**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**

**FINANCIAL STATEMENTS AND**
**SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2024**

**WITH**
**REPORT OF INDEPENDENT AUDITORS**

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
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**SEPTEMBER 30, 2024**


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**REPORT OF INDEPENDENT AUDITORS**

To the Board of Commissioners
Housing Authority of the County of San Joaquin:

***Opinions***

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of Housing Authority of the County of San Joaquin (the "Authority") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government and the discretely presented component units of the Authority, as of September 30, 2024, and the respective changes in financial position and where applicable, 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 Stockton Sierra Vista I, LP, Stockton Sierra Vista II, LP, and Victory Gardens, LP (the "discretely presented component units"), and Delta Community Developers Corporation (the "blended component unit"), which represents 48%, 52%, and 15%, respectively, of the assets, net position, and revenues of the primary government as of and for the year ended September 30, 2024. The discretely presented component unit's financial statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, and the blended component unit statements were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the discretely presented component units to conform those financial statements to present in accordance with the accounting standards issued by the Governmental Accounting Standards Board. Our opinions, as they relate to the amounts included for the discretely presented component units, prior to these conversion adjustments, are based solely on the reports of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the discretely presented component units and the blended component unit were not audited in accordance with *Government Auditing Standards* with exception to Victory Gardens, LP. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

*Correction of Error*

As discussed in Note 18 to the financial statements, certain errors that resulted in overstatement of amounts previously reported in the blended component unit as of September 30, 2023, were discovered. Accordingly, net position as of October 1, 2023 has been restated to correct these errors. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these 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 Authority'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.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority'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 be presented to supplement the basic financial statements. Such information, 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 Authority's basic financial statements. The accompanying 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*, is presented for purpose of additional analysis and is not a required part of the basic financial statements. The accompanying financial data schedule is also not a required part of the financial statements and is presented for the purposes of additional analysis as required by the U.S. Department of Housing and Urban Development.

The schedule of expenditures of federal awards and the financial data schedule 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. In our opinion, the schedule of expenditures of federal awards and financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2025 on our consideration of the Authority'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 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 Authority'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 Authority's internal control over financial reporting and compliance.

Novogradac & Company LLP

June 10, 2025
Toms River, New Jersey

# MANAGEMENT'S DISCUSSION AND ANALYSIS

The Housing Authority of the County of San Joaquin (the "Authority") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 15 of the Audit Report).

## FINANCIAL CONTACT

The individual to be contacted regarding this report is the Finance Director of the Authority, at (209) 460-5013. Specific requests may be submitted to the Finance Director, Housing Authority of the County of San Joaquin, 2575 Grand Canal Blvd., Stockton, California, 95207.

## FINANCIAL HIGHLIGHTS

- The Authority's net position increased by $15.7 million or 24% during fiscal year ended September 30, 2024. Net Position was $82.4 million in 2024 and $66.7 million in 2023, respectively.

- Operating revenues increased by approximately $10.6 million or 12.9% from $82.8 million in 2023 to $93.4 million in 2024. The increase in operating revenues is attributed mainly to additional grants being awarded to Delta Community Developers Corporation during FY24.

- Operating expenses for all Authority programs increased by approximately $10.4 million or 14%. Total operating expenses were $84.7 million in 2024 and $74.3 million in 2023.

## USING THIS ANNUAL REPORT

The Report includes three major sections, the MD&A, Financial Statements, and Other Required Supplementary Information:

**MD&A**

~ Management's Discussion and Analysis ~

**Financial Statements**

~ Authority-wide Financial Statements – pages 15 - 21
~ Notes to Financial Statements (expanded/restructured) – pages 22 - 53

**Other Required Supplementary Information**

~ Required Supplementary Information pages 59 - 76 (other than MD&A)

### Authority-Wide Financial Statements

The Authority-wide financial statements are designed to be corporate-like in that all business type activities are consolidated into a total for the entire Authority.

These Statements include a Statement of Net Position which is similar to a Balance Sheet. The statement is presented in the format where assets plus deferred outflows of resources, minus liabilities plus deferred inflows of resources, equal, "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

## Authority-Wide Financial Statements (continued)

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly equity) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of resources, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of resources that do not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, and maintenance, and depreciation, and non-operating revenue and expenses, such as grant revenue, investment income and interest expense. The focus of the Statement of Revenues, Expenses and Changes in Net Position is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

## Financial Statements

Traditional users of governmental financial statements will find the Financial Statements presentation more familiar.

Many of the grants maintained by the Authority are required by the Department of Housing and Urban Development ("HUD"). Others are segregated to enhance accountability and control.

## The Authority's Programs

Section 8 Housing Choice Vouchers Program

Under the Housing Choice Voucher Program, commonly referred to as Section 8 tenant-based assistance, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent between 30% and 40% of household income. HUD provides the Authority with two separate funding amounts; one for housing assistance payments and the other for administrative expenses to operate the program.

Mainstream Vouchers

Mainstream Vouchers provides rental assistance to enable families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing of their choice.

Emergency Housing Vouchers

The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

Public and Indian Housing Program

The Public and Indian Housing Program is designed to provide low-cost housing. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

## The Authority's Programs (continued)

Public Housing Capital Fund
The purpose of the Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improvements to the central office facilities. Funding for this program is provided by grants from HUD.

State and Local Programs
Periodically, the Authority administers various grants from the State of California and/or the County of San Joaquin. These activities as well as the Authority's internal service funds are reported in this fund.

PIH Family Self Sufficiency Program
The purpose of the Family Self-Sufficiency Program is to promote the development of local strategies to coordinate the use of assistance under the Housing Choice Voucher and Public Housing programs with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

Central Office Cost Center
The Central Office Cost Center ("COCC") is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

## AUTHORITY-WIDE STATEMENT

The following table reflects the condensed Statements of Net Position compared to prior year.

### TABLE 1

### STATEMENTS OF NET POSITION

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| Assets: | | | | |
| Cash & other current assets | $ 44,316,002 | $ 49,002,747 | $ (4,686,745) | -9.56% |
| Capital assets, net | 77,365,514 | 60,149,985 | 17,215,529 | 28.62% |
| Other assets | 5,706,634 | 5,598,753 | 107,881 | 1.93% |
| Deferred outflows of resources | 2,942,038 | 4,583,507 | (1,641,469) | -35.81% |
| Total assets and deferred outflows of resources | 130,330,188 | 119,334,992 | 10,995,196 | 9.21% |
| Liabilities: | | | | |
| Current liabilities | 18,525,434 | 22,748,493 | (4,223,059) | -18.56% |
| Noncurrent liabilities | 27,278,297 | 27,521,273 | (242,976) | -0.88% |
| Deferred inflows of resources | 2,146,156 | 2,344,674 | (198,518) | -8.47% |
| Total liabilities and deferred inflows of resources | 47,949,887 | 52,614,440 | (4,664,553) | -8.87% |
| Net position: | | | | |
| Invested in capital assets | 69,104,683 | 51,710,752 | 17,393,931 | 33.64% |
| Restricted net position | 803,758 | 398,184 | 405,574 | 101.86% |
| Unrestricted net position | 12,471,860 | 14,611,616 | (2,139,756) | -14.64% |
| Total net position | $ 82,380,301 | $ 66,720,552 | $ 15,659,749 | 23.47% |

Major Factors Affecting the Statements of Net Position:

- During 2024, total net position increased by $15.7 million, primarily due to a decrease in unrestricted net position in the amount of $2.1 million and an increase in invested in capital assets in the amount of $17.4 million.

