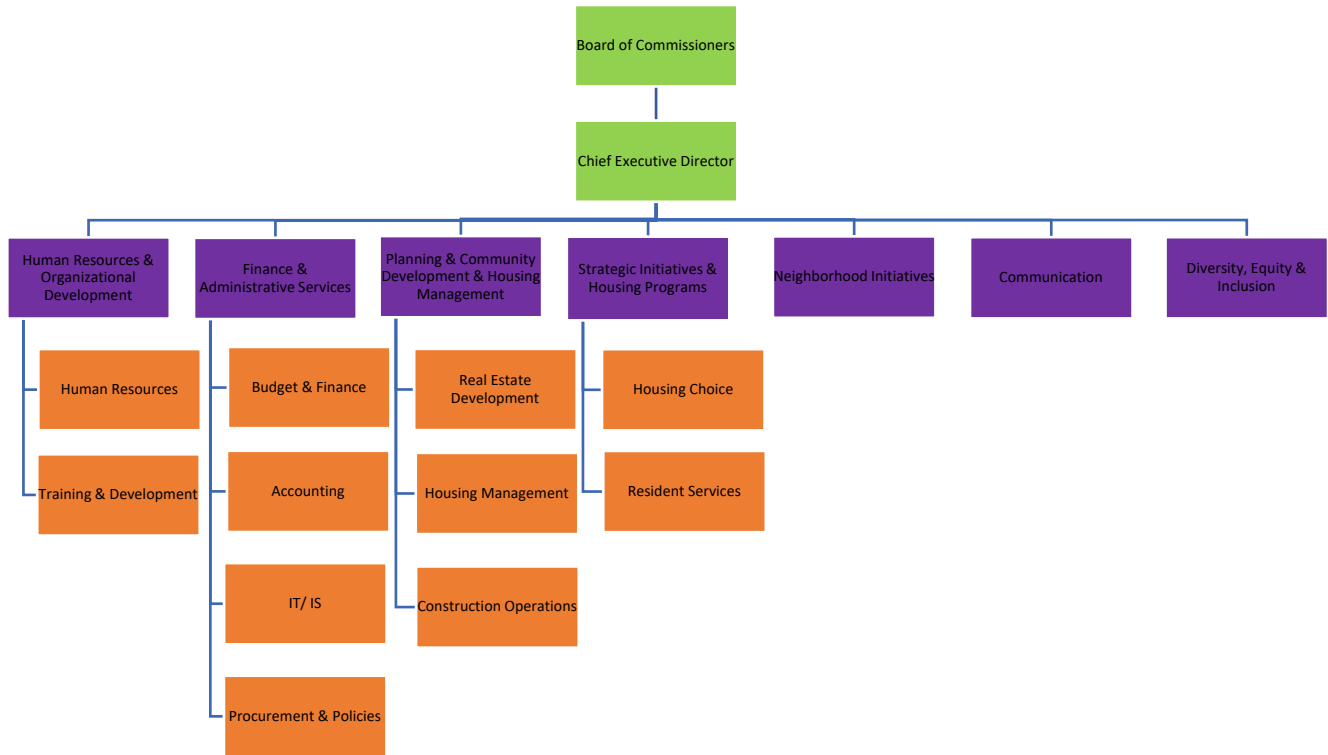
In closing, without the leadership and support of the members of the Boards of Commissioners, preparation of this report would not have been made possible.

Respectfully Submitted,

Tyrone Roderick Williams

Tyrone Roderick Williams
Chief Executive Director

**Housing Authority of the City of Fresno
Organizational Chart
December 31, 2021**



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

Board of Commissioners:

Adrian Jones
Chairperson

Stacy Vaillancourt
Vice-Chairperson

Caine Christensen
Commissioner

Sabrina Kelley
Commissioner

Sharon Williams
Commissioner

Ruby Yanez
Commissioner

Vacant
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 the City of Fresno
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Fresno (the "Agency"), as of and for the year ended December 31, 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 report of the other auditor, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Housing Authority of the City of Fresno, as of December 31, 2021, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Silvercrest, Inc., a joint venture of the Agency. The Agency's investment in Silvercrest, Inc. as of December 31, 2021 of \$21,855,252 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 \$640,500 is included in share of joint venture income in the statement of revenues, expenses and changes in net position. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency's investment in Silvercrest, Inc. is based solely on the report of the other auditor.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

Supplementary Information

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

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

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated 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 the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2021**

Introduction

This narrative overview and analysis of the Housing Authority of the City of Fresno'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 outflow of resources (DOR) and liabilities and deferred inflow of resources (DIR), with the difference between the two reported as the net position. Assets and liabilities are presented in the order of liquidity and are classified as "current" (convertible to cash within one year) and "non-current". This statement also provides a basis of measuring the liquidity and financial flexibility of the Agency. Over time, increases or decreases in net position will serve as a useful indicator of whether the Agency's financial health is improving or deteriorating.
- The Statement of Revenues, Expenses and Changes in Net Position reports the Agency's revenues by source and its expenses by category to substantiate the changes in net position for the year. This statement measures the success of the Agency's operations over the past year.
- The Statement of Cash Flows reports how the Agency's cash was provided and used during the year. It also provides information about the Agency's operating, investing, and financing activities, and can be used to reconcile cash balances at December 31, 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 Ratios and the Schedule of Pension Plan Contributions, which are required by the Governmental Accounting Standards Board and are presented to supplement the basic financial statements.
- Other Supplementary Information includes the Schedule of Modernization Costs for Completed Projects and the Financial Data Schedule, which are submitted to U.S. Department of Housing and Urban Development’s (HUD) Real Estate Assessment Center (REAC) online system.

Financial Analysis

Statement of Net Position

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

Statement of Net Position is summarized in the table below:

	December 31,		Increase (Decrease)	Percentage Change
	2021	2020		
Assets				
Unrestricted Current Assets	\$ 13,107,122	\$ 15,218,217	\$ (2,111,095)	-13.87%
Restricted Current Assets	1,350,939	1,002,366	348,573	34.78%
Capital Assets, Net of Accumulated Depreciation	19,538,215	18,264,641	1,273,574	6.97%
Other Non-current Assets	108,266,093	78,964,720	29,301,373	37.11%
Total Assets	142,262,369	113,449,944	28,812,425	25.40%
Deferred Outflows	1,429,771	1,604,473	(174,702)	-10.89%
Total Assets and Deferred Outflows	<u>\$143,692,140</u>	<u>\$115,054,417</u>	<u>\$ 28,637,723</u>	<u>24.89%</u>
Liabilities				
Current Liabilities	\$ 15,614,890	\$ 8,800,774	\$ 6,814,116	77.43%
Non-Current Liabilities	14,270,977	22,996,843	(8,725,866)	-37.94%
Total Liabilities	29,885,867	31,797,617	(1,911,750)	-6.01%
Deferred Inflows	3,589,795	37,682	3,552,113	9426.55%
Total Liabilities and Deferred Inflows	<u>33,475,662</u>	<u>31,835,299</u>	<u>1,640,363</u>	<u>5.15%</u>
Net Position				
Net Investment in Capital Assets	6,142,861	4,180,635	1,962,226	46.94%
Restricted Net Position	773,089	708,261	64,828	9.15%
Unrestricted Net Position	103,300,528	78,330,222	24,970,306	31.88%
Total Net Position	110,216,478	83,219,118	26,997,360	32.44%
Total Liabilities, Deferred Inflows and Net Position	<u>\$143,692,140</u>	<u>\$115,054,417</u>	<u>\$ 28,637,723</u>	<u>24.89%</u>

Total assets and DOR of the Agency at December 31, 2021 and 2020 amounted to \$143.6 million and \$115 million, respectively.

The significant components of unrestricted current assets are cash and cash equivalents, and receivables from tenants, related parties, HUD and local governments. Restricted current assets are cash and cash equivalents that are restricted for explicit purposes, like federal programs or project-specific reserves. Capital assets include land, land improvements, leasehold improvements, structures, construction in progress, and equipment. All capital assets, except for land and construction in progress, are shown net of accumulated depreciation. Other noncurrent assets include long-term notes receivable, 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 \$33.4 million and \$31.8 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. The increase in current liabilities by \$6.8 million was mainly attributable to the increase in amounts due to the Housing Authority of Fresno County and in the current portion of notes payable. Non-current liabilities decreased from \$22.9 million in 2020 to \$14.2 million in 2021 mainly due to a decrease of \$4.2 million in the net pension liability and a reduction of \$4.1 million in the long-term portion of notes payable. The pension liability represents the difference between the Agency's total pension liability and the current plan assets calculated at fair value. See Note 17 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 32.4% during the year from \$83.2 million in 2020 to \$110.2 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	\$ 8,663,301	\$ 7,919,274	\$ 744,027	9.40%
Grant Revenue	69,292,323	67,001,588	2,290,735	3.42%
Total Operating Revenues	77,955,624	74,920,862	3,034,762	4.05%
Operating Expenses	75,825,680	72,191,016	3,634,664	5.03%
Operating Income (Loss)	2,129,944	2,729,846	(599,902)	-21.98%
Non-Operating Revenues/(Expenses)				
Interest Income, net	1,338,648	1,158,382	180,266	15.56%
Other Revenue/ (Expenses), net	1,670,460	680,927	989,533	145.32%
Total Non-Operating Revenues/ (Expenses)	3,009,108	1,839,309	1,169,799	63.60%
Net Income/(Loss) before Capital Contributions	5,139,052	4,569,155	569,897	12.47%
Capital & Equity Contributions/(Distributions)	643,556	2,847,684	(2,204,128)	-77.40%
Increase/(Decrease) in Net Position	5,782,608	7,416,839	(1,634,231)	-22.03%
Net Position, Beginning of Year	83,219,118	75,802,279	7,416,839	9.78%
Change in Reporting Entity	21,214,752	-	21,214,752	100.00%
Net Position, End of Year	<u>\$110,216,478</u>	<u>\$ 83,219,118</u>	<u>\$ 26,997,360</u>	<u>32.44%</u>

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 increased by 4.05% or \$3 million from 2020 to 2021; operating expenses increased by 5.03% or \$3.6 million for the year; non-operating revenues increased by 63.6% or \$1.2 million from 2020 to 2021. Capital & equity contributions decreased by 77.4% or \$2.2 million, from 2020 to 2021. These changes lead to a total increase in net position of \$26.9 million from December 31, 2020 to December 31, 2021.

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

- The increase in operating revenues is attributable to receipts of CARES Act funds which include supplemental administrative fees to the Emergency Housing Vouchers (EHV) and the Emergency Solutions Grant - Coronavirus (ESG-CV).
- The net increase in non-operating revenues/(expenses) was mainly attributable to the Agency's investment income/loss from Silvercrest, Inc. and Housing Relinquish Fund Corporation (HRFC).
- The decrease in capital and equity contribution was mainly due to HUD capital grants drawn for the Rental Assistance Demonstration (RAD) investment projects and capital related activities.
- The change in reporting entity in the amount \$21.2 million report 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	\$ 2,669,425	\$ 2,669,425	\$ -	0.00%
Structures	10,014,061	10,680,567	(666,506)	-6.24%
Equipment	524,765	611,043	(86,278)	-14.12%
Construction in Progress	6,329,964	4,303,606	2,026,358	47.09%
Total Capital Assets, Net	<u>\$ 19,538,215</u>	<u>\$ 18,264,641</u>	<u>\$ 1,273,574</u>	<u>6.97%</u>

Overall, the Agency's capital assets increased by \$1.27 million during 2021, attributable to purchase of assets. 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		
Short Term Borrowings (Interfund)	\$ 1,967,116	\$ 1,128,277	\$ 838,839	74.35%
Notes Payable - Non-Related Parties	8,842,312	9,198,993	(356,681)	-3.88%
Notes Payable - Related Parties	5,800,854	6,254,045	(453,191)	-7.25%
Total Debt	<u>\$ 16,610,282</u>	<u>\$ 16,581,315</u>	<u>\$ 28,967</u>	<u>0.17%</u>

The notes payable increased by \$28,967 during the year mostly due to increase in various short-term pre-development loans from County Housing Authority. See Note 11 in the Notes to the Basic Financial Statements for more information.

Economic Factors Affecting the Agency's Future

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

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

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

Requests for Information

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

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

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**HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California**

**STATEMENT OF NET POSITION
DECEMBER 31, 2021**

ASSETS AND DEFERRED OUTFLOWS

Unrestricted Current Assets

Cash and Cash Equivalents	\$ 9,374,236
Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$6,500	152,414
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$60,085	217,469
Due From Other Governments	750,650
Due From Related Parties	1,862,154
Prepaid Expenses	750,199
Total Unrestricted Current Assets	13,107,122

Restricted Current Assets

Restricted Cash	1,350,939
Total Restricted Current Assets	1,350,939
Total Current Assets	14,458,061

Non-Current Assets

Capital Assets

Capital Assets - Not being depreciated	8,999,389
Capital Assets - Depreciable, Net of Accumulated Depreciation of \$42,489,178	10,538,826
Total Capital Assets, Net	19,538,215

Other Non-Current Assets

Notes Receivable From Related Parties	37,911,425
Notes Receivable From Non-Related Parties	310,866
Interest Receivable From Related Parties, Net of allowance for doubtful accounts of \$1,118,326	7,903,546
Interest Receivable - Non-Related Parties	983
Investments In Joint Ventures	60,769,888
Assets Held For Sale	1,369,385
Total Other Non-Current Assets	108,266,093
Total Assets	142,262,369

Deferred Outflow of Resources - Pension Related

	1,429,771
Total Deferred Outflow of Resources	1,429,771
Total Assets and Deferred Outflows	\$ 143,692,140

(Continued)

**HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California**

**STATEMENT OF NET POSITION
DECEMBER 31, 2021
(Continued)**

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Current Liabilities

Vendors and Contractors Payable	\$ 1,390,955
Accrued Salaries	371,829
Accrued Compensated Absences	683,933
Resident Security Deposits	290,454
Due To Other Governments	298,997
Due To Related Parties	3,601,821
Other Current Liabilities - Related Parties	31,171
Other Current Liabilities - Non-Related Parties	617,215
Notes Payable - Related Parties	3,587,920
Notes Payable - Non-Related Parties	4,036,222
Accrued Interest Payable	332,318
Unearned Revenue	372,054
Total Current Liabilities	<u>15,614,889</u>