- Cash and other current assets decreased $4.7 million from FY 2023 to FY 2024, primarily due to increases in operating expense during the year, which resulted in a decrease in the Authority's cash position by $3.4 million.

## AUTHORITY-WIDE STATEMENT (continued)

- Current liabilities decreased $4.2 million from FY 2023 to FY 2024, primarily due to the Authority recognizing revenue in FY 2024 that was considered deferred in FY 2023 in the amount of $8.1 million, which was partially offset by an increase in accounts payable during FY 2024 in the amount of $3.3 million.

## TABLE 2

## CHANGE IN NET POSITION

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| Operating revenue & expense | | | | |
| Operating revenue | $ 93,416,609 | $ 82,753,688 | $ 10,662,921 | 12.89% |
| Operating expenses | 84,721,410 | 74,347,661 | 10,373,749 | 13.95% |
| Operating gain | 8,695,199 | 8,406,027 | 289,172 | 3.44% |
| Non-operating revenues & expenses | 7,756,580 | 5,622,678 | 2,133,902 | 37.95% |
| Increase in net position | 16,451,779 | 14,028,705 | 2,423,074 | 17.27% |
| Net position, beginning of year (as originally reported) | 66,720,552 | 52,691,847 | 14,028,705 | 26.62% |
| Prior Period Adjustment | -792,030 | 0 | -792,030 | 100.00% |
| Net position, beginning of year (as restated) | 65,928,522 | 52,691,847 | 13,236,675 | 25.12% |
| Net position, end of year | $ 82,380,301 | $ 66,720,552 | $ 15,659,749 | 23.47% |

## AUTHORITY-WIDE STATEMENT (continued)

### TABLE 3 REVENUES BY SOURCE

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| Operating revenue | | | | |
| Tenant revenue | $ 6,483,934 | $ 5,266,733 | $ 1,217,201 | 23.11% |
| HUD and Other Governmental grants | 82,265,202 | 74,906,765 | 7,358,437 | 9.82% |
| Other income | 4,667,473 | 2,580,190 | 2,087,283 | 80.90% |
| Total operating revenue | 93,416,609 | 82,753,688 | 10,662,921 | 12.89% |
| Non-operating revenues | | | | |
| Investment income | 1,131,353 | 590,948 | 540,405 | 91.45% |
| Gain on sale of capital assets | 226,689 | - | 226,689 | 100.00% |
| Capital grants | 6,761,413 | 3,003,647 | 3,757,766 | 125.11% |
| Total non-operating revenues | 8,119,455 | 3,594,595 | 4,524,860 | 125.88% |
| Total revenues | $ 101,536,064 | $ 86,348,283 | $ 15,187,781 | 17.59% |

Total Revenue increased by approximately $15.2 million or 17.6% in 2024 in comparison to 2023. This is primarily attributed to the following:

- An increase of $7.4 million in HUD and Other Governmental grants from $74.9 million in FY2023 to $82.2 million in FY2024. The increase was primarily due to the Authority recognizing additional grant income in Delta Community Developers Corporation in the amount of $9.5 million during FY2024.

- An increase of $3.8 million in capital grants from $3 million in FY2023 to $6.8 million in FY2024, or 125.1%. During FY2024, the Authority was awarded more capital funds related to various public housing projects.

- Other revenues increased $2.1 million from $2.6 million in FY2023 to $4.7 million in FY2024, or 80.9%. The increase was primarily due to an increase in Section 8 Housing Assistance Program portability income during the year.

## AUTHORITY-WIDE STATEMENT (continued)

### TABLE 4

### OPERATING EXPENSES

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| Administrative | $ 10,797,094 | $ 10,402,514 | $ 394,580 | 3.79% |
| Tenant services | 648,315 | 761,200 | (112,885) | -14.83% |
| Protective services | 79,334 | 117,843 | (38,509) | -32.68% |
| Utilities | 1,845,677 | 1,503,938 | 341,739 | 22.72% |
| Maintenance | 5,777,395 | 4,726,065 | 1,051,330 | 22.25% |
| Insurance | 920,006 | 729,623 | 190,383 | 26.09% |
| General expense | 1,403,152 | 864,383 | 538,769 | 62.33% |
| Depreciation and amortization | 3,371,546 | 3,392,212 | (20,666) | -0.61% |
| Housing assistance payments | 59,878,891 | 51,849,883 | 8,029,008 | 15.49% |
| Total expenses | $ 84,721,410 | $ 74,347,661 | $ 10,412,258 | 14.00% |

Operating expenses increased by 14% during 2024 in comparison to 2023.

Major factors affecting expenses is as follows:

- Maintenance expense increased by $1.1 million primarily due to increases in contract costs, maintenance materials and supplies, and maintenance employee wages and benefits during FY2024.

- Housing assistance payments expense increased $8 million primarily due to the Authority increasing their unit months leased during FY2024.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

As of September 30, 2024, the Authority had $77.3 million invested in a variety of capital assets as reflected in the following schedule, which represents a net increase over the previous fiscal year (additions, deductions and depreciation) of $17.2 million or 28.6%.

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| Land | $ 7,185,740 | $ 6,206,454 | $ 979,286 | 15.78% |
| Buildings | 116,361,761 | 112,945,283 | 3,416,478 | 3.02% |
| Equipment | 2,304,778 | 2,150,491 | 154,287 | 7.17% |
| Construction in progress | 20,937,662 | 5,057,533 | 15,880,129 | 313.99% |
| | 146,789,941 | 126,359,761 | 20,430,180 | 16.17% |
| Less: accumulated depreciation | (69,424,427) | (66,209,776) | (3,214,651) | 4.86% |
| Capital assets, net | $ 77,365,514 | $ 60,149,985 | $ 17,215,529 | 28.62% |

This year's major additions are primarily capital expenditures related to modernizing the Authority's housing developments.

Depreciation expense for the year ended September 30, 2024 amounted to $3.4 million.

The Authority had capital purchases of $20.6 million for the year ended September 30, 2024.

The Authority had capital dispositions of $13,121 for the year ended September 30, 2024.

## DEBT ADMINISTRATION

As of the year-ended September 30, 2024, the Authority had $8,260,831 in long-term debt outstanding, compared to $8,439,233 in fiscal year-ended 2023, representing a $178,402 decrease, or 2.1%. A more detailed presentation of the Authority's debt, summarized below, can be found in Note 10 to the basic financial statements.

| | 2024 | 2023 | Increase (Decrease) | Percent Variance |
|---|---|---|---|---|
| USDA | $ 366,226 | $ 386,464 | $ (20,238) | -5.24% |
| Farmers and Merchants Bank | 2,629,075 | 2,695,346 | (66,271) | -2.46% |
| Farmers and Merchants Bank | 1,133,391 | 1,165,495 | (32,104) | -2.75% |
| Farmers and Merchants Bank | 104,718 | 117,236 | (12,518) | -10.68% |
| Farmers and Merchants Bank | 177,083 | 185,928 | (8,845) | -4.76% |
| Farmers and Merchants Bank | 181,679 | 189,334 | (7,655) | -4.04% |
| Neighborhood Preservation | 12,234 | 21,804 | (9,570) | -43.89% |
| Dignity Health | 3,656,425 | 3,677,626 | (21,201) | -0.58% |
| | 8,260,831 | 8,439,233 | (178,402) | -2.11% |

## ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs.

## OTHER MATTERS

The following events are expected to have a significant effect on the financial position of the Authority.