Non-Current Liabilities

Notes Payable - Related Parties	2,212,934
Notes Payable - Non-related Parties	4,806,090
Accrued Interest Payable	824,701
Accrued Compensated Absences	313,990
Other Accrued Non-current Liabilities	46,854
Net Pension Liability	6,066,409
Total Non-Current Liabilities	<u>14,270,978</u>
Total Liabilities	<u>29,885,867</u>

Deferred Inflows of Resources - Pension Related

	<u>3,589,795</u>
Total Deferred Inflows of Resources	<u>3,589,795</u>
Total Liabilities and Deferred Inflows	<u>33,475,662</u>

Net Position

Net Investment in Capital Assets	6,142,861
Restricted for:	
Housing Assistance Payments	121,318
Other Externally Required Reserves	651,771
Unrestricted	<u>103,300,528</u>
Total Net Position	<u>110,216,478</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 143,692,140</u>

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

Operating Revenues	
Rental Revenue	\$ 3,852,316
Fee Revenue	830,161
HUD Grants	61,539,512
Other Governmental Grants	7,752,811
Other Revenue	1,822,851
Developer Fee Revenue	2,157,973
Total Operating Revenues	<u>77,955,624</u>
Operating Expenses	
Administrative Expense	15,912,382
Tenant Services Expense	1,815,269
Utilities Expense	900,327
Maintenance & Operations Expense	2,559,212
Protective Services Expense	328,705
Insurance Expense	476,891
General Expense	1,721,496
Housing Assistance Payments	50,890,902
Depreciation	1,220,496
Total Operating Expenses	<u>75,825,680</u>
Operating Income (Loss)	<u>2,129,944</u>
Non-Operating Revenues (Expenses)	
Interest Revenue, Unrestricted	13,679
Interest Revenue, Restricted	4,170
Interest Revenue on Notes Receivable	1,651,474
Interest Expense	(330,675)
Fraud Recovery	1,174
Share of Joint Venture Income	1,564,210
Gain from Insurance Claim	7,231
Gain from Disposition of Capital Assets	97,845
Total Non-Operating Revenues	<u>3,009,108</u>
Income (Loss) Before Contributions and Transfers	<u>5,139,052</u>
Capital Contributions	643,556
Increase (Decrease) in Net Position	<u>5,782,608</u>
Net Position, Beginning of Year	83,219,118
Change in Reporting Entity	21,214,752
Net Position, End of Year	<u>\$ 110,216,478</u>

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

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

Cash Flows From Operating Activities:	
Cash Received from Tenants	\$ 3,789,587
Cash Received from Others	5,122,404
Cash Paid to Employees for Services	(18,833,151)
Cash Paid to Suppliers for Goods and Services	(4,955,238)
Cash Received from Operating Grants	71,290,012
Cash Paid for Housing Assistance	<u>(50,890,902)</u>
Net Cash Provided by Operating Activities	<u>5,522,712</u>
Cash Flows From Capital and Related Financing Activities:	
Acquisition of Capital Assets	(2,494,070)
Proceeds from Sale of AHS	138,555
Principal Proceeds on Long Term Debt - Related Parties	1,079,789
Principal Proceeds on Long Term Debt - Non-Related Parties	27,477
Principal Paid on Long Term Debt - Related Parties	(1,532,980)
Principal Paid on Long Term Debt - Non-Related Parties	(311,758)
Interest Paid on Long Term Debt	<u>(279,890)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(3,372,877)</u>
Cash Flows from Noncapital Financing Activities:	
Issuance of Notes Receivable	(5,495,699)
Principal Received on Issuance of Notes Receivable	83,029
Interest Received on Notes Receivable	<u>617,539</u>
Net Cash Used for Noncapital Financing Activities	<u>(4,795,131)</u>
Cash Flows From Investing Activities:	
Interest Received From Investments	<u>17,849</u>
Net Cash Provided By Investing Activities	<u>17,849</u>
Net Decrease to Cash and Cash Equivalents	(2,627,447)
Cash and Cash Equivalents at Beginning of Year	<u>13,352,622</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 10,725,175</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	\$ 9,374,236
Restricted Cash	<u>1,350,939</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 10,725,175</u></u>

(Continued)

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

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

Reconciliation of Operating Income (Loss) to Net

Cash Provided By (Used For) Operating Activities:

Operating Income (Loss)	\$ 2,129,944
Adjustments to Reconcile Operating Income (Loss) to	
Net Cash Provided By (Used For) Operating Activities:	
Depreciation	1,220,496
Fraud Recovery	1,174
Other income	7,231
(Increase) Decrease in Accounts Receivable - Tenants	(62,729)
(Increase) Decrease in Accounts Receivable - Other	300,269
(Increase) Decrease in Due From Other Governments	982,890
(Increase) Decrease in Due From Related Parties	(1,038,357)
(Increase) Decrease in Prepaid Expenses	(403,442)
(Increase) Decrease in Deferred Outflows	174,702
Increase (Decrease) in Accounts Payable - Vendors	644,347
Increase (Decrease) in Due To Related Parties	1,829,015
Increase (Decrease) in Accrued Salaries	(40,559)
Increase (Decrease) in Accrued Compensated Absences	179,134
Increase (Decrease) in Other Accrued Liabilities	46,545
Increase (Decrease) in Accounts Payable - Other Governments	(127,703)
Increase (Decrease) in Unearned Revenue	351,844
Increase (Decrease) in Resident Security Deposits Payable	2,745
Increase (Decrease) in Net Pension Liability	(4,226,947)
Increase (Decrease) in Deferred Inflows	3,552,113
Net Cash Provided by Operating Activities	\$ 5,522,712

Significant Noncash Activities

Increase in Investments in Joint Ventures	\$ 21,214,752
Decrease in Non-related Party Notes	72,400
	\$ 21,287,152

See accompanying notes to the basic financial statements

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

1) Summary of Significant Accounting Policies

a) General Purpose

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

b) Financial Reporting Entity

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

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

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

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

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

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

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

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

c) Basis of Presentation

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

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

d) Measurement Focus/Basis of Accounting

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

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

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

e) Cash and Cash Equivalents

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

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

f) Restricted Cash

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

g) Assets Held for Sale

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

h) Capital Assets

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

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

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

i) Impairment of Capital Assets

The Agency reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is magnitude and outside of the normal life cycle of the capital asset being evaluated. As of December 31, 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

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

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

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, and the California Housing Finance Agency to build and improve housing projects. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

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

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 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.

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

q) Investments in Joint Ventures

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

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 Systems (CalPERS) Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

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

Valuation Date (VD)	June 30, 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 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

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

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"
- 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

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

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.
- 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

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

- Statement No. 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 the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the Agency's year ending December 31, 2024. All other requirements of this statement are effective for the Agency's year ending December 31, 2022.
- Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62". Statement No. 100 establishes standards to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for Agency's year ending December 31, 2024.
- Statement No. 101, "Compensated Absences". Statement No. 101 establishes standards to unify the recognition and measurement model of liabilities for compensated absences. The requirements of this Statement are effective for Agency's year ending December 31, 2024.

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2) Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents held by the Agency at December 31, 2021, was classified as follows in the accompanying Statement of Net Position:

Cash & Cash Equivalents	\$ 9,374,236
Restricted Cash	<u>1,350,939</u>
Total Cash, Cash Equivalents and Restricted Cash	<u>\$ 10,725,175</u>

Disclosure Related to Interest Rate Risk

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

Disclosure Related to Credit Risk

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

For the year ended December 31, 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.

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

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deposits. Such collateral must be held in the pledging bank's trust department in a separate depository in an account for the Agency.

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

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

The Agency's cash deposits and cash equivalents are \$9,374,236 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. \$2,740,555 is collateralized as of December 31, 2021 and the remaining \$6,633,681 is uncollateralized cash deposits and cash equivalents.

Pooled Cash and Cash Equivalents

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

3) Restricted Cash

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

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

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Details of restricted cash at December 31, 2021 are as follows:

Cash Restricted for:	Cash Restriction	In Liabilities	In Restricted Net Position
Escrow	\$ 34	\$ -	\$ 34
HAP Funding	121,318	8,601	112,717
Tenant Security Deposits	290,955	290,955	-
Emergency Housing Vouchers	938,632	278,294	660,338
	<u>\$ 1,350,939</u>	<u>\$ 577,850</u>	<u>\$ 773,089</u>

4) Accounts Receivable

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

Accounts receivable at December 31, 2021 consist of the following:

Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$6,500	\$ 152,414
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$60,085	<u>217,469</u>
Total Accounts Receivable	<u>\$ 369,883</u>

5) Due from Other Governments

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

U.S. Department of HUD	\$ 345,343
Other	<u>405,307</u>
Total Due from Other Governments	<u>\$ 750,650</u>

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6) Due from Related Parties

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

Housing Authority of Fresno County	\$	379,593
Housing Self Insurance Corporation		1,550
Limited Partnerships		1,026,506
Silvercrest, Inc.		454,505
		454,505
Total Due from Related Parties	\$	1,862,154
		1,862,154

7) Capital Assets

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

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
Capital assets not depreciated:				
Land	\$ 2,669,425	\$ -	\$ -	\$ 2,669,425
Construction in progress	4,303,606	2,026,358	-	6,329,964
Total capital assets not depreciated	6,973,031	2,026,358	-	8,999,389
Capital assets being depreciated:				
Buildings and Improvements	50,919,464	419,705	-	51,339,169
Equipment / Software	1,640,828	48,007	-	1,688,835
Total capital assets being depreciated	52,560,292	467,712	-	53,028,004
Less accumulated depreciation for:				
Buildings and Improvements	(40,238,897)	(1,086,211)	-	(41,325,108)
Equipment / Software	(1,029,785)	(134,285)	-	(1,164,070)
Total accumulated depreciation	(41,268,682)	(1,220,496)	-	(42,489,178)
Total capital assets being depreciated, net	11,291,610	(752,784)	-	10,538,826
Total Capital Assets, Net	\$ 18,264,641	\$ 1,273,574	\$ -	\$ 19,538,215

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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/ Deletions</u>	<u>Balance 12/31/2021</u>	<u>Interest Receivable</u>
<u>Non-Related Parties:</u>					
City of Clovis-Clovis Senior Ctr	\$ 317,595	\$ -	\$ (83,029)	\$ 234,566	\$ 983
844 S. Chance	-	76,300	-	76,300	-
Total due from non-related parties	<u>317,595</u>	<u>76,300</u>	<u>(83,029)</u>	<u>310,866</u>	<u>983</u>
<u>Related Parties:</u>					
Better Opportunities Builders, Inc.	125,000	-	-	125,000	-
Limited Partnerships:					
Fresno Edison II (Legacy Commons)	4,150,000	-	-	4,150,000	594,833
Fresno Pacific Gardens	2,738,430	-	-	2,738,430	1,554,720
Parc Grove Commons II	3,129,538	-	-	3,129,538	3,033,872
Renaissance at Alta Monte	400,000	-	-	400,000	-
Renaissance at Santa Clara Street	400,000	-	-	400,000	69,668
Fresno Renaissance at Trinity	400,000	-	-	400,000	-
Renaissance at Santa Clara Street AHP	638,839	-	-	638,839	55,899
Fresno Renaissance at Trinity - AHP Loan	200,000	-	-	200,000	-
Southeast Fresno RAD	10,601,534	-	-	10,601,534	1,563,935
Viking Village RAD	955,349	-	-	955,349	133,400
YEC Limited (HOPE VI)	6,258,336	-	-	6,258,336	787,519
Doragon @ Chinatown-Cap Fund	1,045,000	-	-	1,045,000	-
FHA Note Rec RP L/T - Doragon @ Chinatown-IIG	-	1,044,000	-	1,044,000	-
Doragon @ Chinatown-TCC AHD	-	2,001,830	-	2,001,830	50,411
Doragon @ Chinatown-TCC HRI	-	2,123,569	-	2,123,569	-
Villages at Barstow-Alegre	1,450,000	-	-	1,450,000	59,289
Villages at Paragon	-	250,000	-	250,000	-
Total due from related parties	<u>32,492,026</u>	<u>5,419,399</u>	<u>-</u>	<u>37,911,425</u>	<u>7,903,546</u>
Total	<u>\$ 32,809,621</u>	<u>\$ 5,495,699</u>	<u>\$ (83,029)</u>	<u>\$ 38,222,291</u>	<u>\$ 7,904,529</u>

City of Clovis

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

Annual principal and interest payments depend on the residual cash flows of this future tax credit project. The availability of these cash flows to make future payments is unknown. As of December 31, 2021, the outstanding principal balance was \$234,566 with accrued interest of \$983.

844 South Chance

On January 14, 2021, the Agency entered a loan agreement in the amount of \$76,300 with the buyer of the property located at 844 South Chance Avenue, Fresno. The loan is secured by the Deed of Trust. The loan accrues interest at 2.74% per annum, payable monthly beginning March 1, 2021 with a maturity of February 1, 2051. As of December 31, 2021, the outstanding principal balance was \$76,300.

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Better Opportunities Builders, Inc.

On September 18, 2008, the Agency has made a loan of \$125,000 to Better Opportunities Builders, Inc. (BOB). The loan is unsecured and interest free. No payments are due on this loan for 60 months after the date the Agency records the final release of construction covenants for the projects pursuant to the Disposition and Development Agreement (DDA). BOB is considered to be a related party of the Agency. As of December 31, 2021, the outstanding principal balance was \$125,000.

Fresno Edison II, LP

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

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

As of December 31, 2021, the total outstanding principal balances for both loans was \$4,150,000 with accrued interest of \$594,833.

Fresno Pacific Gardens, LP

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

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

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

The third loan was also authorized on March 14, 2011 in the amount of \$550,000. The loan bears an interest rate of 5.4625% compounded annually, with principal and interest payable annually commencing January 1, 2012 from available cash flow after payment of principal and interest due on the first and second loans.

As of December 31, 2021, the outstanding principal balance for all three loans was \$2,738,430 with accrued interest of \$1,554,720.

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Parc Grove Commons II, LP

On January 27, 2010, the Agency authorized a loan to Parc Grove Commons II, LP, for \$5,322,730 for the development and construction of a mixed-income tax credit rental unit project comprised of 215 rental units of which 31 are Public Housing units. Interest accrues at a rate of 5%, compounded annually prior to construction completion and 7.5% compounded annually thereafter. The entire amount of principal and accrued interest for both notes is due and payable on February 1, 2065. The note is secured by the deed of trust of the development's property located in Fresno, California. As of December 31, 2021, the outstanding principal balance was \$3,129,538 with accrued interest of \$3,033,872.

Renaissance at Alta Monte, LP

On December 13, 2011, the Agency entered into a loan agreement with the Renaissance at Alta Monte, LP for an amount of \$400,000. This loan is secured by a Deed of Trust, bears interest at a simple rate of 7.5% during construction and 8.75% after construction completion. The loan matures on November 30, 2065. The loan is payable in annual amounts equal to 50% of the residual receipts as defined in Article 1, Section 1.3 of the promissory note dated December 13, 2011. As of December 31, 2021, the outstanding principal was \$400,000. Accrued interest on the loan have been fully reserved as of December 31, 2021.

Renaissance at Santa Clara Street, LP

On December 1, 2010, the Agency entered into a loan agreement with Renaissance at Santa Clara Street, LP for an amount of \$400,000 (the "FH Loan"). The loan bears interest on the outstanding balance at 8.75%. The FH Loan is secured by a Deed of Trust, and matures on December 30, 2066. Beginning January 14, 2014, annual payments of interest and principal are due equal to 50% of the residual receipts, as defined in the Partnership Agreement. As of December 31, 2021, the outstanding principal balance on the FH Loan was \$400,000 with accrued interest of \$69,668. Accrued interest in the amount of \$400,777 have been reserved as of December 31, 2021.

On November 14, 2014, the Agency entered into an AHP loan agreement with Renaissance at Santa Clara Street, LP, for \$638,839 with a maturity date of June 1, 2068. The loan bears interest at 8.75% per annum. As of December 31, 2021, the outstanding principal on the AHP Loan was \$638,839 with accrued interest of \$55,899. Accrued interest in the amount of \$342,688 have been reserved as of December 31, 2021.

The total principal recorded for both loans at December 31, 2021 was \$1,038,839 with accrued interest of \$125,567.

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Fresno Renaissance at Trinity, LP

On December 1, 2010, the Agency authorized a loan of \$400,000 to Fresno Renaissance at Trinity, LP, a related party to the Housing Authority of the City of Fresno, for the purpose of financing a 21-unit low-income multifamily project known as Renaissance at Trinity. The loan bears no interest with payments due on or before the maturity date of November 30, 2065. The note is secured by a deed of trust of the development's property located in Fresno, California. Fresno Renaissance at Trinity, LP, is considered to be related party of the Agency. The outstanding balance at December 31, 2021 was \$400,000.

On December 1, 2010, the Agency entered into a loan agreement with Fresno Renaissance at Trinity, LP. The Agency was awarded a grant through the Affordable Housing Program (AHP) and these funds were in turn loaned to the Fresno Renaissance at Trinity, LP. The note bears no interest with principal payable upon completion of the project. The outstanding balance of the loan due from Fresno Renaissance at Trinity, LP at December 31, 2021 was \$200,000.

Southeast Fresno RAD, LP

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

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

The outstanding principal balances for the two loans at December 31, 2021, were \$10,601,534 with accrued interest of \$1,563,935.

Viking Village RAD, LP

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

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

The outstanding principal balances for the two loans at December 31, 2021 was \$955,349 with accrued interest of \$133,400.

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YEC Limited

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

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

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

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

As of December 31, 2021, the outstanding principal balances for all three loans was \$6,258,336 with accrued interest of \$787,519.

Doragon @ Chinatown

On August 1, 2020, the Agency entered into an HAFC Capital Funds loan agreement with Doragon @ Chinatown, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,045,000. The HAFC (Cap Funds) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. The note bears no interest and matures on September 30, 2077. As of December 31, 2021, the outstanding principal balance on the Cap Funds loan was \$1,045,000.

On August 1, 2020, the Agency entered into an HAFC Infill Infrastructure grant program (IIG) loan agreement with Doragon @ Chinatown, LP, in the amount of \$1,160,000. The HAFC (IIG) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. This loan bears no interest and matures on September 30, 2077. As of December 31, 2021, the outstanding principal balance on the Cap Funds loan was \$1,044,000.

On August 1, 2020 the Agency entered into an HAFC (TCC-AHD) loan agreement with Doragon @ Chinatown, LP for the amount \$8,004,319. The loan bears interest on the outstanding balance at 3%. The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement, and matures on September 30, 2077. The entire amount of principal and accrued interest for both notes is due at maturity. As of December 31, 2021, the outstanding principal balance on the TCC-AHD Loan was \$2,001,830 with accrued interest of \$50,411.

On August 1, 2020 the Agency entered into an HAFC (TCC-HRI) loan agreement with Doragon @ Chinatown, LP for the amount \$2,800,000. The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement. The loan bears no interest and matures on

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September 30, 2077. The entire amount of principal is due at maturity. As of December 31, 2021, the outstanding principal balance on the TCC-HRI Loan was \$2,123,569.

As of December 31, 2021, the outstanding principal balances for all four loans was \$6,214,398 with accrued interest of \$50,411.

Villages at Barstow, LP

On December 23, 2020, the Agency entered into a Loan agreement with The Villages at Barstow, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,450,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on January 31, 2078. As of December 31, 2021, the outstanding principal balance for the loan was \$1,450,000 with accrued interest of \$59,289.

Villages at Paragon

On July 23, 2019, the Agency entered into a pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,000,000 for the rehabilitation of The Villages at Paragon Apartments. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears no interest and matures on January 31, 2078. As of December 31, 2021, the outstanding principal balance for the loan was \$250,000.

9) Investment in Joint Ventures

As of December 31, 2021, the Agency's investment in joint ventures is comprised of the following:

Joint Venture:	
Housing Relinquished Fund Corporation	\$ 38,893,319
Housing Self Insurance Corporation	(32,297)
Silvercrest, Inc.	21,855,252
Villa Del Mar, Inc.	53,614
Total Investments in Joint Venture	\$ 60,769,888

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 67% 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) – This entity was organized to provide additional security against a variety of insurable and non-insurable losses to include deductibles, payouts, settlements, and other related obligations. HSIC's Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has an 84% allocation on distribution of net assets upon dissolution of HSIC. HSIC does not issue separate

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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 93% allocation on distribution of net assets upon dissolution of Silvercrest, Inc. Audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. As of December 31, 2021, Silvercrest, Inc. has total assets, liabilities and equity of \$32,929,118, \$9,428,847 and \$23,500,271, respectively. For the year end December 31, 2021, Silvercrest, Inc.'s revenue and expenses were \$6,526,866 and \$5,838,156, respectively.

Villa Del Mar, Inc. – This entity was created for purposes of ownership and management of the 48-unit Villa Del Mar affordable housing project in the City of Fresno. Villa Del Mar, Inc.'s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 100% allocation on distribution of net assets upon dissolution of Villa Del Mar, Inc. Villa Del Mar, Inc. does not issue separate financial statements. As of December 31, 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:

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

The Agency used a portion of loans from the California Housing Finance Agency (CHFA) HELP Program to purchase properties for use in future developments or for the future sale to program participants. The Agency purchased a parcel of land at a total cost of \$1,037,878 to be used for future development. At December 31, 2021, the carrying value of remaining asset held for sale was \$1,037,878.

In accordance with Section 5 of the Public Housing Act, the Agency sells single family homes to qualified low-income residents. At December 31, 2021, the book value of homes held for sale were \$331,507.

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11) Long-Term Liabilities

Changes in long-term liabilities for the 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					
Garland Gardens	\$ 19,057	\$ -	\$ (19,057)	\$ -	\$ -
City of Fresno NSP	3,000,036	-	-	3,000,036	-
City of Fresno- 844 S. Chance Ave	165,664	27,477	(193,141)	-	-
Santa Clara-AHP	638,839	-	-	638,839	-
Trinity-AHP	200,000	-	-	200,000	-
City of Fresno NSP 3- San Ramon	1,006,121	-	(18,310)	987,811	20,596
Mortgages					
Dayton Square	1,422,874	-	(52,435)	1,370,439	1,370,439
El Cortez Apartments	1,133,039	-	(41,778)	1,091,261	1,091,261
Woodside Apartments	1,613,363	-	(59,437)	1,553,926	1,553,926
	9,198,993	27,477	(384,158)	8,842,312	4,036,222
Notes Payable - Related Parties:					
P&CD (Pacific Garden Enterp.) to HRFC	1,340,894	-	-	1,340,894	-
P&CD (Various pre-dev) to HRFC	3,380,041	1,079,789	(1,532,980)	2,926,850	2,926,849
Helm Home to HRFC	872,040	-	-	872,040	-
Office building to HRFC	154,000	-	-	154,000	154,000
LIPH (Townsend) to HRFC	98,097	-	-	98,097	98,097
Roosevelt Apartment	408,973	-	-	408,973	408,974
	6,254,045	1,079,789	(1,532,980)	5,800,854	3,587,920
Other Liabilities:					
Interest payable	917,318	519,591	(279,890)	1,157,019	332,318
Compensated Absences	818,789	968,634	(789,500)	997,923	683,933
Homebuyers Earned Payments	70,008	3,488	(26,642)	46,854	-
Net Pension Liability	10,293,356	-	(4,226,947)	6,066,409	-
	12,099,471	1,491,713	(5,322,979)	8,268,205	1,016,251
Total Notes Payable	\$ 27,552,509	\$ 2,598,979	\$ (7,240,117)	\$ 22,911,371	\$ 8,640,393

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

Year Ending December 31	Principal	Interest	Total
2022	\$ 7,624,142	\$ 332,318	\$ 7,956,460
2023	352,624	107,659	460,283
2024	353,428	106,855	460,283
2025	354,566	105,717	460,283
2026	355,498	48,419	403,917
2027-2031	1,964,032	123,955	2,087,987
2032-2036	1,388,848	629,405	2,018,253
2037-2041	750,009	629,405	1,379,414
2042 & Beyond	1,500,019	629,405	2,129,424
	\$ 14,643,166	\$ 2,713,138	\$ 17,356,304

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City of Fresno NSP (Neighborhood Stabilization Program)

In October 2009, the Agency entered into an agreement with the City of Fresno to administer the Neighborhood Stabilization Program (NSP), a federal program that is being funded by HUD. The City of Fresno agreed to loan the Agency up to \$5,000,000 to purchase foreclosed homes through public auction, renovate the homes, and sell them to qualified low or moderate-income families. The Agency is responsible for executing the loans with the buyers. As the loans are repaid the Agency is to reimburse the City of Fresno. Because the dates of repayment will vary based on the affordability of each family, the annual amounts due to the City of Fresno are unknown; therefore, this note has not been included in schedule of debt payment requirements. As of December 31, 2021, loan was paid in full.

In March 2013, the Agency entered into a Loan Agreement with the City of Fresno for \$1,800,000 to administer the Neighborhood Stabilization Program, a federal program funded by HUD. This loan is intended for the construction, rehabilitation, and/or preservation of project units and affordable housing units. In March 2014, an Amendment to the Agreement was made to increase the loan amount to \$3,000,000. This note carries a 2% simple annual interest rate. Current payment terms are based upon residual cash flow of the properties being funded with principal and interest payable 30 years from origination date. As of December 31, 2021, the outstanding balance of this note was \$3,000,036.

Santa Clara-AHP

On November 14, 2014, the Agency entered into a promissory note with Mississippi Valley Company Bank in the amount of \$638,839 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interests. The Agency has loaned the proceeds to 1555 Santa Clara Street, LP, a related party. See Note 8 for the Notes Receivable from 1555 Santa Clara Street related to this AHP loan. As of December 31, 2021, the outstanding principal balance was \$638,839.

Fresno Renaissance at Trinity-AHP

On February 25, 2013, the Agency entered into a promissory note with Bank of the West in the amount of \$200,000 from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest. The Agency has loaned the proceeds to Fresno Renaissance at Trinity, LP, a related party. See Note 8 for the Notes Receivable from Fresno Renaissance at Trinity related to this AHP loan. As of December 31, 2021, the outstanding principal balance was \$200,000.

San Ramon Apartments

On July 15, 2019, the Agency entered into a promissory note with Central Valley Community Bank in the amount of \$1,025,000. The fund was applied to the HRFCL loan, which can be used on future affordable housing projects. The note accrues interest of 5.25% per annum and matures on July 15, 2029. As of December 31, 2021, the outstanding principal balance was \$987,811.

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Mortgages

On January 14, 2004, the Agency borrowed \$5,000,000 from the Bank of the West, with the purpose of refinancing the debt on three apartment complexes: El Cortez Apartments, Dayton Square, and Woodside Apartments. Each of the three loans is secured by each apartment complex. On March 20, 2014, the three mortgages were re-financed for \$4,589,657 at 4.25% interest rate and set to mature on January 5, 2024. As of December 31, 2021, the balances were the following:

	<u>Principal</u>	<u>Monthly Payment</u>	<u>Due Within 1 Year</u>
Dayton Square	\$ 1,370,439	\$ 9,378	\$ 1,370,439
El Cortez	1,091,261	7,470	1,091,261
Woodside Apartments	1,553,926	10,632	1,553,926
	<u>\$ 4,015,626</u>		<u>\$ 4,015,626</u>

Subsequent to year end, the notes have been paid in full during March 2022 using refinance proceeds from new permanent mortgages.

Housing Relinquished Fund Corporation (HRFC)

On June 2, 2010, the Agency recorded in the Planning and Community Development fund a promissory note entered into with the HRFC for \$2,700,000 for the acquisition of 100% of the shares of Pacific Gardens Enterprises, Inc., the sole owner of Pacific Gardens Apartments located in Fresno, California. Payments for the loan are to be made from the eventual sale or refinancing of the apartment complex. The loan carries an interest rate of 5% per annum and is due upon sale or refinance of the complex. The outstanding principal balance at December 31, 2021 was \$1,340,894.

The predevelopment loans are made throughout the year. Payments are to be made from the sale of the properties. The outstanding balance at December 31, 2021 was \$2,926,850.

The Helm Home is located at 1749 L Street in Fresno, was purchased in March 2010 and is on the local register of historic sites. The loan carries an interest rate of 5% per annum and is due upon sale or refinance of the complex. The outstanding principal balance at December 31, 2021 was \$872,040.

The Agency entered into a promissory agreement with HRFC for \$154,000, a portion of the acquisition of the Central Office Building. This note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2021 was \$154,000.