(1) In recent years, the Section 8 Housing Choice Vouchers Program has received a flat fee for administrative expenses determined by HUD based on program size, historical lease up numbers, and available appropriations. As of January 1, 2009, HUD changed the method for calculating administrative fees for the Voucher Program back to a per unit leased fee. The rates are published by HUD, and subject to pro-rations based on available funding levels. These admin fee proration levels have a significant impact on the Authority's primary source of funding for administrative expenses in the largest program area.

**FINANCIAL STATEMENTS**

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**STATEMENT OF NET POSITION**
**AS OF SEPTEMBER 30, 2024**

ASSETS

| | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Current assets: | | | |
| Cash and cash equivalents | $ 39,299,924 | $ 1,929,721 | $ 41,229,645 |
| Tenant security deposits | 550,125 | 200,891 | 751,016 |
| Accounts receivable, net | 3,723,514 | 142,615 | 3,866,129 |
| Leases receivable, current portion | 30,982 | - | 30,982 |
| Prepaid expenses | 699,415 | 104,574 | 803,989 |
| Accrued interest receivable | 12,042 | - | 12,042 |
| Total current assets | 44,316,002 | 2,377,801 | 46,693,803 |
| Non-current assets: | | | |
| Restricted cash | 1,421,183 | 4,613,693 | 6,034,876 |
| Notes receivable | 4,202,393 | - | 4,202,393 |
| Capital assets, net | 77,365,514 | 83,749,603 | 161,115,117 |
| Leases receivable, net of current portion | 83,058 | - | 83,058 |
| Other assets | - | 506,320 | 506,320 |
| Total non-current assets | 83,072,148 | 88,869,616 | 171,941,764 |
| Total assets | 127,388,150 | 91,247,417 | 218,635,567 |

DEFERRED OUTFLOWS OF RESOURCES

| | | | |
|---|---|---|---|
| Pension plan | 2,572,258 | - | 2,572,258 |
| OPEB Plan | 369,780 | - | 369,780 |
| Total deferred outflows of resources | 2,942,038 | - | 2,942,038 |
| Total assets and deferred outflows of resources | $ 130,330,188 | $ 91,247,417 | $ 221,577,605 |

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**STATEMENT OF NET POSITION (continued)**
**AS OF SEPTEMBER 30, 2024**

| | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| **LIABILITIES** | | | |
| Current liabilities: | | | |
| Accounts payable | $ 4,118,367 | $ 12,166 | $ 4,130,533 |
| Accounts payable - HUD | 27,086 | - | 27,086 |
| Accounts payable - other government | 392,047 | 1,119 | 393,166 |
| Accrued expenses | 156,206 | - | 156,206 |
| Accrued compensated absences, current | 178,168 | - | 178,168 |
| Tenant security deposits | 550,125 | 197,468 | 747,593 |
| Accrued interest payable | - | 1,264,905 | 1,264,905 |
| Current portion of bonds and notes payable | 232,562 | - | 232,562 |
| Unearned revenue | 12,151,472 | 13,523 | 12,164,995 |
| Lease liability | 76,174 | - | 76,174 |
| Other current liabilities | 643,227 | 225,875 | 869,102 |
| Total current liabilities | 18,525,434 | 1,715,056 | 20,240,490 |
| Non-current liabilities: | | | |
| Accrued compensated absences, net of current portion | 378,608 | - | 378,608 |
| Long-term portion of bonds and notes payable | 8,028,269 | 36,689,908 | 44,718,177 |
| Accrued pension | 13,563,074 | - | 13,563,074 |
| Accrued OPEB liability | 4,460,987 | - | 4,460,987 |
| Other non-current liabilities | 847,359 | 278,383 | 1,125,742 |
| Total non-current liabilities | 27,278,297 | 36,968,291 | 64,246,588 |
| Total liabilities | 45,803,731 | 38,683,347 | 84,487,078 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Pension plan | 975,452 | - | 975,452 |
| OPEB plan | 1,060,347 | - | 1,060,347 |
| GASB 87 - property leases | 110,357 | - | 110,357 |
| Total deferred inflows of resources | 2,146,156 | - | 2,146,156 |
| **NET POSITION** | | | |
| Net position: | | | |
| Net investment in capital assets | 69,104,683 | 47,059,695 | 116,164,378 |
| Restricted | 803,758 | 4,613,693 | 5,417,451 |
| Unrestricted | 12,471,860 | 890,682 | 13,362,542 |
| Total net position | 82,380,301 | 52,564,070 | 134,944,371 |
| Total liabilities, deferred inflows, and net position | $ 130,330,188 | $ 91,247,417 | $ 221,577,605 |

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

| | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Operating revenues: | | | |
| Tenant revenue | $ 6,483,934 | $ 3,962,241 | $ 10,446,175 |
| HUD operating grants | 71,643,956 | - | 71,643,956 |
| Other government grants | 10,621,246 | - | 10,621,246 |
| Other revenues | 4,667,473 | 69,499 | 4,736,972 |
| Total operating revenues | 93,416,609 | 4,031,740 | 97,448,349 |
| Operating expenses: | | | |
| Administrative | 10,797,094 | 669,737 | 11,466,831 |
| Tenant services | 648,315 | 132,172 | 780,487 |
| Utilities | 1,845,677 | 499,856 | 2,345,533 |
| Ordinary repairs and maintenance | 5,777,395 | 700,786 | 6,478,181 |
| Protective services | 79,334 | 1,466 | 80,800 |
| Insurance | 920,006 | 185,816 | 1,105,822 |
| General | 1,403,152 | 124,864 | 1,528,016 |
| Housing assistance payments | 59,878,891 | - | 59,878,891 |
| Depreciation | 3,371,546 | 3,831,580 | 7,203,126 |
| Total operating expenses | 84,721,410 | 6,146,277 | 90,867,687 |
| Operating income (loss) | 8,695,199 | (2,114,537) | 6,580,662 |
| Non-operating revenues (expenses): | | | |
| Investment income | 1,131,353 | 33,189 | 1,164,542 |
| Interest expense | (195,607) | (2,172,248) | (2,367,855) |
| Gain on sale of fixed assets | 226,689 | - | 226,689 |
| Net non-operating revenues (expenses) | 1,162,435 | (2,139,059) | (976,624) |
| Income (loss) before special items | 9,857,634 | (4,253,596) | 5,604,038 |
| Capital grants | 6,761,413 | - | 6,761,413 |
| Special items | (167,268) | 15,692,098 | 15,524,830 |
| Change in net position | 16,451,779 | 11,438,502 | 27,890,281 |
| Net position, beginning of year (as originally reported) | 66,720,552 | 41,125,568 | 107,846,120 |
| Prior period restatements | (792,030) | - | (792,030) |
| Net position, beginning of year (as restated) | 65,928,522 | 41,125,568 | 107,054,090 |
| Net position, end of year | $ 82,380,301 | $ 52,564,070 | $ 134,944,371 |