On October 1, 2006, the Agency obtained a loan from HRFC for the purchase of the property at 3129 E. Townsend properties for \$98,097. The note bears no interest and the principal is payable upon sale of property. The outstanding principle balance on this note at December 31, 2021 was \$98,097. This property is currently in Assets Held for Sale.

On October 2, 2020, the Agency obtained a loan from HRFC for the purchase of the property at 466 N. Roosevelt property for \$408,973. The note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2021 was \$408,973.

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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.

As of December 31, 2021, accrued vacation and vested sick leave has been valued by the Agency at \$997,923 with the current portion due in the amount of \$683,933.

12) Due to Other Governments

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

Payments in Lieu of Taxes	\$ 95,468
U.S. Department of HUD	201,870
Other	1,659
Total Due to Other Governments	\$ 298,997

13) Due to Related Parties

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

Housing Authority of Fresno County	\$ 3,259,079
Housing Self Insurance Corporation	120,000
Limited Partnerships	222,742
Total Due to Related Parties	\$ 3,601,821

14) Other Current Liabilities

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

Payroll - Withholding Taxes, Benefits Payable	184,859
Unclaimed Checks/Refunds	174,223
Accrued Expenses	258,133
Retention Payable	31,171
Total Other Current Liabilities	\$ 648,386

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15) Unearned Revenues

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

Grant	\$ 338,246
Prepaid Tenant Rents	32,912
Other	<u>896</u>
Total Unearned Revenues	<u><u>\$ 372,054</u></u>

16) 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 \$82,869 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.

17) Defined Benefit Pension Plan

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

Plan's Major Benefit Options

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

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

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

Employees Covered:

Summary of Valuation Data (Counts)

	June 30, 2020
1. Active Members	108
2. Transferred Members	30
3. Terminated Members	88
4. Retired Members and Beneficiaries	111
5. Active to Retired Ratio [(1)/(4)]	0.97

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.

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Contribution Description

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

For the measurement period ending June 30, 2021, the average active employee contribution rate was 6.60 percent of annual pay, and the average employer’s contribution rate was 7.64 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

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 Morality 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 statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary

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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.

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Changes in Net Pension Liability

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

	Increase (Decrease)		
	Plan		
	Total Pension Liability	Fiduciary Net Pension	Net Pension Liability
Balance at: June 30, 2020	\$ 43,352,133	\$ 33,058,777	\$ 10,293,356
Changes recognized for the measurement period:			
Service Cost	956,110	-	956,110
Interest on Total Pension Liability	3,101,668	-	3,101,668
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	669,327	-	669,327
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,139,232	(1,139,232)
Contributions - Employee	-	516,172	(516,172)
Net Investment Income	-	7,331,672	(7,331,672)
Benefit Payments, including Refunds of Employee Contributions	(2,239,091)	(2,239,091)	-
Administrative Expense	-	(33,024)	33,024
Other Miscellaneous Income	-	-	-
Net Changes during 2020-2021	2,488,014	6,714,961	(4,226,947)
Balance at: June 31, 2021	\$ 45,840,147	\$ 39,773,738	\$ 6,066,409

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)	\$ 11,971,706	\$ 6,066,409	\$ 1,176,056

Subsequent Events

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

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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 were 3.7 years, which was obtained by dividing the total service years of 1,261 (the sum of remaining service lifetimes of the active employees) by 337 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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Deferred Outflows and Deferred Inflows of Resources

For the Measurement Period ending June 30, 2021, the Agency incurred a pension expense of \$714,853.

As of June 30, 2021, the Housing Authority of the City of Fresno has deferred outflows and deferred inflows of resources related to pensions listed below. Contributions subsequent to the measurement date are also shown as a Deferred Outflow of Resources.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	\$ -	\$ -
Differences between Expected and Actual Experience	813,403	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(3,589,795)
Payment on pension contributions between measurement date and fiscal year end	616,368	-
Total	\$ 1,429,771	\$ (3,589,795)

The \$616,368 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	\$ (441,948)
2023	(599,403)
2024	(735,825)
2025	(999,216)
2026	-
Thereafter	-
	\$ (2,776,392)
	\$ 1,429,771
	(3,589,795)
	(2,160,024)
Payment on pension contributions between measurement date and fiscal year end	\$ (616,368)

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18) 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 \$292,179 for the year ended December 31, 2021. The loss limits for the various types of insurance are follows: individual structure stated value, with full replacement cost, for property with a deductible per occurrence of \$10,000; \$2,000,000 for general liability with no deductible; \$2,000,000 for automobile liability, including losses arising from the use of a non-owned covered automobile; \$100,000 for employee dishonesty and forgery and alteration with a \$1,000 deductible; \$10,000 for employee theft with a \$1,000 deductible; and \$2,000,000 for errors and omissions with a 10% co-pay.

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

California Housing Workers' Compensation Authority

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

19) Participation in Related Party Limited Partnerships

YEC Limited

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

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

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

Parc Grove Commons II, Limited Partnership

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

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

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

Fresno Renaissance at Trinity, LP

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

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

Together, the two General Partners (Fresno Renaissance at Trinity, LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 and Note 11 for descriptions of any related party transactions between the Agency and the partnership.

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Fresno Renaissance at Alta Monte, LP

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

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

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

1555 Santa Clara Street, LP

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

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

Together, the two General Partners (1555 Santa Clara Street, LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Fresno Pacific Gardens, LP

Fresno Pacific Gardens, a California Limited Partnership, was formed to acquire, construct/rehabilitate, and operate the Fresno Pacific Gardens Apartments, a 56-unit multi-family housing development located in Fresno, California. The partnership received low-income housing tax credits through the California Tax Credit Allocation Committee.

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The partnership was originally formed on January 1, 2011, by Fresno Pacific Gardens AGP LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of March 14, 2011 to admit PNC Real Estate Tax Credit Capital Institutional Fund 46 Limited Partnership as the Investment Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Together, the two General Partners (Fresno Pacific Gardens AGP LLC and Silvercrest, Inc.) are allocated 0.01% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 and Note 11 for descriptions of any related party transactions between the Agency and the partnership.

Bridges at Florence, LP

Bridges at Florence LP, a California Limited Liability Company, was formed to acquire, construct, and operate Bridges at Florence, a 34-unit affordable-housing complex and community resource building located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee. The purpose of this project is to expand availability of long-term housing for low-income persons residing in the City of Fresno, California.

The partnership was originally formed on April 12, 2012, by Bridges at Florence AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of April 4, 2013 to admit PNC Bank, National Association as the Investor Limited Partner, and Colombia Housing SLP Corporation as the Special Limited Partner.

Silvercrest, Inc., as Managing General Partner, is allocated 0.005% interest of all net profits (or net losses) of the partnership. Bridges at Florence AGP, LLC, as Administrative General Partner, is allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Parc Grove Commons Northwest, LP

Parc Grove Commons Northwest LP, was formed to acquire, construct, and operate Parc Grove Commons Northwest, a 148-unit affordable-housing complex and community resource building. The project received low-income housing tax credits through the California Tax Credit Allocation Committee. The purpose of this project is to expand availability of long-term housing for low-income persons residing in the City of Fresno, California.

The partnership was originally formed on March 1, 2012, by Parc Grove Commons Northwest AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. The agreement was later amended as of February 13, 2013 to admit Wells Fargo Affordable Housing Community

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Development Corporation as the Investor Limited Partner, and a to-be-designated entity as the Special Limited Partner.

Silvercrest, Inc. is the Managing General Partner and the Withdrawing Limited Partner. Parc Grove Commons Northwest AGP, LLC, is the Administrative General Partner. Each of those two entities is allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Southeast Fresno RAD, LP

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

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

Net profits or losses of the partnership are allocated 0.005% to each of the two General Partners, Silvercrest, Inc. and Southeast Fresno RAD AGP, LLC. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

Viking Village Fresno RAD, LP

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

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

Net profits or losses of the partnership are allocated 0.005% to each of the two General Partners, Silvercrest, Inc. and Viking Village Fresno RAD AGP, LLC. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the Fresno County, at P.O. Box 11985, Fresno, California 93776-1985. See Note 8 for descriptions of any related party transactions between the Agency and the partnership.

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802 Van Ness Avenue, LP

802 Van Ness Avenue, LP, was formed to acquire, construct, and operate an affordable-housing complex, community resource building, and commercial space located in Fresno, California. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on October 17, 2013, by 802 Van Ness Avenue AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. PNC Real Estate Tax Credit Capital Institutional Fund 52 Limited Partnership is the Investor Limited Partner, and Columbia Housing SLP Corporation is the Special Limited Partner.

As the Managing General Partner and Administrative General Partner, Silvercrest, Inc. and 802 Van Ness Avenue AGP, LLC, respectively, are allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fulton West/Cedar Heights Scattered Site, LP

Fulton West/Cedar Heights Scattered Site, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Fresno, California. The Partnership was formed for the purpose of developing and operating a 45-unit project located in Fresno, California. The project qualifies for federal low-income housing tax credit program as described in the Internal Revenue Code Section 42. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

The partnership was originally formed on June 27, 2014, by Fulton West Scattered Site AGP, LLC, a California limited liability company, as the Administrative General Partner and Silvercrest, Inc., a California nonprofit public benefit corporation, as the Managing General Partner. The day-to-day operations of the partnership are controlled by the Managing General Partner. BOAUSBLIHTC Fund 2015-1 is the Limited Partner and US Bancorp Community Development Corporation is the State Credit Partner.

Net profits or losses of the partnership are allocated 0.009% to the Administrative General Partner, 0.001% to the Managing General Partner, 98.99% to the Limited Partner and 1.0% to the State Credit Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Edison I Apartments, LP

Fresno Edison I Apartments, LP was formed to acquire, construct and/or rehabilitate, and operate a scattered site affordable-housing development and community resource building in Fresno, California. The Partnership was formed for the purpose of developing and operating a 45-unit project located in Fresno, California. The project qualifies for federal low-income housing tax credit program

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as described in the Internal Revenue Code Section 42. The project received low-income housing tax credits through the California Tax Credit Allocation Committee.

Fresno Edison I Apartments, L.P. was originally formed on February 1, 2015 and is a California limited partnership between Fresno Edison I Apartments AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, PNC Real Estate Tax Credit Capital Institutional Fund 47, LP as the Original Investment Limited Partner, PNC Real Estate Tax Credit Capital Institutional Fund 53, LLC as the Investment Limited Partner and Columbia Housing SLP Corporation as the Special Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, 99.99% to the Investment Limited Partner and 0.0% to the Special Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Lowell Neighborhood Project, LP

Lowell Neighborhood Project, LP was formed for the purpose of developing and operating a 30-unit project located in the City of Fresno, California.

Lowell Neighborhood Project, L.P. was originally formed on June 18, 2015 and is a California limited partnership between Lowell Neighborhood Project AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, and U.S. Bankcorp Community Development Corporation as the Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Edison II Apartments, LP

Fresno Edison II Apartments, LP was formed in February 2015 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California.

Fresno Edison II Apartments, LP is a limited partnership between Fresno Edison Apartments II AGP, LLC (the Administrative General Partner), Silvercrest, Inc. (the Managing General Partner) and US Bankcorp Community Development Corporation (the Limited Partner). The partnership was formed for the purpose of developing a 64-unit project located in Fresno, California known as Fresno Edison Apartments Phase II.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

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Parc Grove Commons III, LP

Parc Grove III, LP was formed in June 2016 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California.

Parc Grove Commons III, LP is a limited partnership between Renaissance Parc Grove AGP, LLC (the Administrative Partner), Silvercrest, Inc. (the Managing General Partner) and Wells Fargo Affordable Housing Community Development Corporation (the Investor Limited Partner). The Partnership was formed for the purpose of development and operating a 40-unit project located in Fresno, California known as Parc Grove Commons Northeast Veterans.

Net profits, losses or tax credits of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fresno Mariposa Meadows, LP

Fresno Mariposa Meadows, LP is a limited partnership between Fresno Mariposa Meadows AGP, LLC (the Administrative General Partner), Silvercrest, Inc. (the Managing General Partner) and US Bancorp Community Development Corporation (the Limited Partner). The Partnership was formed for the purpose of developing and operating a 40-unit project located in Fresno, California known as Mariposa Meadows (the Project) consisting of twenty buildings placed in service on February 3, 2020. The project qualifies for the federal low-income housing tax credit program as described in the Internal Revenue Code Section 42. The partnership received an exemption from real estate taxes under California Revenue and Taxation Code section 214(g).

Pursuant to the Amended and Restated Agreement of Limited Partnership dated May 10, 2019, profits, losses and tax credits are allocated 0.005% to the Managing General Partner, 0.005% to the Administrative General Partner, and 99.99% to the Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Villages at Paragon, LP

Villages at Paragon, LP was formed in July of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 28 units of multifamily housing. The project filed a notice to proceed with construction on December 6, 2019. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Villages at Paragon, LP does not issue separate financial statements.

Villages at Broadway, LP

Villages at Broadway, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 25 units of

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multifamily housing. The project filed a notice to proceed with construction on April 6, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Villages at Broadway, LP does not issue separate financial statements.

Doragon @ Chinatown, LP

Doragon @ Chintatown, LP was formed in August of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 57 units of multifamily housing. The project filed a notice to proceed with construction on July 23, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Doragon @ Chinatown, LP does not issue separate financial statements.

Villages at Barstow, LP

Villages at Barstow, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex is anticipated to include 42 units of multifamily housing. The project filed a notice to proceed with construction on December 23, 2020. See Note 8 for descriptions of any related party transactions between the Agency and the partnership. Villages at Barstow, LP does not issue separate financial statements.

20) Other Related Parties

Better Opportunities Builders, Inc.

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

Housing Authority of Fresno County

The Housing Authority of Fresno County was established by a resolution of the Fresno County Board of Supervisors on February 5, 1946. The Authority is governed by a seven-member Board of Commissioners who are appointed to four-year terms by the County Board of Supervisors, reports on a calendar year, and has issued separate financial and compliance audits for 2021. The County and City Housing Authorities operate and report separately while sharing the same management team and staff. All significant related party transactions have been appropriately identified in the accompanying financial statements.

The budget document for the jointly managed operations is approved by both Boards. If one Board amends budgetary data subject to its jurisdiction, executive staff of the Authorities amends the joint budget as necessary to accommodate such changes. Although each Board takes action to approve

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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.

21) Inter-fund and Interagency Activity

The following is a summary of changes in Inter-fund loans as of December 31, 2021:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021	Interest
Receivables:					
City RF from NSP	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
City RF from El Cortez	-	-	-	-	-
City RF from P&CD	-	-	-	-	-
Total Receivables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Payables:					
NSP To City RF	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
El Cortez to City RF	-	-	-	-	-
P&CD to City RF	-	-	-	-	-
Total Payables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -

The Agency has made various inter-fund loans. Inter-fund balances have been eliminated in the Statement of Net Position.

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 that may be disallowed by the granting agencies cannot be determined at this time although management does not expect such disallowed amounts, if any, to materially affect the financial statements.

b) Pending Litigation

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

c) Guarantees

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

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d) HUD Guaranteed Debt

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

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 the City of Fresno.

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 Voucher	\$ 121,318
Emergency Housing Voucher	630,672
CHFA	21,099
Total Restricted Net Position	\$ 773,089

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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	\$	93,310
Other assets		<u>20,000</u>
Total current assets		<u>113,310</u>
Non-current assets		
Capital assets, net		<u>53,856</u>
Total non-current assets		<u>53,856</u>
Total assets	\$	<u><u>167,166</u></u>
Total liabilities	\$	<u><u>-</u></u>
Total net position	\$	<u><u>167,166</u></u>
Change in net position		
Revenues	\$	20,000
Expenses		<u>(6,468)</u>
Income (loss) before transfers		<u>13,532</u>
Transfers		
Transfers in		-
Transfers out		<u>-</u>
Total transfers		<u>-</u>
Change in net position		13,532
Net position - beginning		<u>153,634</u>
Net position - end	\$	<u><u>167,166</u></u>

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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	\$ 13,532
Operating expenses paid	<u>(16,409)</u>
Cash flows from operating activities	<u>(2,877)</u>
Net decrease in cash	(2,061)
Cash - beginning	<u>95,371</u>
Cash - end	<u><u>\$ 93,310</u></u>

25) 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.

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REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Changes in Net Pension Liability and Related Ratios
for the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 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	\$ 956,110	\$ 898,425	\$ 880,861	\$ 797,492	\$ 776,960	\$ 663,643	\$ 661,529	\$ 676,253
Interest on Total Pension Liability	3,101,668	2,936,254	2,804,543	2,624,537	2,506,027	2,446,728	2,364,282	2,263,160
Changes in Benefit Terms	-	-	-	-	-	112,322	-	-
Changes of Assumptions	-	-	-	(226,094)	1,986,632	-	(548,058)	-
Difference between Expected and Actual Experience	669,327	273,462	1,075,312	547,402	(187,114)	(245,424)	110,317	-
Benefit Payments, Including Refunds of Employee Contributions	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)	(1,753,743)	(1,774,461)
Net Change in Total Pension Liability	2,488,014	1,908,529	2,709,226	1,751,890	3,159,775	1,098,878	834,327	1,164,952
Total Pension Liability - Beginning	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713	32,723,835	31,889,508	30,724,556
Total Pension Liability - Ending (a)	45,840,147	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713	32,723,835	31,889,508
PLAN FIDUCIARY NET POSITION								
Net Plan to Plan Resource Movement	-	-	-	(72)	-	-	-	-
Contributions - Employer	1,139,232	987,323	806,755	637,719	485,952	398,558	337,706	319,132
Contributions - Employee	516,172	508,143	459,475	431,744	369,705	359,742	361,526	327,076
Investment Income	7,331,672	1,587,266	1,999,891	2,454,577	3,046,401	172,143	657,572	4,384,043
Benefit Payments, Including Refunds of Employee Contributions	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)	(1,753,743)	(1,774,461)
Administrative Expense	(33,024)	(45,424)	(22,143)	(46,171)	(40,885)	(17,465)	(32,261)	-
Other Miscellaneous Income	-	-	72	(87,680)	-	-	-	-
Net Change in Fiduciary Net Position	6,714,961	837,696	1,192,560	1,398,670	1,938,443	(965,413)	(429,200)	3,255,790
Plan Fiduciary Net Position - Beginning	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408	28,656,821	29,086,021	25,830,231
Plan Fiduciary Net Position - Ending (b)	39,773,738	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408	28,656,821	29,086,021
Plan Net Pension Liability - Ending (a) - (b)	\$ 6,066,409	\$ 10,293,356	\$ 9,222,523	\$ 7,705,857	\$ 7,352,637	\$ 6,131,305	\$ 4,067,014	\$ 2,803,487
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability								
Covered Payroll	86.77%	76.26%	77.75%	80.11%	80.12%	81.87%	87.57%	91.21%
Plan Net Pension Liability as a Percentage of Covered Payroll	\$ 7,087,544	\$ 6,529,253	\$ 6,382,123	\$ 5,694,745	\$ 5,478,495	\$ 5,206,671	\$ 5,100,057	\$ 5,036,890
	85.59%	157.65%	144.51%	135.32%	134.21%	117.76%	79.74%	55.66%

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

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date of June 30, 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 THE CITY OF FRESNO
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	\$ 1,139,232	\$ 987,323	\$ 806,755	\$ 637,719	\$ 485,952	\$ 398,558	\$ 337,706	\$ 319,132
Contribution in Relation to the Actuarially Determined Contribution	(1,139,232)	(987,323)	(806,755)	(637,719)	(485,952)	(398,558)	(337,706)	(319,132)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 7,314,484	\$ 7,177,834	\$ 6,813,937	\$ 6,361,633	\$ 5,699,120	\$ 5,427,848	\$ 5,302,303	\$ 5,077,265
Contributions as a Percentage of Covered Payroll	15.58%	13.76%	11.84%	10.02%	8.53%	7.34%	6.37%	6.29%

Notes to Schedule of Pension Plan Contributions:

The actuarial method and assumptions used to set the actuarially determined contributions for the Fiscal Year 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.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Modernization Costs for Completed Projects
Year Ended December 31, 2021

<u>Grant Number</u>	<u>Approved Funds</u>	<u>Expended Funds</u>	<u>Disbursed Funds</u>	<u>Approved Funds Available to Expend</u>	<u>Expended Funds Available to be Disbursed</u>
CA01P006501-16	\$ 755,205	\$ 755,205	\$ 755,205	\$ -	\$ -
	<u>\$ 755,205</u>	<u>\$ 755,205</u>	<u>\$ 755,205</u>	<u>\$ -</u>	<u>\$ -</u>

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SUPPLEMENTAL INFORMATION

FINANCIAL DATA SCHEDULES

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

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,238 Shelter Plus Care
111 Cash - Unrestricted	\$2,740,557	\$361	\$503	\$5,393,830	\$3,870	\$0	\$1,690	\$23,812		
112 Cash - Restricted - Modernization and Development	\$0									
113 Cash - Other Restricted	\$0			\$34		\$0		\$121,318		
114 Cash - Tenant Security Deposits	\$96,613		\$13,687	\$155,354	\$25,300					
115 Cash - Restricted for Payment of Current Liabilities										
100 Total Cash	\$2,837,170	\$361	\$14,190	\$5,549,218	\$29,170	\$0	\$1,690	\$145,130	\$0	\$0
121 Accounts Receivable - PHA Projects										
122 Accounts Receivable - HUD Other Projects	\$2,200	\$13,389			\$9,211		\$88,849			\$81,523
124 Accounts Receivable - Other Government				\$371,904	\$13,725			\$19,679		
125 Accounts Receivable - Miscellaneous	\$4,920	\$0		\$245,817	\$8,541	\$1,700	\$1,393	\$150,995	\$0	
126 Accounts Receivable - Tenants	\$114,563	\$0	\$38,043	\$6,308						
126.1 Allowance for Doubtful Accounts - Tenants	(\$5,134)	\$0	(\$1,365)	\$0	\$0		\$0		\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$60,086)	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$1,454,577						
128 Fraud Recovery								\$92,420		
128.1 Allowance for Doubtful Accounts - Fraud								\$0		
129 Accrued Interest Receivable				\$222,163						
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$116,549	\$13,389	\$36,678	\$2,300,769	\$31,477	\$1,700	\$90,242	\$203,008	\$0	\$81,523
131 Investments - Unrestricted				\$1,110,827						
132 Investments - Restricted										
135 Investments - Restricted for Payment of Current Liability										
142 Prepaid Expenses and Other Assets	\$0		\$61	\$43,215	\$3,310					
143 Inventories										
143.1 Allowance for Obsolete Inventories	\$0									
144 Inter Program Due From	\$668,696		\$0	\$7,761,716		\$15,838		\$359,718		
145 Assets Held for Sale	\$331,358				\$1,037,878					
150 Total Current Assets	\$3,953,773	\$13,750	\$50,929	\$16,765,745	\$1,101,835	\$17,538	\$91,932	\$707,856	\$0	\$81,523
161 Land	\$419,272		\$158,970	\$1,762,800	\$106,690					
162 Buildings	\$30,583,794		\$2,647,920	\$11,410,632	\$3,977,740					
163 Furniture, Equipment & Machinery - Dwellings										
164 Furniture, Equipment & Machinery - Administration	\$296,342		\$32,814	\$138,098				\$89,759		
165 Leasehold Improvements										
166 Accumulated Depreciation	(\$28,522,264)		(\$2,671,324)	(\$6,714,466)	(\$973,772)			(\$89,759)		
167 Construction in Progress	\$703,766			\$5,241,137						
168 Infrastructure										
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,480,910	\$0	\$168,380	\$11,838,201	\$3,110,658	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$10,819,545			\$33,711,306						
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due										
173 Grants Receivable - Non Current										
174 Other Assets				\$0						
176 Investments in Joint Ventures	\$6,163,881			\$54,606,007						
180 Total Non-Current Assets	\$20,464,336	\$0	\$168,380	\$100,155,514	\$3,110,658	\$0	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$94,937			\$206,316				\$517,148		
290 Total Assets and Deferred Outflow of Resources	\$24,513,046	\$13,750	\$219,309	\$117,127,575	\$4,212,493	\$17,538	\$91,932	\$1,225,004	\$0	\$81,523

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,238 Shelter Plus Care
311 Bank Overdraft										
312 Accounts Payable <= 90 Days	\$135,505		\$23,724	\$504,044	\$28,686			\$26,484		\$2,684
313 Accounts Payable >90 Days Past Due										
321 Accrued Wage/Payroll Taxes Payable	\$12,765	\$614	\$1,492	\$49,655	\$18,836		\$814	\$91,540		\$151
322 Accrued Compensated Absences - Current Portion	\$30,473	\$2,248	\$4,416	\$67,018	\$31,776		\$13,539	\$186,960		
324 Accrued Contingency Liability										
325 Accrued Interest Payable				\$561,047						
331 Accounts Payable - HUD PHA Programs								\$201,870		
332 Account Payable - PHA Projects										
333 Accounts Payable - Other Government	\$95,468			\$230,000	\$333			\$29,458		
341 Tenant Security Deposits	\$96,113		\$13,687	\$155,354	\$25,300					
342 Unearned Revenue	\$66,296		\$8,568	\$18,897				\$0		
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$98,097			\$6,942,477	\$20,596					
344 Current Portion of Long-term Debt - Operating Borrowings				\$408,973						
345 Other Current Liabilities			\$205	\$365,662						
346 Accrued Liabilities - Other	\$53,251	\$178	\$478	\$13,294	\$7,293		\$237	\$158,169	\$0	\$50
347 Inter Program - Due To	\$668,698	\$179,043	\$29,783	\$34,786	\$2,471,859	\$114,033	\$129,266	\$717,647	\$29,886	\$499,337
348 Loan Liability - Current										
310 Total Current Liabilities	\$1,256,666	\$182,083	\$82,353	\$9,351,207	\$2,604,679	\$114,033	\$143,856	\$1,412,128	\$29,886	\$502,222
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0			\$2,212,934	\$3,967,250					
352 Long-term Debt, Net of Current - Operating Borrowings				\$1,967,116						
353 Non-current Liabilities - Other				\$309,920	\$508,215			\$374		
354 Accrued Compensated Absences - Non Current	\$12,504	\$1,554	\$1,603	\$33,072	\$14,521		\$6,841	\$80,600		\$4
355 Loan Liability - Non Current										
356 FASB 5 Liabilities										
357 Accrued Pension and OPEB Liabilities	\$402,809			\$875,383				\$2,194,220		
350 Total Non-Current Liabilities	\$415,313	\$1,554	\$1,603	\$5,398,425	\$4,489,986	\$0	\$6,841	\$2,275,194	\$0	\$4
300 Total Liabilities	\$1,671,979	\$183,637	\$83,956	\$14,749,632	\$7,094,665	\$114,033	\$150,697	\$3,687,322	\$29,886	\$502,226
400 Deferred Inflow of Resources	\$238,362			\$518,007				\$1,298,429		
508.4 Net Investment in Capital Assets	\$3,382,812		\$168,379	\$2,682,790	(\$877,188)			\$0		
511.4 Restricted Net Position	\$0							\$112,751		
512.4 Unrestricted Net Position	\$19,219,893	(\$169,887)	(\$33,026)	\$99,177,146	(\$2,004,984)	(\$96,495)	(\$58,765)	(\$3,873,498)	(\$29,886)	(\$420,703)
513 Total Equity - Net Assets / Position	\$22,602,705	(\$169,887)	\$135,353	\$101,859,936	(\$2,882,172)	(\$96,495)	(\$58,765)	(\$3,760,747)	(\$29,886)	(\$420,703)
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$24,513,046	\$13,750	\$219,309	\$117,127,575	\$4,212,493	\$17,538	\$91,932	\$1,225,004	\$0	\$81,523