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

| | Primary Government |
|---|---|
| Cash Flows from Operating Activities: | |
| Cash received from tenants and other | $ 9,737,471 |
| Cash received from grantors | 75,867,651 |
| Cash paid to suppliers and vendors | (66,507,162) |
| Cash paid to employees | (10,797,359) |
| Net cash provided by operating activities | 8,300,601 |
| Cash Flows from Non Capital Related Financing Activities: | |
| Special items - transfer to component units | (167,268) |
| Net cash used in non capital related financing activities | (167,268) |
| Cash Flows from Capital and Related Financing Activities: | |
| Proceeds from capital grants | 6,761,413 |
| Purchase of capital assets | (20,600,196) |
| Proceeds from the sale of fixed assets | 239,810 |
| Principal payments on long term debt | (178,402) |
| Interest paid on long term debt | (202,228) |
| Net cash used in capital and related financing activities | (13,979,603) |
| Cash Flows from Investing Activities: | |
| Proceeds from repayment of notes receivable | 81,707 |
| Interest received on investments | 2,319,924 |
| Net cash provided by investing activities | 2,401,631 |
| Net decrease in cash, cash equivalents, and restricted cash | (3,444,639) |
| Cash, cash equivalents and restricted cash, beginning of year | 44,715,871 |
| Cash, cash equivalents and restricted cash, end of year | $ 41,271,232 |
| Reconciliation of cash, cash equivalents and restricted cash to the Statement of Net Position is as follows: | |
| Cash and cash equivalents | $ 39,299,924 |
| Tenant security deposits | 550,125 |
| Restricted cash | 1,421,183 |
| Cash, cash equivalents and restricted cash | $ 41,271,232 |

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**STATEMENT OF CASH FLOWS (continued)**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

| | Primary Government |
|---|---|
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating income | $ 8,695,199 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation | 3,371,546 |
| Bad debts | 807,635 |
| Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources | |
| Accounts receivable, net | (754,007) |
| Prepaid expenses | 113,986 |
| Lease receivable, net | (319,903) |
| Other assets | 16,236 |
| Deferred outflows of resources | 1,641,469 |
| Accounts payable | 3,317,033 |
| Accrued compensated absences | (23,050) |
| Accrued expenses | (265) |
| Tenant security deposits | (46) |
| Unearned revenue | (8,096,274) |
| Other current liabilities | 571,627 |
| Accrued OPEB liability | 31,223 |
| Accrued pension liability | (64,267) |
| Deferred inflows of resources | (198,518) |
| Other non-current liabilities | (809,023) |
| Net cash provided by operating activities | $ 8,300,601 |

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**COMBINING STATEMENT OF NET POSITION**
**DISCRETELY PRESENTED COMPONENT UNITS**
**SEPTEMBER 30, 2024**

ASSETS

| | SV I | SV II | VG | Total |
|---|---|---|---|---|
| Current assets: | | | | |
| Cash and cash equivalents | $ 648,052 | $ 1,237,451 | $ 44,218 | $ 1,929,721 |
| Tenant security deposits | 92,049 | 89,042 | 19,800 | 200,891 |
| Accounts receivable, net | 56,686 | 24,894 | 61,035 | 142,615 |
| Prepaid expenses | 82,160 | 4,824 | 17,590 | 104,574 |
| Total current assets | 878,947 | 1,356,211 | 142,643 | 2,377,801 |
| Non-current assets: | | | | |
| Restricted cash | 443,383 | 695,094 | 3,475,216 | 4,613,693 |
| Capital assets, net | 29,895,194 | 32,946,884 | 20,907,525 | 83,749,603 |
| Other assets | 195,683 | 200,345 | 110,292 | 506,320 |
| Total non-current assets | 30,534,260 | 33,842,323 | 24,493,033 | 88,869,616 |
| Total assets | $ 31,413,207 | $ 35,198,534 | $ 24,635,676 | $ 91,247,417 |

LIABILITIES

| | | | | |
|---|---|---|---|---|
| Current liabilities: | | | | |
| Accounts payable | $ 10,258 | $ 1,908 | $ - | $ 12,166 |
| Accounts payable - other government | 1,119 | - | - | 1,119 |
| Tenant security deposits | 90,337 | 87,331 | 19,800 | 197,468 |
| Unearned revenue | 10,421 | 3,102 | - | 13,523 |
| Accrued interest payable | 780,068 | 408,475 | 76,362 | 1,264,905 |
| Other current liabilities | 63,432 | 60,406 | 102,037 | 225,875 |
| Total current liabilities | 955,635 | 561,222 | 198,199 | 1,715,056 |
| Non-current liabilities: | | | | |
| Note payable, non-current | 12,821,771 | 13,964,135 | 9,904,002 | 36,689,908 |
| Other non-current liabilities | - | - | 278,383 | 278,383 |
| Total non-current liabilities | 12,821,771 | 13,964,135 | 10,182,385 | 36,968,291 |
| Total liabilities | 13,777,406 | 14,525,357 | 10,380,584 | 38,683,347 |

NET POSITION

| | | | | |
|---|---|---|---|---|
| Net position: | | | | |
| Net investment in capital assets | 17,073,423 | 18,982,749 | 11,003,523 | 47,059,695 |
| Restricted | 443,383 | 695,094 | 3,475,216 | 4,613,693 |
| Unrestricted | 118,995 | 995,334 | (223,647) | 890,682 |
| Total net position | 17,635,801 | 20,673,177 | 14,255,092 | 52,564,070 |
| Total liabilities and net position | $ 31,413,207 | $ 35,198,534 | $ 24,635,676 | $ 91,247,417 |

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**COMBINING STATEMENT OF NET POSITION**
**DISCRETELY PRESENTED COMPONENT UNITS**
**SEPTEMBER 30, 2024**

| | SV I | SV II | VG | Total |
|---|---|---|---|---|
| Operating revenues: | | | | |
| Tenant revenue | $ 1,811,159 | $ 1,703,241 | $ 447,841 | $ 3,962,241 |
| Other revenues | 40,829 | 28,670 | - | 69,499 |
| Total operating revenues | 1,851,988 | 1,731,911 | 447,841 | 4,031,740 |
| Operating expenses: | | | | |
| Administrative | 250,829 | 234,323 | 184,585 | 669,737 |
| Tenant services | 14,880 | 16,722 | 100,570 | 132,172 |
| Utilities | 210,607 | 221,214 | 68,035 | 499,856 |
| Ordinary repairs and maintenance | 295,484 | 244,321 | 160,981 | 700,786 |
| Protective services | 775 | 691 | - | 1,466 |
| Insurance | 78,725 | 70,871 | 36,220 | 185,816 |
| General expenses | 62,376 | 37,019 | 25,469 | 124,864 |
| Depreciation | 1,400,095 | 1,508,612 | 922,873 | 3,831,580 |
| Total operating expenses | 2,313,771 | 2,333,773 | 1,498,733 | 6,146,277 |
| Operating (loss) | (461,783) | (601,862) | (1,050,892) | (2,114,537) |
| Non-operating revenues (expenses): | | | | |
| Investment income | 9,399 | 23,777 | 13 | 33,189 |
| Interest expense | (659,276) | (666,096) | (846,876) | (2,172,248) |
| Net non-operating expenses | (649,877) | (642,319) | (846,863) | (2,139,059) |
| Loss before special items | (1,111,660) | (1,244,181) | (1,897,755) | (4,253,596) |
| Special items - contributions | - | 879,961 | 14,812,137 | 15,692,098 |
| Change in net position | (1,111,660) | (364,220) | 12,914,382 | 11,438,502 |
| Net position, beginning of year | 18,747,461 | 21,037,397 | 1,340,710 | 41,125,568 |
| Total net position, end of year | $ 17,635,801 | $ 20,673,177 | $ 14,255,092 | $ 52,564,070 |

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Organization

The Housing Authority of the County of San Joaquin (the "Authority") is a governmental, public corporation incorporated on March 9, 1942, under the California State Health and Safety Code, Section 34200. The Authority was established to provide clean, decent, safe, sanitary, and affordable housing to low-income families. The Authority is governed by a seven-member Board of Commissioners which is appointed by the County of San Joaquin (the "County") Board of Supervisors. The Board of Commissioners are selected to serve for either two-year or four-year terms. The Authority is responsible for operating certain safe, decent, sanitary, and affordable low-rent housing programs in the County under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

### B. Basis of Accounting / Financial Statements Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The programs of the Authority are organized as separate accounting entities. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

On January 30, 2008, HUD issued PIH Notice 2008-9 which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the financial data schedule as unrestricted.

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

### B. Basis of Accounting / Financial Statements Presentation (continued)

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to $500 on these funds may be retained by the Authority. Amounts in excess of $500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

### C. Reporting Entity

In accordance with GASB 61, The Financial Reporting Entity Omnibus - An Amendment of GASB Statements No. 14 and No. 34 ("GASB 61"), the Authority's financial statements include those of the Authority and any component units. Under the provisions of GASB 61, the Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and it is fiscally independent of other state or local governments. In accordance with GASB 61, The Financial Reporting Entity Omnibus - An Amendment of GASB Statements No. 14 and No. 34 ("GASB 61"), the Authority's financial statements include those of the Authority and any component units. Under the provisions of GASB 61, the Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and it is fiscally independent of other state or local governments.

In determining how to define the reporting entity, management has considered all potential component units. Component units are legally separate organizations for which the Board of Commissioners are financially accountable or other organizations whose nature and significant relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the Authority's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a burden on the Authority regardless of the organization of the governing board of the component unit.

The financial reporting entity includes blended and discretely presented component units. The blended component units are, although legally separate entities, in substance part of the Authority's operations and so data from these units are combined with data of the primary government and reflected in the "Primary Government" column on the financial statements. The discretely presented component units are reported in a separate column to emphasize that they are legally separate from the primary government. For financial reporting purposes, the Authority's reporting entity includes all financial activities that are controlled or dependent upon the actions taken by the Authority's Board of Commissioners

Based upon the application of these criteria, this report includes the following component units:

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

### C. Reporting Entity (continued)

Blended Component Unit

**Delta Community Developers Corporation (DCDC) -** The Authority is the sole member of DCDC, a 501(c)(3) not-for-profit corporation. DCDC's purpose is to provide affordable housing for low-income, disabled, elderly and homeless persons in San Joaquin County. DCDC files taxes on a December 31 year-end. DCDC issues separate audited financial statements, a copy of the most recent report can be obtained from staff at the Housing Authority office. Financial statement data of this component unit as of December 31, 2023. DCDC has created numerous sole member limited liability companies which are formed for various housing projects. A list of these entities can be obtained in the financial statements of DCDC.

Discretely Presented Component Units

**Stockton Sierra Vista I, LP ("SVI") -** SV I was formed as a Limited Partnership under the laws of the State of California for the purpose of investing in and acquiring a fee interest in the land, constructing, developing, owning, improving, leasing, maintaining, operating, financing, mortgaging, and encumbering a residential rental housing project. SVI consists of 19 buildings comprised of 115 units located in Stockton, California. During 2019, SVI completed construction for 10 of the 19 buildings of the Project and the remaining buildings were completed and placed in service during the first quarter of 2020. SVI is operating under the name of Sierra Vista I Apartments. DCDC Sierra Vista I, LLC, serves as the managing general partner and owns 0.0049% of SVI. SVI reports on a December 31 calendar year and issues separately audited financial statements. Information as of and for the year ended December 31, 2023, have been reported in the accompanying basic financial statements.

**Stockton Sierra Vista II, LP ("SVII") -** SVII was formed as a limited partnership under the laws of the State of California for the purpose of investing in and acquiring a fee interest in the land, constructing, developing, owning, improving, leasing, maintaining, operating, financing, mortgaging, and encumbering a residential rental housing project (the "SVII Project"). The SVII Project consists of 100 units located in Stockton, California. Construction was substantially completed during 2020 and the SVII Project began operating under the name of Sierra Vista II Apartments. The partnership agreement was amended and restated on April 10, 2019 from which date the Partnership consists of an administrative general partner, Stockton Sierra Vista II, LLC, which owns 0.0051%, a managing general partner, DCDC Sierra Vista II, LLC, which owns 0.0049%, and one investor limited partner, U.S. Bancorp Community Development Corporation ("USBCDC"), which owns 99.99%. All profits, losses and credits, except those gains and losses referred to in Section 7.2 of the partnership agreement, shall be allocated to the partners in accordance with their percentage interests.

**Victory Gardens, LP ("VG") -** VG was formed as a limited partnership under the laws of the State of California for the purpose of investing in and acquiring a fee interest in the land, constructing, developing, owning, improving, leasing, maintaining, operating, financing, mortgaging, and encumbering a residential rental housing project. VG consists of 49 units located in Stockton, California. During 2022 VG completed construction. VG is operating under the name of Victory Gardens. DCDC Victory Gardens, LLC serves as the managing general partner and owns 0.005% of VG. VG reports on a December 31 calendar year and issues separately audited financial statements. Information as of and for the year ended December 31, 2023 have been reported in the accompanying basic financial statements.

Reports for component units may be obtained at the Housing Authority of the County of San Joaquin, 2575 Grand Canal Blvd STE 220, Stockton, CA, 95207.

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

### D. Description of Programs

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Public and Indian Housing Program
The Public and Indian Housing Program is designed to provide low-cost housing. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Public Housing Capital Fund
The purpose of the Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improvements to the central office facilities. Funding for this program is provided by grants from HUD.

Section 8 Housing Choice Vouchers Program
The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rent on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating household.

Mainstream Vouchers
Mainstream Vouchers provides rental assistance to enable families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing of their choice.

State and Local Programs
Periodically, the Authority administers various grants from the State of California and/or the County of San Joaquin. These activities as well as the Authority's internal service funds are reported in this fund.

Central Office Cost Center
The Central Office Cost Center ("COCC") is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

PIH Family Self Sufficiency Program
The purpose of the Family Self-Sufficiency Program is to promote the development of local strategies to coordinate the use of assistance under the Housing Choice Voucher and Public Housing programs with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

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

### D. Description of Programs (continued)

Emergency Housing Vouchers
The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

Farm Labor Housing Loans and Grants
The purpose of the farm labor housing loans and grants program is to provide decent, safe, and sanitary low-rent housing and related facilities for domestic farm laborers.

### E. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, amortization of leasehold improvements and contingencies. Actual results could differ significantly from these estimates.

### F. Cash and Cash Equivalents

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase. It is the Authority's policy to maintain collateralization in accordance with HUD requirements.

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

### G. Accounts Receivable, Net

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated units. An allowance for doubtful accounts is established to provide for accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation. These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order.

The Authority recognizes a receivable from HUD and other governmental agencies for amounts billed but not received and for amounts unbilled, but earned as of year-end.

### H Allowance for Doubtful Accounts

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

### I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

### J. Notes Receivable

The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous public housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with GAAP, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

### K. Lease Receivable

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the lease agreement or implicitly determined by the Authority.