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	6.2 Component Unit - Blended	14.892 Choice Neighborhoods Planning Grants	14.231 Emergency Shelter Grants Program	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$1,303		\$93,310	\$4,174		\$0	\$8,263,410		\$8,263,410
112 Cash - Restricted - Modernization and Development		\$937,887					\$937,887		\$937,887
113 Cash - Other Restricted						\$745	\$122,097		\$122,097
114 Cash - Tenant Security Deposits							\$290,954		\$290,954
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash	\$1,303	\$937,887	\$93,310	\$4,174	\$0	\$745	\$9,614,348	\$0	\$9,614,348
121 Accounts Receivable - PHA Projects									
122 Accounts Receivable - HUD Other Projects	\$51,919	\$0		\$98,252			\$345,343		\$345,343
124 Accounts Receivable - Other Government							\$405,308		\$405,308
125 Accounts Receivable - Miscellaneous	\$10,825		\$20,000		\$84,650	\$1,518,447	\$2,047,285		\$2,047,288
126 Accounts Receivable - Tenants					\$0		\$158,914		\$158,914
126.1 Allowance for Doubtful Accounts - Tenants	\$0		\$0	\$0		\$0	(\$6,499)		(\$6,499)
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	(\$60,086)		(\$60,086)
127 Notes, Loans, & Mortgages Receivable - Current							\$1,454,577	(\$1,128,277)	\$326,300
128 Fraud Recovery							\$92,420		\$92,420
128.1 Allowance for Doubtful Accounts - Fraud							\$0		\$0
129 Accrued Interest Receivable							\$222,163	(\$222,163)	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$62,744	\$0	\$20,000	\$98,252	\$84,650	\$1,518,447	\$4,659,425	(\$1,350,440)	\$3,308,988
131 Investments - Unrestricted							\$1,110,827		\$1,110,827
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets						\$703,760	\$750,346		\$750,346
143 Inventories									
143.1 Allowance for Obsolete Inventories							\$0		\$0
144 Inter Program Due From	\$0			\$0		\$43,397	\$8,849,365	(\$8,849,365)	\$0
145 Assets Held for Sale							\$1,369,236		\$1,369,236
150 Total Current Assets	\$64,047	\$937,887	\$113,310	\$102,426	\$84,650	\$2,266,349	\$26,353,547	(\$10,199,805)	\$16,153,745
161 Land			\$53,856			\$167,838	\$2,669,426		\$2,669,426
162 Buildings						\$2,720,730	\$51,340,816		\$51,340,816
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration						\$1,132,601	\$1,689,614		\$1,689,614
165 Leasehold Improvements									
166 Accumulated Depreciation						(\$3,520,018)	(\$42,491,603)		(\$42,491,603)
167 Construction in Progress						\$385,061	\$6,329,964		\$6,329,964
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$53,856	\$0	\$0	\$886,212	\$19,538,217	\$0	\$19,538,217
171 Notes, Loans and Mortgages Receivable - Non-Current	\$1,269,668						\$45,800,519		\$45,800,519
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due									
173 Grants Receivable - Non Current									
174 Other Assets							\$0		\$0
176 Investments in Joint Ventures							\$60,769,888		\$60,769,888
180 Total Non-Current Assets	\$1,269,668	\$0	\$53,856	\$0	\$0	\$886,212	\$126,108,624	\$0	\$126,108,624
200 Deferred Outflow of Resources						\$611,370	\$1,429,771		\$1,429,771
290 Total Assets and Deferred Outflow of Resources	\$1,333,715	\$937,887	\$167,166	\$102,426	\$84,650	\$3,763,931	\$153,891,942	(\$10,199,805)	\$143,692,140

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.235 Supportive Housing Program	14.EHV. Emergency Housing Voucher	6.2 Component Unit - Blended	14.892 Choice Neighborhoods Planning Grants	14.231 Emergency Shelter Grants Program	COCC	Subtotal	ELIM	Total
311 Bank Overdraft				\$75,667			\$75,667		\$75,667
312 Accounts Payable <= 90 Days	\$10,651	\$973				\$583,255	\$1,316,006		\$1,316,006
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable	\$4,274	\$1,234		\$19,397		\$171,055	\$371,827		\$371,827
322 Accrued Compensated Absences - Current Portion	\$9,362			\$4,174		\$333,253	\$683,219		\$683,219
324 Accrued Contingency Liability									
325 Accrued Interest Payable							\$561,047	(\$222,163)	\$338,884
331 Accounts Payable - HUD PHA Programs							\$201,870		\$201,870
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government							\$355,259		\$355,259
341 Tenant Security Deposits							\$290,454		\$290,454
342 Unearned Revenue		\$278,294					\$372,055		\$372,055
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$154,000	\$7,215,170		\$7,215,170
344 Current Portion of Long-term Debt - Operating Borrowings							\$408,973		\$408,973
345 Other Current Liabilities						\$3,268,999	\$3,634,866		\$3,634,866
346 Accrued Liabilities - Other	\$1,480	\$343		\$4,212		\$164,704	\$403,689		\$403,689
347 Inter Program - Due To	\$720,012	\$25,588		\$393,314	\$84,650	\$2,751,463	\$8,849,365	(\$8,849,365)	\$0
348 Loan Liability - Current									
310 Total Current Liabilities	\$745,779	\$306,432	\$0	\$496,764	\$84,650	\$7,426,729	\$24,739,467	(\$9,071,528)	\$15,667,939
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$0	\$6,180,184		\$6,180,184
352 Long-term Debt, Net of Current - Operating Borrowings							\$1,967,116	(\$1,128,277)	\$838,839
353 Non-current Liabilities - Other							\$818,509		\$818,509
354 Accrued Compensated Absences - Non Current	\$5,142			\$0		\$158,148	\$313,989		\$313,989
355 Loan Liability - Non Current									
356 FASB 5 Liabilities									
357 Accrued Pension and OPEB Liabilities						\$2,593,996	\$6,066,408		\$6,066,408
350 Total Non-Current Liabilities	\$5,142	\$0	\$0	\$0	\$0	\$2,752,144	\$15,346,206	(\$1,128,277)	\$14,217,929
300 Total Liabilities	\$750,921	\$306,432	\$0	\$496,764	\$84,650	\$10,178,873	\$40,085,673	(\$10,199,805)	\$29,885,868
400 Deferred Inflow of Resources						\$1,534,996	\$3,589,794		\$3,589,794
508.4 Net Investment in Capital Assets	\$0		\$53,856			\$732,212	\$6,142,861		\$6,142,861
511.4 Restricted Net Position	\$0	\$659,593				\$745	\$773,089		\$773,089
512.4 Unrestricted Net Position	\$582,794	(\$28,138)	\$113,310	(\$394,338)	\$0	(\$8,682,895)	\$103,300,528		\$103,300,528
513 Total Equity - Net Assets / Position	\$582,794	\$631,455	\$167,166	(\$394,338)	\$0	(\$7,949,938)	\$110,216,475	\$0	\$110,216,475
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,333,715	\$937,887	\$167,166	\$102,426	\$84,650	\$3,763,931	\$153,891,942	(\$10,199,805)	\$143,692,140

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.182 NIC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care
70300 Net Tenant Rental Revenue	\$1,243,410		\$177,716	\$2,161,340	\$269,850					
70400 Tenant Revenue - Other	\$9,000		\$1,360		\$0					
70500 Total Tenant Revenue	\$1,252,410	\$0	\$179,076	\$2,161,340	\$269,850	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$2,530,636	\$208,454				\$430,967	\$285,759	\$55,526,735		\$965,177
70610 Capital Grants	\$643,556									
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			\$468,332	\$4,510,944	\$67,285			\$0		
71100 Investment Income - Unrestricted	\$652,894			\$871,514	\$0					
71200 Mortgage Interest Income				\$2,174						
71300 Proceeds from Disposition of Assets Held for Sale										
71310 Cost of Sale of Assets										
71400 Fraud Recovery								\$1,174		
71500 Other Revenue	\$7,973			\$27,100,683	\$889,894			\$567		
71600 Gain or Loss on Sale of Capital Assets	\$103,420			(\$5,575)						
72000 Investment Income - Restricted			\$2,797	\$837	\$36			\$500		
70000 Total Revenue	\$5,190,889	\$208,454	\$650,205	\$34,641,917	\$1,227,065	\$430,967	\$285,759	\$55,528,976	\$0	\$965,177
91100 Administrative Salaries	\$253,373	\$28,293	\$30,303	\$1,003,926	\$443,809		\$25,541	\$2,108,931	\$12,570	\$14,186
91200 Auditing Fees	\$14,093		\$10,000	\$4,406	\$188			\$33,625		
91300 Management Fee	\$475,738		\$24,000	\$24,880		\$49,133		\$959,028		
91310 Book-keeping Fee	\$31,965							\$550,553		
91400 Advertising and Marketing	\$2,622		\$368	\$6,433	\$1,059			\$1,974		
91500 Employee Benefit contributions - Administrative	\$103,264	\$11,834	\$20,146	\$861,665	\$214,987		\$12,073	\$823,180	\$4,176	\$6,507
91600 Office Expenses	\$67,067	\$2,390	\$11,031	\$147,188	\$90,657		\$2,253	\$342,681	\$180	\$1,751
91700 Legal Expense	\$4,660		\$400	\$72,829	\$150			\$1,478		
91800 Travel	\$427			\$2,601				\$136		
91810 Allocated Overhead										
91900 Other	\$90,593	\$4,371	\$10,986	\$562,395	\$155,288		\$3,629	\$725,295		\$2,320
91000 Total Operating - Administrative	\$1,033,802	\$46,888	\$107,234	\$2,686,323	\$906,228	\$49,133	\$43,496	\$5,546,881	\$16,926	\$24,764
92000 Asset Management Fee	\$43,110									
92100 Tenant Services - Salaries										
92200 Relocation Costs										
92300 Employee Benefit Contributions - Tenant Services										
92400 Tenant Services - Other	\$53,837		\$49	\$216	\$350					
92500 Total Tenant Services	\$53,837	\$0	\$49	\$216	\$350	\$0	\$0	\$0	\$0	\$0
93100 Water	\$173,732		\$15,017	\$59,769	\$5,356					
93200 Electricity	\$32,173		\$1,055	\$105,379	\$7,002					
93300 Gas	\$587		\$170	\$32,814	\$199					
93400 Fuel										
93500 Labor										
93600 Sewer	\$79,983		\$9,919	\$49,246	\$7,555					
93700 Employee Benefit Contributions - Utilities										
93800 Other Utilities Expense	\$176,205		\$15,207	\$41,532	\$5,714					
93000 Total Utilities	\$462,680	\$0	\$41,368	\$288,740	\$25,826	\$0	\$0	\$0	\$0	\$0

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.182 NIC S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care
94100 Ordinary Maintenance and Operations - Labor	\$134,208		\$15,790	\$108,350	\$20,784			\$320		
94200 Ordinary Maintenance and Operations - Materials and Other	\$165,178		\$17,424	\$81,359	\$4,416			\$2,240		
94300 Ordinary Maintenance and Operations Contracts	\$359,813	\$433	\$99,361	\$365,160	\$10,019		\$363	\$34,012		\$200
94500 Employee Benefit Contributions - Ordinary Maintenance										
94000 Total Maintenance	\$659,199	\$433	\$132,575	\$554,869	\$35,219	\$0	\$363	\$36,572	\$0	\$200
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
96110 Property Insurance	\$59,007		\$5,660	\$55,138	\$1,965					
96120 Liability Insurance	\$11,493		\$1,509	\$1,449						
96130 Workmen's Compensation	\$25,098	\$347	\$819	\$25,161	\$7,301		\$380	\$46,859	\$158	\$351
96140 All Other Insurance	\$11,838	\$388	\$1,065	\$16,865	\$8,499		\$350	\$41,276	\$71	\$260
96100 Total Insurance Premiums	\$107,436	\$735	\$9,053	\$98,613	\$17,765	\$0	\$730	\$88,135	\$229	\$611
96200 Other General Expenses	\$895,930	\$193,598	\$4,072	\$2,282,414	\$326,874		\$222,265	\$87,846	\$44	\$926,811
96210 Compensated Absences	\$39,427	\$9,955	\$4,935	\$185,088	\$45,217		\$26,349	\$309,911	\$1,499	
96300 Payments in Lieu of Taxes	\$95,467									
96400 Bad debt - Tenant Rents	\$12,855		\$1,365							
96500 Bad debt - Mortgages										
96600 Bad debt - Other								\$1,390		
96800 Severance Expense				\$17,443				\$15,755		
96000 Total Other General Expenses	\$1,043,679	\$203,553	\$10,372	\$2,484,945	\$372,091	\$0	\$248,614	\$414,902	\$1,543	\$926,811
96710 Interest of Mortgage (or Bonds) Payable										
96720 Interest on Notes Payable (Short and Long Term)	\$128		\$98	\$219,942	\$110,507					
96730 Amortization of Bond Issue Costs										
96700 Total Interest Expense and Amortization Cost	\$128	\$0	\$98	\$219,942	\$110,507	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$3,403,871	\$251,609	\$300,749	\$6,333,648	\$1,467,986	\$49,133	\$293,203	\$6,086,490	\$18,698	\$952,386
97000 Excess of Operating Revenue over Operating Expenses	\$1,787,018	(\$43,155)	\$349,456	\$28,308,269	(\$240,021)	\$381,834	(\$7,444)	\$49,442,486	(\$18,698)	\$12,791
97100 Extraordinary Maintenance	\$28,720		\$57,792	\$197,396	\$31,157					
97200 Casualty Losses - Non-capitalized										
97300 Housing Assistance Payments	\$2,742	\$11,826	\$2,405		\$4,350	\$414,063	\$21,914	\$50,467,556		
97350 HAP Portability-In							\$2,910			
97400 Depreciation Expense	\$360,329		\$7,720	\$531,004	\$142,440			\$2,282		
97500 Fraud Losses										
97600 Capital Outlays - Governmental Funds										
97700 Debt Principal Payment - Governmental Funds										
97800 Dwelling Units Rent Expense										
90000 Total Expenses	\$3,795,662	\$263,435	\$368,666	\$7,062,048	\$1,645,933	\$463,196	\$318,027	\$56,556,328	\$18,698	\$952,386

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14.182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.238 Shelter Plus Care
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	\$0									
10094 Transfers between Project and Program - Out										
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$1,395,227	(\$54,981)	\$281,539	\$27,579,869	(\$418,868)	(\$32,229)	(\$32,268)	(\$1,027,352)	(\$18,698)	\$12,791
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$21,202,685	(\$114,906)	(\$146,186)	\$74,280,067	(\$2,463,304)	\$55,084	(\$26,497)	(\$2,852,745)	(\$6,396)	(\$433,494)
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$4,793			\$0	\$0	(\$119,350)		\$119,350	(\$4,793)	
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								(\$3,705,031)		
11180 Housing Assistance Payments Equity								(\$55,716)		
11190 Unit Months Available	5,772	0	612	2,285	384	1,020	0	87,852		0
11210 Number of Unit Months Leased	5,727	0	605	2,266	373	615	0	80,058		0
11270 Excess Cash	\$2,144,269									
11610 Land Purchases	\$0									
11620 Building Purchases	\$0									
11630 Furniture & Equipment - Dwelling Purchases	\$59,700									
11640 Furniture & Equipment - Administrative Purchases	\$0									
11650 Leasehold Improvements Purchases	\$643,556									
11660 Infrastructure Purchases	\$0									
13510 CFFP Debt Service Payments	\$0									
13901 Replacement Housing Factor Funds	\$0									