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

### L. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- Buildings and improvements 10 - 40 Years
- Furniture, fixtures, and equipment 3 - 5 Years

The Authority has established a capitalization threshold of $5,000.

### M. Impairment of Long Lived Assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. During the year ended September 30, 2024, there were no impairment losses incurred.

### N. Inter-Program Receivables and Payables

Inter-program receivables and payables are all classified as either current assets or current liabilities and are the result of the use of a concentrated account depository as the common paymaster for most of the programs of the Authority. Cash settlements are made monthly. All inter-program balances are reconciled, and inter-program receivables and payables balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes. Detail balances by program are found in the Financial Data Schedule of this report.

### O. Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

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

### P. Accounts Payable and Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

### Q. Unearned Revenue

The Authority's unearned revenue primarily consists of the prepayment of rent by residents, the current portion of prepaid ground leases and the receipt of HUD and other grant funding applicable to future periods prior to incurring the corresponding expense.

### R. Accrued Compensated Absences

Compensated absences are those absences for which employees will be paid in accordance with the Authority's Personnel Policy. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such event takes place.

### S. Net Position Classifications

Net position is classified in three components:

Net investment in capital assets - Consists of resources including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

### T. Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority’s policy to use restricted resources first, and then unrestricted resources as needed.

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

### U. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded in accordance with GASB 33 and are accounted for as revenue. Other contributions from HUD that are for development and modernization of capital assets are reflected separately in the accompanying financial statements as capital grants. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

### V. Regulated Leases

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended September 30, 2024, rental revenue earned under the aforementioned leases for the primary government and the discretely presented component units totaled $6,483,934 and $3,962,241, respectively.

### W. Taxes

The Authority and its legal affiliates are generally exempt from Federal Income and California Franchise Taxes.

### X. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System ("CalPERS") and additions to/deductions from CalPERS'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 due and payable in accordance with the benefit terms. Investments are reported at fair value.

### Y. Other Post Employment Benefits ("OPEB")

The Authority provides a defined benefit health care program to its retired employees. Contributions for this plan are made on a pay-as-you-go basis. The Authority used actuarial reports supplied by OPEB consultants for the purpose of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources, and expenses related to the plan.

### Z. Budgets and Budgetary Accounting

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards and are used as a management tool throughout the accounting cycle. All budgets are prepared on a HUD basis, which differs with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant periods.

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

### AA. Economic Dependency

The Section 8 Housing Choice Vouchers program of the Authority is economically dependent on subsidies from HUD. Although the Authority receives these subsidies, the Housing Choice Vouchers program operates at a deficit.

### BB. Risk Management

The Authority is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

## NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

As of September 30, 2024, the Authority had funds on deposit in checking, savings and money market accounts. The carrying amount of the primary government's cash and cash equivalents (including restricted cash) was $41,271,232, and the bank balances were $43,481,588.

| Cash Category | Primary Government | Discretely Presented Component Units | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Unrestricted | $ 39,299,924 | $ 1,929,721 | $ 41,229,645 |
| Tenant security deposits | 550,125 | 200,891 | 751,016 |
| Restricted | 1,421,183 | 4,613,693 | 6,034,876 |
| Total cash, cash equivalents, and restricted cash | $ 41,271,232 | $ 6,744,305 | $ 48,015,537 |

Of the primary government's bank balances, $750,000 was covered by federal depository insurance and the remaining $42,731,588 was collateralized with the pledging financial institution as of September 30, 2024. Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2024, the Authority's bank balances were not exposed to custodial credit risk.

## NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following as of September 30, 2024:

| Description | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Accounts receivable - HUD | $ 125,918 | $ - | $ 125,918 |
| Accounts receivable - PHA Projects | 572,888 | - | 572,888 |
| Accounts receivable - tenants, net | 171,097 | 62,757 | 233,854 |
| Accounts receivable - miscellaneous | 2,853,611 | 79,858 | 2,933,469 |
| Total accounts receivable, net | $ 3,723,514 | $ 142,615 | $ 3,866,129 |

## NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts Receivable - HUD
As of September 30, 2024, Accounts receivable - HUD consisted of amounts due to the Authority for amounts expended under grant agreements that have not yet been reimbursed. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - PHA Projects
Accounts receivable - PHA Projects represents amounts owed to the Authority by other Public Housing Authorities for administrative fees and Port-in HAP expense under the portability provisions of the HCV program. The balance of the primary government is shown net of an allowance for doubtful accounts of $498,663.

Accounts Receivable - Tenants, Net
Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance of the primary government is shown net of an allowance for doubtful accounts of $819,116.

Accounts Receivable - Miscellaneous
Accounts receivable - miscellaneous consists of amounts owed from managed properties and other miscellaneous sources from normal ongoing operations. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

## NOTE 4. CAPITAL ASSETS, NET

The following is a summary of the primary government's changes in capital assets for the year ended September 30, 2024:

| Description | October 1, 2023 | Additions | Dispositions | Transfers | September 30, 2024 |
|---|---|---|---|---|---|
| Non-depreciable capital assets: | | | | | |
| Land | $ 6,206,454 | $ 1,084,886 | $ (105,600) | $ - | $ 7,185,740 |
| Construction in progress | 14,197,533 | 16,626,097 | - | (9,885,968) | 20,937,662 |
| Total | 20,403,987 | 17,710,983 | (105,600) | (9,885,968) | 28,123,402 |
| Depreciable capital assets: | | | | | |
| Buildings | 103,805,283 | 2,670,510 | - | 9,885,968 | 116,361,761 |
| Furniture and equipment | 2,150,491 | 218,703 | (64,416) | - | 2,304,778 |
| Total | 105,955,774 | 2,889,213 | (64,416) | 9,885,968 | 118,666,539 |
| Less: accumulated depreciation | 66,209,776 | 3,371,546 | (156,895) | - | 69,424,427 |
| Net capital assets | $ 60,149,985 | $17,228,650 | $ (13,121) | $ - | $ 77,365,514 |

Depreciation expense for the primary government for the year ended September 30, 2024, amounted to $3,371,546.

## NOTE 4. CAPITAL ASSETS, NET (continued)

The following is a summary of the discretely presented component unit's capital assets activity for the year ended September 30, 2024:

| Description | October 1, 2023 | Additions | Dispositions | Transfers | September 30, 2024 |
|---|---|---|---|---|---|
| Non-depreciable capital assets: | | | | | |
| Land | $ 10,952,777 | $ 216,182 | $ - | $ - | $ 11,168,959 |
| Depreciable capital assets: | | | | | |
| Buildings | 74,453,275 | 98,597 | - | - | 74,551,872 |
| Furniture and equipment | 10,003,519 | 41,597 | (7,939) | - | 10,037,177 |
| Total | 84,456,794 | 140,194 | (7,939) | - | 84,589,049 |
| Less: accumulated depreciation | 8,184,764 | 3,831,580 | (7,939) | - | 12,008,405 |
| Net capital assets | $ 87,224,807 | $ (3,475,204) | $ - | $ - | $ 83,749,603 |

Depreciation expense for the discretely presented component unit for the year ended September 30, 2024, amounted to $3,831,580.