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	6.2 Component Unit - Blended	14.892 Choice Neighborhoods Planning Grants	14.231 Emergency Shelter Grants Program	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue							\$3,852,316		\$3,852,316
70400 Tenant Revenue - Other							\$10,360		\$10,360
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$3,862,676	\$0	\$3,862,676
70600 HUD PHA Operating Grants	\$639,294	\$654,711		\$297,778			\$61,539,511		\$61,539,511
70610 Capital Grants							\$643,556		\$643,556
70710 Management Fee						\$1,532,779	\$1,532,779	(\$1,532,779)	\$0
70720 Asset Management Fee						\$43,110	\$43,110	(\$43,110)	\$0
70730 Book Keeping Fee						\$582,518	\$582,518	(\$582,518)	\$0
70740 Front Line Service Fee									
70750 Other Fees						\$830,161	\$830,161		\$830,161
70700 Total Fee Revenue						\$2,988,568	\$2,988,568	(\$2,158,407)	\$830,161
70800 Other Government Grants					\$1,979,057		\$7,025,618		\$7,025,618
71100 Investment Income - Unrestricted	\$123,709					\$13,563	\$1,661,680		\$1,661,680
71200 Mortgage Interest Income							\$2,174		\$2,174
71300 Proceeds from Disposition of Assets Held for Sale									
71310 Cost of Sale of Assets									
71400 Fraud Recovery							\$1,174		\$1,174
71500 Other Revenue	\$54,629	\$0	\$20,000	\$7,500		\$1,831,247	\$29,912,493	(\$2,434,575)	\$27,477,918
71600 Gain or Loss on Sale of Capital Assets							\$97,845		\$97,845
72000 Investment Income - Restricted							\$4,170		\$4,170
70000 Total Revenue	\$817,632	\$654,711	\$20,000	\$305,278	\$1,979,057	\$4,833,378	\$107,739,465	(\$4,592,982)	\$103,146,483
91100 Administrative Salaries	\$162,708	\$11,969		\$191,921		\$2,449,316	\$6,736,936		\$6,736,936
91200 Auditing Fees			\$2,269			\$19,393	\$83,074		\$83,074
91300 Management Fee							\$1,532,779	(\$1,532,779)	\$0
91310 Book-keeping Fee							\$582,518	(\$582,518)	\$0
91400 Advertising and Marketing						\$23,397	\$35,853		\$35,853
91500 Employee Benefit contributions - Administrative	\$73,495	\$4,452		\$72,137		\$460,715	\$2,668,631		\$2,668,631
91600 Office Expenses	\$324,585	\$690		\$1,803		\$403,377	\$1,395,653	(\$344,899)	\$1,050,754
91700 Legal Expense						\$156,086	\$235,603		\$235,603
91800 Travel						\$9,780	\$12,944		\$12,944
91810 Allocated Overhead									
91900 Other	\$23,735	\$1,661	\$3,383	\$384,655		\$604,390	\$2,562,701	(\$927,638)	\$1,635,063
91000 Total Operating - Administrative	\$584,523	\$18,772	\$5,652	\$650,516	\$0	\$4,126,454	\$15,847,592	(\$3,387,834)	\$12,459,758
92000 Asset Management Fee							\$43,110	(\$43,110)	\$0
92100 Tenant Services - Salaries									
92200 Relocation Costs									
92300 Employee Benefit Contributions - Tenant Services									
92400 Tenant Services - Other	\$78,002					\$321	\$132,775		\$132,775
92500 Total Tenant Services	\$78,002	\$0	\$0	\$0	\$0	\$321	\$132,775	\$0	\$132,775
93100 Water						\$2,521	\$256,395		\$256,395
93200 Electricity						\$69,899	\$215,508		\$215,508
93300 Gas						\$5,678	\$39,448		\$39,448
93400 Fuel									
93500 Labor									
93600 Sewer						\$974	\$147,677		\$147,677
93700 Employee Benefit Contributions - Utilities									
93800 Other Utilities Expense						\$4,761	\$243,419		\$243,419
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0	\$83,833	\$902,447	\$0	\$902,447

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.235 Supportive Housing Program	14 EHV Emergency Housing Voucher	6.2 Component Unit - Blended	14.892 Choice Neighborhoods Planning Grants	14.231 Emergency Shelter Grants Program	COCC	Subtotal	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor						\$111,688	\$391,140		\$391,140
94200 Ordinary Maintenance and Operations - Materials and Other						\$29,904	\$300,521		\$300,521
94300 Ordinary Maintenance and Operations Contracts	\$2,457	\$179		\$3,424		\$97,801	\$973,222		\$973,222
94500 Employee Benefit Contributions - Ordinary Maintenance									
94000 Total Maintenance	\$2,457	\$179	\$0	\$3,424	\$0	\$239,393	\$1,664,883	\$0	\$1,664,883
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
96110 Property Insurance						\$21,236	\$143,006		\$143,006
96120 Liability Insurance						\$2,252	\$16,703		\$16,703
96130 Workmen's Compensation	\$2,866	\$222		\$3,766		\$71,385	\$184,713		\$184,713
96140 All Other Insurance	\$2,231	\$310		\$3,541		\$45,775	\$132,469		\$132,469
96100 Total Insurance Premiums	\$5,097	\$532	\$0	\$7,307	\$0	\$140,648	\$476,891	\$0	\$476,891
96200 Other General Expenses	\$71,500	\$3,576		\$2,534	\$1,979,057	\$628,678	\$7,625,198	(\$1,162,038)	\$6,463,160
96210 Compensated Absences	\$28,176	\$197		\$24,582		\$333,755	\$1,009,091		\$1,009,091
96300 Payments in Lieu of Taxes						\$0	\$95,467		\$95,467
96400 Bad debt - Tenant Rents							\$14,220		\$14,220
96500 Bad debt - Mortgages									
96600 Bad debt - Other	\$54,042						\$55,432		\$55,432
96800 Severance Expense		\$0		\$11,253		\$25,638	\$70,089		\$70,089
96000 Total Other General Expenses	\$153,718	\$3,773	\$0	\$38,369	\$1,979,057	\$988,071	\$8,869,497	(\$1,162,038)	\$7,707,459
96710 Interest of Mortgage (or Bonds) Payable									
96720 Interest on Notes Payable (Short and Long Term)							\$330,675		\$330,675
96730 Amortization of Bond Issue Costs									
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$330,675	\$0	\$330,675
96900 Total Operating Expenses	\$823,797	\$23,256	\$5,652	\$699,616	\$1,979,057	\$5,578,720	\$28,267,870	(\$4,592,982)	\$23,674,888
97000 Excess of Operating Revenue over Operating Expenses	(\$6,165)	\$631,455	\$14,348	(\$394,338)	\$0	(\$745,342)	\$79,471,595	\$0	\$79,471,595
97100 Extraordinary Maintenance						\$10,904	\$325,969		\$325,969
97200 Casualty Losses - Non-capitalized									
97300 Housing Assistance Payments							\$50,924,856		\$50,924,856
97350 HAP Portability-In							\$2,910		\$2,910
97400 Depreciation Expense						\$176,725	\$1,220,500		\$1,220,500
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payment - Governmental Funds									
97800 Dwelling Units Rent Expense									
90000 Total Expenses	\$823,797	\$23,256	\$5,652	\$699,616	\$1,979,057	\$5,766,349	\$80,742,105	(\$4,592,982)	\$76,140,123

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	6.2 Component Unit - Blended	14.892 Choice Neighborhoods Planning Grants	14.231 Emergency Shelter Grants Program	COCC	Subtotal	ELIM	Total
10010 Operating Transfer In									
10020 Operating transfer Out									
10030 Operating Transfers from/to Primary Government									
10040 Operating Transfers from/to Component Unit									
10050 Proceeds from Notes, Loans and Bonds									
10060 Proceeds from Property Sales									
10070 Extraordinary Items, Net Gain/Loss									
10080 Special Items (Net Gain/Loss)									
10091 Inter Project Excess Cash Transfer In									
10092 Inter Project Excess Cash Transfer Out									
10093 Transfers between Program and Project - In							\$0		\$0
10094 Transfers between Project and Program - Out									
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(\$6,165)	\$631,455	\$14,348	(\$394,338)	\$0	(\$932,971)	\$26,997,360	\$0	\$26,997,360
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$588,950	\$0	\$152,818	\$0	\$0	(\$7,016,967)	\$83,219,118		\$83,219,118
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				\$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							(\$3,705,031)		(\$3,705,031)
11180 Housing Assistance Payments Equity							(\$55,716)		(\$55,716)
11190 Unit Months Available	0	161	0			0	\$98,086		\$98,086
11210 Number of Unit Months Leased	0	0	0			0	\$89,644		\$89,644
11270 Excess Cash							\$2,144,269		\$2,144,269
11610 Land Purchases						\$0	\$0		\$0
11620 Building Purchases						\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases						\$0	\$59,700		\$59,700
11640 Furniture & Equipment - Administrative Purchases						\$0	\$0		\$0
11650 Leasehold Improvements Purchases						\$0	\$643,556		\$643,556
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
the City of Fresno**

Statistical Section:

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic
Information

Operating Information



HOUSING AUTHORITY OF THE CITY OF FRESNO

Statistical Section

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

Financial Trends	the 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 THE CITY OF THE FRESNO

Financial Trends

Net Position by Component
Last Ten Fiscal Years (Unaudited)

Year	Net Investment in Capital			Total
	Assets	Restricted	Unrestricted	
2012	\$ 11,846,562	\$ 50,642,176	\$ 48,047,749	\$110,536,487
2013	11,572,071	2,262,085	57,010,081	70,844,237
2014	6,028,575	2,079,758	64,007,650	72,115,983
2015	6,404,089	2,646,373	60,832,566	69,883,028
2016	4,769,521	619,142	64,524,416	69,913,079
2017	3,919,932	2,320,389	68,312,587	74,552,908
2018	3,560,130	1,174,748	69,164,036	73,898,914
2019	2,128,782	471,147	73,202,350	75,802,279
2020	4,180,635	708,261	78,330,222	83,219,118
2021	6,142,861	773,089	103,300,528	110,216,478

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

Table 2

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Financial Trends

Change in Net Position
Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
OPERATING REVENUES:										
Rents	\$ 3,322,010	\$ 3,109,755	\$ 2,894,035	\$ 3,089,770	\$ 3,196,411	\$ 3,258,298	\$ 3,487,986	\$ 3,343,854	\$ 3,589,612	\$ 3,852,316
Fee revenue	208,577	97,098	476,859	354,951	601,303	552,747	729,316	777,139	656,836	830,161
HUD operating grants	50,352,741	53,303,231	53,508,904	54,383,867	50,398,482	54,637,261	52,580,052	60,539,026	64,119,949	61,539,512
Other governmental grants	481,693	1,175,526	1,075,842	455,625	351,782	2,085,524	1,010,723	1,228,617	2,881,639	7,752,811
Other revenue	2,148,610	1,821,304	1,201,116	1,259,466	2,156,993	2,447,587	2,644,984	2,052,322	1,882,065	1,822,851
Developer fee revenue	-	-	-	-	-	-	2,031,199	2,451,486	1,790,761	2,157,973
Total operating revenues	56,513,631	59,506,914	59,156,756	59,543,679	56,704,971	62,981,417	62,484,260	70,392,444	74,920,862	77,955,624
OPERATING EXPENSES:										
Administrative expense	9,813,039	9,873,691	10,900,220	10,759,053	9,927,066	12,577,813	11,634,740	13,643,112	12,634,820	15,912,382
Tenant services expense	46,233	70,885	153,454	499,593	109,582	1,472,123	1,699,098	1,579,335	1,743,436	1,815,269
Utilities expense	628,349	708,841	628,874	530,752	579,424	820,658	840,479	851,992	931,390	900,327
Maintenance and operations expense	2,807,765	2,465,561	1,891,255	1,978,848	1,923,354	2,058,131	2,146,495	2,177,493	2,194,738	2,559,212
Protective services expense	84,351	76,789	87,103	80,602	96,255	107,902	327,490	281,516	319,291	328,705
Insurance expense	492,252	477,656	265,620	314,550	370,853	427,511	395,381	321,644	290,287	476,891
General expense	1,419,037	1,535,173	994,399	931,461	1,972,644	1,819,057	1,654,261	1,463,321	1,998,590	1,721,496
Housing assistance payments	44,541,851	44,955,037	45,052,228	44,993,932	42,719,636	42,737,248	44,262,551	50,778,548	50,591,829	50,890,902
Depreciation	1,990,047	1,847,309	1,118,368	1,827,362	1,461,231	1,562,745	1,304,881	1,559,889	1,486,636	1,220,496
Total operating expenses	61,822,924	62,010,942	61,091,521	61,916,153	59,160,045	63,583,188	64,265,376	72,656,850	72,191,017	75,825,680
Operating income (loss)	(5,309,293)	(2,504,028)	(1,934,765)	(2,372,474)	(2,455,074)	(601,771)	(1,781,116)	(2,264,406)	2,729,845	2,129,944
NON-OPERATING REVENUES (EXPENSES):										
Interest revenue, unrestricted	18,647	701,344	30,755	3,857	91,547	3,292	6,081	36,549	33,051	13,679
Interest revenue, restricted	10,454	1,949	6,276	3,930	9,557	3,253	4,154	3,733	2,697	4,170
Interest revenue, notes receivable	-	-	400,035	936,283	1,092,438	1,308,920	1,462,442	1,416,294	1,477,406	1,651,474
Interest expense	(682,439)	(449,878)	(462,390)	(357,485)	(366,199)	(389,987)	(354,980)	(304,346)	(354,772)	(330,675)
Fraud recovery	59,468	5,950	1,768	19,268	24,733	37,470	49,727	41,023	7,348	1,174
Share of joint venture net income (loss)	4,252,724	256,540	523,505	642,541	836,301	392,363	1,075,432	537,242	676,893	1,564,210
Gain (loss) from insurance claim	-	-	-	-	-	-	-	(5,500)	-	7,231
Developer fees	253,684	1,369,797	1,740,661	1,451,931	1,192,393	1,674,870	-	-	-	-
Transfer from (to) other related entities	353,630	-	-	186,864	50,813	(600)	(59,504)	849,799	-	-
Gain (loss) on sale/disposition of capital assets	(182,333)	8,753,616	490,335	(49,824)	2,216	2,141,912	(97,988)	1,578,959	(3,313)	97,845
Write off of related party receivable	(3,978,495)	-	-	-	-	-	(1,035,979)	-	-	-
Total nonoperating revenues (expenses)	105,340	10,639,318	2,730,945	2,837,365	2,933,799	5,171,493	1,049,385	4,153,753	1,839,310	3,009,108
Income (loss) before contributions and transfers	(5,203,953)	8,135,290	796,180	464,891	478,725	4,569,723	(731,731)	1,889,347	4,569,155	5,139,052
Capital contributions-cash capital fund grants	1,242,381	220,211	-	157,128	-	77,328	50,826	-	2,847,684	643,556
Increase (decrease) in net position	(3,961,572)	8,355,501	796,180	622,019	478,725	4,647,051	(680,905)	1,889,347	7,416,839	5,782,608
Net position, Beginning of year	66,450,310	62,488,737	70,844,237	72,115,984	69,883,027	69,913,079	74,552,907	73,898,914	75,802,279	83,219,118
Change in reporting entity	-	-	-	-	-	-	-	-	-	21,214,752
Prior period adjustment	-	-	475,566	(2,854,978)	(448,673)	(7,222)	26,912	14,018	-	-
Net position, End of year	\$ 62,488,738	\$ 70,844,238	\$ 72,115,983	\$ 69,883,025	\$ 69,913,079	\$ 74,552,908	\$ 73,898,914	\$ 75,802,279	\$ 83,219,118	\$ 110,216,478