## NOTE 5. RESTRICTED DEPOSITS

Restricted deposits consist of the following as of September 30, 2024:

| Cash Category | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Housing assistance payment reserves | $ 1,204,111 | $ - | $ 1,204,111 |
| Emergency housing voucher reserves | 98,892 | - | 98,892 |
| Replacement reserves | - | 219,903 | 219,903 |
| Project reserves | - | 4,393,790 | 4,393,790 |
| EFA FSS Forfeitures | 118,180 | - | 118,180 |
| Tenant security deposits | 550,125 | 200,891 | 751,016 |
| Total restricted deposits | $ 1,971,308 | $ 4,814,584 | $ 6,785,892 |

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs for future housing assistance payments

Emergency housing voucher reserves are restricted to be used on expenditures directly related to the program.

Replacement reserves are required to be set aside for future project expenditures in accordance with regulatory agreements.

Project reserves are reserves in the discretely presented component unit that are required to be set aside for future project expenditures according to the respective regulatory agreement.

## NOTE 5. RESTRICTED DEPOSITS (continued)

EFA FSS escrows represent amounts held by the Authority on behalf of FSS program participants. Upon graduation from the program, the participant is due amounts deposited plus interest earned.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

## NOTE 6. NOTES RECEIVABLE

Outstanding notes receivable for the primary government as of September 30, 2024 consisted of the following:

| Description | Amount |
|---|---|
| On November 14, 2017, the Authority entered into a promissory note with Stockton Sierra Vista I, LP in the amount of $2,400,000. The note is secured by the Project, bears simple interest at 4% per annum, and is payable from 50% of cash flow in the priority set forth in the partnership agreement until maturity on November 17, 2072. | $ 2,400,000 |
| On April 10, 2019, the Authority entered into a promissory note with Stockton Sierra Vista II, LP in the amount of $3,000,000. The note is secured by the Project, bears simple interest at 4% per annum and is payable from cash flow in the priority set forth in the partnership agreement until maturity on April 10, 2074. | 3,000,000 |
| On April 26, 2022, the Authority entered into a promissory note with Sonora Square Apartments, LP in the amount of $4,202,393. The note is secured by the Project, bears no interest, and is payable from cash flow in the priority set forth in the partnership agreement until maturity on April 26, 2077. | 4,202,393 |
| In March 1995, we entered into a note agreement with San Joaquin County Neighborhood Preservation. The face amount of the note was $252,528 and matures March 2025. The note carries an interest rate of 1.00% and calls for monthly payments of $812.23. The note is secured by the Mourfield property. | 21,804 |

**NOTE 6. NOTES RECEIVABLE (continued)**

| Description | Amount |
|---|---|
| April 10, 2019, the Authority entered into a promissory note with Stockton Sierra Vista II, LP in the amount of $3,180,000. The note is secured by the Project, bears simple interest at 3.145% per annum and is payable from cash flow in the priority set forth in the partnership agreement until maturity on April 10, 2074. | 2,857,828 |
| On February 12, 2016, the Authority entered into a promissory note with DFA Cottage Village, LP in the amount of $100,000. The note is secured by the Project, bears simple interest at 1% per annum and is payable from cash flow in the priority set forth in the note agreement until maturity on February 12, 2074. | 100,000 |
| On September 1, 2018, the Authority entered into a promissory note with DFA Cottage Village, LP in the amount of $1,830,000. The note is secured by the Project, bears no interest, and is payable from cash flow in the priority set forth in the partnership agreement until maturity on September 1, 2075. | 1,830,000 |
| Total notes receivable | 14,412,025 |
| Less: allowance for uncollectable amounts | (10,209,632) |
| Total notes receivable, net | $ 4,202,393 |

Notes receivable amounts due within the next five fiscal years are as follows:

| | |
|---|---|
| September 30, 2025 | $ 0 |
| 2026 | 0 |
| 2027 | 0 |
| 2028 | 0 |
| 2029 | 0 |
| Thereafter | 4,202,393 |
| | $ 4,202,393 |

There is no interest accrued on any of the notes receivable due to uncertainty of collection of the individual notes. Accordingly, interest income on notes receivable will be recognized by the Authority as received.

## NOTE 7. LEASE RECEIVABLE

On September 1, 2022, the Authority entered into a lease agreement to lease property ("property lease 1") as a lessor. The term of the original property lease 1 was from September 1, 2022, terminating on August 31, 2023. The Authority exercised the option to extend the lease for four (4) additional years, with a new termination date of August 31, 2027. As of September 30, 2024, the value of the lease receivable was $101,158. At commencement of property lease 1, base rent in the amount of $2,521 was due on the first of each month. The implicit interest rate on property lease 1 was 5%. The value of the deferred inflows of resources as of September 30, 2024 was $97,914. For the year ended September 30, 2024, the Authority recognized lease revenue in the amount of $25,779 and interest income in the amount of $590.

On October 1, 2019, the Authority entered into a lease agreement to lease property ("property lease 2") as a lessor. The term of the original property lease 2 was from October 1, 2019, terminating on May 31, 2021. The Authority exercised the option to extend the lease for four (4) additional years, with a new termination date of May 31, 2025. As of September 30, 2024, the value of the lease receivable was $12,882. At commencement of property lease 2, base rent in the amount of $750 was due on the first of each month. The implicit interest rate on property lease 2 was 5%. The value of the deferred inflows of resources as of September 30, 2024 was $12,443. For the year ended September 30, 2024, the Authority recognized lease revenue in the amount of $8,998 and interest income in the amount of $214.

## NOTE 8 COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave up to a maximum of forty (40) days or 320 hours, except when approved by the Authority's Chief Executive Office. This leave will be used in future periods or paid to employees upon separation from the Authority.

It is the Authority's policy to permit employees to accumulate earned but unused sick leave; however, the value of unused sick leave is not payable upon separation from the Authority.

As of September 30, 2024, accrued compensated absences of the Primary Government amounted to $556,776, and consisted of the following activity for the year then ended:

| Description | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Beginning compensated absences | $ 579,826 | $ - | $ 579,826 |
| Compensated absences earned | 476,284 | - | 476,284 |
| Compensated absences redeemed | (499,334) | - | (499,334) |
| Ending compensated absences | 556,776 | - | 556,776 |
| Less: current portion | 178,168 | - | 178,168 |
| Compensated absences, net of current portion | $ 378,608 | $ - | $ 378,608 |

## NOTE 9. PAYMENTS IN LIEU OF TAXES

In accordance with California State Law, property owned by a Housing Authority is exempt from all taxes and special assessments of a municipality, but the Authority may make an annual payment in lieu of taxes ("PILOT"), to assist with costs associated with services furnished by the municipality.

Under the Cooperation Agreement with the County, the PILOT is calculated by using the lesser of ten percent (10%) of the aggregate shelter rent charged by the Authority or the amount permitted by State law. Included in general expenses on the Authority's Statement of Revenues, Expenses and Changes in Net Position for the year ended September 30, 2024 is $325,516 of PILOT for the Primary Government and $24,211 for the discretely presented component units.