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

Table 3

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Tenant Rentals		Housing Assistance Payment Subsidies		Other Governmental Grants		Fee Revenue		Other Revenue		Developer Fee Revenue		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2012	\$ 3,322,010	5.88	\$ 50,352,741	89.10	\$ 481,693	0.85	\$ 208,577	0.37	\$ 2,148,610	3.80	\$ -	-	\$ 56,513,631	100
2013	3,109,755	5.23	53,303,231	89.57	1,175,526	1.98	97,098	0.16	1,821,304	3.06	-	-	59,506,914	100
2014	2,894,035	4.89	53,508,904	90.45	1,075,842	1.82	476,859	0.81	1,201,116	2.03	-	-	59,156,756	100
2015	3,089,770	5.19	54,383,867	91.33	455,625	0.77	354,951	0.60	1,259,466	2.12	-	-	59,543,679	100
2016	3,196,411	5.64	50,398,482	88.88	351,782	0.62	601,303	1.06	2,156,993	3.80	-	-	56,704,971	100
2017	3,258,298	5.17	54,637,261	86.75	2,085,524	3.31	552,747	0.88	2,447,587	3.89	-	-	62,981,417	100
2018	3,487,986	5.58	52,580,052	84.15	1,010,723	1.62	729,316	1.17	2,644,984	4.23	2,031,199	3.25	62,484,260	100
2019	3,343,854	4.75	60,539,026	86.00	1,228,617	1.75	777,139	1.10	2,052,322	2.92	2,451,486	3.48	70,392,444	100
2020	3,589,612	5.10	64,119,949	85.58	2,881,639	3.85	656,836	0.88	1,882,065	2.51	1,790,761	2.39	74,920,862	100
2021	3,852,316	4.94	61,539,512	78.94	7,752,811	9.95	830,161	1.06	1,822,851	2.34	2,157,973	2.77	77,955,624	100

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

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

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

Year	Interest Income		Fraud Recovery		Share of Joint Venture Income (Loss)		Developer Fees		Transfer from (to) Other Related Entities		Gain from Insurance Claim		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
2012	\$ 261,459	58.65	\$ 21,650	4.86	\$ 141,391	31.72	\$ 108,721	24.39	\$ -	-	\$ -	-	\$ (87,439)	(19.61)	\$ 445,782	100
2013	74,328	0.73	11,746	0.12	260,750	2.55	1,181,951	11.58	-	-	-	-	8,677,458	85.02	10,206,233	100
2014	157,904	31.79	2,517	0.51	54,432	10.96	261,677	52.68	-	-	-	-	20,210	4.07	496,740	100
2015	333,532	19.81	15,819	0.94	400,264	23.77	987,060	58.63	(186,864)	(11.10)	-	-	133,868	7.95	1,683,679	100
2016	778,467	20.77	11,173	0.30	470,216	12.54	1,399,766	37.34	(50,815)	(1.36)	-	-	1,139,654	30.40	3,748,461	100
2017	839,942	11.46	26,946	0.37	283,126	3.86	2,220,176	30.28	600	0.01	-	-	3,960,971	54.02	7,331,761	100
2018	1,085,338	21.05	26,639	0.52	1,854,502	35.97	-	-	59,504	1.15	-	-	2,129,490	41.31	5,155,473	100
2019	1,118,816	31.14	63,039	1.75	175,980	4.90	-	-	(849,799)	(23.65)	-	-	3,084,549	85.86	3,592,585	100
2020	1,320,642	77.31	2,137	0.13	385,365	22.56	-	-	-	-	-	-	71	-	1,708,215	100
2021	1,338,648	44.49	1,174	0.04	1,564,210	51.98	-	-	-	-	7,231	0.24	97,845	3.25	3,009,108	100

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

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Debt Capacity

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

Year	Long - Term Debt			Capital Assets, Net	Ratio of Total Debt to Capital Assets
	Current Portion	Noncurrent Portion	Total		
2012	\$ 5,504,979	\$ 11,840,861	\$ 17,345,840	\$ 24,968,984	69.47%
2013	7,695,768	5,879,333	13,575,101	22,517,725	60.29%
2014	2,389,404	14,248,150	16,637,554	21,950,301	75.80%
2015	1,947,556	13,892,741	15,840,297	21,375,560	74.10%
2016	1,546,246	12,502,409	14,048,655	18,818,174	74.65%
2017	2,073,801	12,216,897	14,290,698	18,210,630	78.47%
2018	2,156,683	11,989,372	14,146,055	16,867,346	83.87%
2019	3,542,102	11,523,390	15,065,492	17,194,274	87.62%
2020	4,021,070	11,431,968	15,453,038	18,264,641	84.61%
2021	7,624,143	7,019,023	14,643,166	19,538,215	74.95%

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

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

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

Housing Choice Voucher						
Year	Adults	Elderly	Minors	Females	Males	Total
2012	9,849	719	7,634	10,650	7,552	18,202
2013	9,456	873	7,880	10,522	7,687	18,209
2014	9,528	981	8,134	10,924	7,719	18,643
2015	10,424	1,195	9,122	12,047	8,694	20,741
2016	9,342	1,233	8,313	10,941	7,947	18,888
2017	7,273	928	5,688	8,259	5,630	13,889
2018	9,453	1,239	7,376	10,653	7,415	18,068
2019	8,895	1,338	7,275	10,286	7,222	17,508
2020	9,193	1,707	8,565	11,561	7,904	19,465
2021	7,321	1,679	7,215	9,569	6,646	16,215

Public Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2012	498	89	471	617	441	1,058
2013	551	95	529	695	480	1,175
2014	425	69	424	548	370	918
2015	522	79	494	645	450	1,095
2016	447	77	444	569	399	968
2017	555	65	463	659	424	1,083
2018	565	60	459	661	423	1,084
2019	566	60	479	670	435	1,105
2020	473	56	424	569	384	953
2021	463	58	471	616	376	992

Affordable Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	122	47	90	170	89	259
2017	118	30	99	151	96	247
2018	113	33	89	150	85	235
2019	108	33	93	151	83	234
2020	104	34	89	145	82	227
2021	99	36	76	132	79	211

Source: IT Department from Housing Authority of the City of Fresno

Note: The demographic data for affordable housing prior to 2016 is not available.

Demographic data managed by 3rd party management is not included.

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

Principal Employers Current Year and Nine Years Ago (Unaudited)

Employer	2021			2012		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Fresno Unified School District	11,492	1	2.84%	-	-	-
Community Regional Medical Center	8,800	2	2.18%	6,000	2	3.06%
County of Fresno	7,000	3	1.73%	6,178	1	3.16%
Amazon.com, Inc	7,000	3	1.73%	-	-	-
Clovis Unified	6,000	5	1.48%	-	-	-
Internal Revenue Service	4,300	6	1.06%	-	-	-
City of Fresno	3,889	7	0.96%	3,244	3	1.66%
Saint Agnes Medical Center	2,867	8	0.71%	2,710	4	1.38%
State Center Community College	2,850	9	0.70%	1,221	5	0.62%
California State University, Fresno	2,488	10	0.62%	1,264	6	0.80%
Kaiser Permanete Fresno	-	-	-	981	7	0.50%
Zacky Farms LLC	-	-	-	500	8	0.26%
AmeriGuard Security Systems	-	-	-	700	9	0.36%
Guarantee Real Estate	-	-	-	442	10	0.23%
Total	56,686		14.01%	23,240		12.03%
Fresno City Employment	404,300			195,800		

Source: Employer Information- Fresno County Economic Development Corporation (EDD)
City of Fresno Employment Information - Employment Development Department (EDD) - Labor Market Information, State of California.

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

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

<u>Year</u>	<u>Population</u>	<u>Personal Income*</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	506,653	\$ 32,728	\$ 34,539	15.9%
2013	512,589	33,354	34,886	13.7%
2014	517,953	35,172	36,448	12.1%
2015	522,369	37,359	38,323	10.8%
2016	526,916	39,295	40,101	7.2%
2017	531,440	41,024	41,470	6.2%
2018	536,593	42,842	43,084	5.6%
2019	542,012	45,446	45,487	5.0%
2020	542,107	48,539	48,495	11.70%
2021	544,510	Not Available	Not Available	8.20%

Source:

Population: California State Department of Finance, Demographic Research Unit
 Personal Income: City of Fresno Annual Comprehensive Financial Report
 Per Capita Personal Income: City of Fresno Annual Comprehensive Financial Report
 Unemployment Rate: California Employment Development Department (EDD),
 Labor Market Information Division

* Amount in thousands

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

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
Sequoia Courts	515 S. Modoc	60	1942
Sierra Plaza	838 Tulare Street	70	1942
Fairview Heights Terrace	2195 S. Maud Street	74	1952
Sequoia Courts Terrace	549 S. Thorne Street	78	1942
Sierra Terrace	631 Kern Street	26	1952
Monte Vista Terrace	1132 N. Sherman Court	23	1952
DeSoto Gardens	640 E. California Avenue	40	1995
DeSoto Gardens II	640 E. California Avenue	28	1995
HOP Homes	Scattered Sites	2	1965
Townsend	3129 E. Townsend	1	1950
Total units - Public Housing		402	

Affordable Housing

Name of development	Address	Number of units	Year built or acquired
El Cortez Apts	4949 N. Gearhart Ave.	48	2004
Woodside Apts	3212 E. Ashcroft Ave.	76	2004
Dayton Square	3050 E. Daton	66	2004
San Ramon	1328 E. San Ramon	32	2013
Garland Gardens	3726 N. Pleasant, #101	51	1980
Roosevelt	466 N. Roosevelt	5	2020
Total units - Affordable Housing		278	
Total Units		680	

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Operating Information

Employee Demographics
Last Ten Fiscal Years (Unaudited)

Calendar Year	Black	Asian/ Pacific Islander	White	Hispanic	Others	Total
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 the City of Fresno

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 of the Housing Authority of the City of Fresno (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 another auditor who audited the financial statements of Silvercrest, Inc., a joint venture of the Agency, as described in our report on the Agency's financial statements. The financial statements of Silvercrest, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Silvercrest, Inc.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Sacramento, California
September 23, 2022

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the City of Fresno's (the "Agency") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2021. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Fresno complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

CohnReznick LLP

Sacramento, California
September 23, 2022

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

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Program/Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Housing and Urban Development:				
Direct Assistance:				
Supportive Housing Program	14.235		\$ 639,295	\$ -
Shelter Plus Care Program	14.238		965,177	-
Home Investment Partnerships Program	14.239		285,759	-
Homelessness Prevention and Rapid Re-Housing Program	14.257		208,454	-
Public and Indian Housing	14.850	Contract # SF-170	2,530,636	-
Public Housing Capital Fund	14.872	Contract # SF-170	643,556	-
Choice Neighborhoods Planning Grants	14.892		297,778	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	Contract # SF-472	55,526,735	-
Emergency Housing Vouchers	14.871		654,711	-
Mainstream Vouchers Program	14.879		430,967	-
Subtotal - Housing Voucher Cluster			56,612,413	-
Subtotal - HUD Direct Assistance			62,183,068	-
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	468,332	-
Subtotal - Section 8 Project - Based Cluster			468,332	-
Passed through the City of Fresno:				
Emergency Solutions Grant - Coronavirus (ESG-CV)				
Days Inn	14.231	E-20-MW-06-00001	1,065,122	-
Welcome Inn	14.231	E-20-MW-06-00001	913,935	-
Subtotal - Emergency Solutions Grant - Coronavirus (ESG-CV)			1,979,057	-
Subtotal - U.S. Department of Housing and Urban Development			64,630,457	-
Total Expenditures of Federal Awards			\$ 64,630,457	\$ -

See accompanying notes to the schedule of expenditures of federal awards

HOUSING AUTHORITY OF CITY OF FRESNO

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

Note 1 - Reporting Entity

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

Note 2 - Indirect Cost Rate

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

Note 3 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the federal awards activity of the Agency under programs of the federal government for the year ended December 31, 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

HOUSING AUTHORITY OF CITY OF FRESNO

Schedule of Findings and Questioned Costs
Year Ended December 31, 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 programs:
 - a. Material weakness(es) identified? Yes x No
 - b. Significant deficiency(ies) identified? Yes x None reported
- 5. Type of auditor's report issued on compliance for major federal programs: Unmodified opinion
- 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? Yes x No

7. Identification of major programs:

<u>Assistance Listing Numbers(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871 & 14.879	Housing Voucher Cluster
14.231	Emergency Solutions Grant - Coronavirus

- 8. Dollar threshold used to distinguish between Type A and Type B program: \$1,938,914
- 9. Auditee qualified as low-risk auditee x Yes No

HOUSING AUTHORITY OF CITY OF FRESNO

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2021**

B. Findings - Financial Statements Audit

None reported.

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

None reported.