## NOTE 10. NOTES PAYABLE

Notes payable for the primary government consisted of the following as of September 30, 2024:

| Description | Amount |
|---|---|
| In August 2008, the Authority entered into a promissory note with the US Department of Agriculture under the Farm Labor Housing Loan and Grant Program in the amount of the $630,672, maturing August 2041. The note carries an interest rate of 1% and monthly payments of $1,980 are required. This note is secured by the Sartini Manor property. | $ 366,226 |
| In December 2020, the Authority entered into a note agreement with Farmers and Merchants Bank in the amount of $2,864,000, maturing January 2051. The note carries a variable interest rate (currently 2.8%) and calls for monthly payments of principal and interest (currently $11,845). The note is secured by the 2575 Grand Canal Boulevard property. | 2,629,075 |
| In March 1995, the Authority entered into a note agreement with San Joaquin County Neighborhood Preservation in the amount of $252,528, maturing March of 2025. The note carries an interest rate of 1.00% and calls for monthly payments of $812. The note is secured by the Mourfield property. | 12,234 |
| In December 2021, the Authority entered into a note agreement with Farmers & Merchants Bank in the amount of $1,200,000, maturing December of 2046. The note carries an interest rate of 3.38% and calls for monthly payments of $5,931. The note is secured by property located at Crossway. | 1,133,391 |
| In November 2020, the Authority refinanced a note with Farmers & Merchants Bank in the amount of $142,089, maturing April of 2031. The note carries an interest rate of 3.00% and calls for monthly payments of $1,326. The note is secured by property located at Park Street. | 104,718 |
| In November 2020, the Authority refinanced a note with Farmers & Merchants Bank. in the amount of $203,303, maturing April of 2039. The note carries an interest rate of 3.00% and calls for monthly payments of $1,198. The note is secured by property located at 508 South Central Ave. | 177,083 |

**NOTE 10. NOTES PAYABLE (continued)**

| Description | Amount |
|---|---|
| The Authority entered into a note agreement with Dignity Health in the amount of $3,850,000, which was refinanced in 2023, with a maturity date of May 2033. The note carries an interest rate of 3.5% and calls for quarterly payments of $49,079. The note is secured by the Creekside South Apartments. | 3,656,425 |
| In January 2021, the Authority entered into a note agreement with the Farmers and Merchants Bank in the amount of $203,000, maturing in January 2041. The note carries an interest rate of 3.00% and calls for monthly payments of $1,109. The note is secured by property located at Washington Street. | 181,679 |
| Total notes payable | 8,260,831 |
| Less: current portion | 232,562 |
| Notes payable, excluding current portion | $ 8,028,269 |

Annual debt service for principal and interest over the next five years and in five-year increments thereafter is as follows:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 232,562 | $ 250,299 | $ 482,861 |
| 2026 | 232,232 | 247,317 | 479,549 |
| 2027 | 236,632 | 240,343 | 476,975 |
| 2028 | 243,629 | 233,347 | 476,976 |
| 2029 | 251,242 | 225,733 | 476,975 |
| 2030-2034 | 4,155,293 | 970,017 | 5,125,310 |
| 2035-2039 | 968,820 | 354,920 | 1,323,740 |
| 2040-2044 | 931,385 | 216,957 | 1,148,342 |
| 2045-2049 | 832,292 | 81,698 | 913,990 |
| 2050-2051 | 176,744 | 3,404 | 180,148 |
| | $ 8,260,831 | $ 2,824,035 | $ 11,084,866 |

Debt activity for the primary government for the year ended September 30, 2024 consisted of the following:

| Description | September 30, 2023 | Advances | Principal Reductions | September 30, 2024 |
|---|---|---|---|---|
| Notes payable | $ 8,439,233 | $ - | $ (178,402) | $ 8,260,831 |

Interest expense for the year then ended September 30, 2024 for the primary government totaled $195,607.

## NOTE 10. NOTES PAYABLE (continued)

A summary of the Authority's discretely presented component unit notes payable are as follows:

| Notes payable to the Authority as evidenced by a Note Receivable (see Note 6): | Amount |
|---|---|
| Stockton Sierra Vista I, LP | $ 2,400,000 |
| Stockton Sierra Vista II, LP | 3,000,000 |
| Total primary government loans to discretely presented component unit | $ 5,400,000 |

| Description | Amount |
|---|---|
| **Stockton Sierra Vista I, LP** - On November 14, 2017, the Partnership signed an $8,100,000 permanent loan commitment with Jones Lang LaSalle Multifamily, LLC ("JLL"). On August 28, 2020, the Partnership closed on the JLL permanent loan. The note bears interest rate of 5.30% per annum and matures the earlier of i) September 1, 2037 and ii) the date on which the unpaid principal balance becomes due and payable by acceleration or otherwise pursuant to the loan agreement. During the year ended December 31, 2023, interest expense of $423,252 was incurred and expensed. | $ 7,654,771 |
| **Stockton Sierra Vista I, LP** - The Partnership entered into ground lease payable with the Authority in the amount of $2,767,000 at 4%, secured by a deed of trust on the property, payable from 50% of available cash flow, with a maturity date of November 17, 2072. | 2,767,000 |
| **Stockton Sierra Vista II, LP** - On April 10, 2019, the Partnership entered into a HOME loan agreement in the amount of $2,100,000 with the City of Stockton (the "City"). The HOME loan note is secured by the Project, bears interest at 3% per annum and matures on April 10, 2074. For the year ended December 31, 2023, interest of $63,000 was incurred, and expensed. | 2,100,000 |
| **Stockton Sierra Vista II, LP** - On December 14, 2021, the Partnership closed on a permanent loan in the amount of $7,641,000 with JLL. The note is secured by the Project, bears interest of 4.97% per annum, and matures January 1, 2039. Beginning February 1, 2022, the note is payable in monthly installments of principal and interest in the amount of $38,417 until the maturity date at which time a balloon payment in the estimated amount of $5,646,315 will be due. During the year ended December 31, 2023, interest of $ $379,188was incurred and expensed. | 7,261,948 |
| **Stockton Sierra Vista II, LP** - The Partnership entered into ground lease payable with the Authority in the amount of $3,180,000 at 3.145%, secured by a deed of trust on the property, payable from available cash flow, with a maturity date of April 10, 2074. | 1,602,187 |

**NOTE 10. NOTES PAYABLE (continued)**

| Description | Amount |
|---|---|
| **Victory Gardens, LP** - In September 2023 the Partnership entered into a loan of $6,802,600 payable to the Department of Housing Community Development ("HCD"), 3% simple interest payable annually for a term of 55 years. Annual payments in the amount of 42% per year for 30 years on the unpaid principal balance of the loan will be applied against the interest on the note. This note is secured by a deed of trust on the property. All principal is due September 2078. Accrued interest at December 31, 2023 totaled $51,020. | 6,780,017 |
| **Victory Gardens, LP** - In April 2021, the Partnership entered into a CDBG loan payable to the County of San Joaquin in the amount of $925,000 with interest accrued at 1% simple interest, secured by a second deed of trust on the property. The entire unpaid principal balance and all accrued interest is due and payable in full April 2079. Accrued interest amounted to $25,342 as of December 31, 2023. | 925,000 |
| **Victory Gardens, LP** - In April 2021, the Partnership entered into a non-interest bearing HOME loan payable to the County of San Joaquin in the amount of $1,100,000, secured by a third deed of trust on the property. The entire unpaid principal balance is due and payable in full April 1, 2079. | 1,100,000 |
| **Victory Gardens, LP** - The Partnership entered into a non-interest bearing CESH loan payable to the County of San Joaquin, secured by a fourth deed of trust on the property. The entire unpaid principal balance is due and payable in full November 2077. | 408,985 |
| **Victory Gardens, LP** - The Partnership entered into a non-interest bearing ground lease payable to the County of San Joaquin in the amount of $690,000, secured by a fifth deed of trust on the property with a maturity date of April 1, 2096. | 690,000 |
| Total notes payable to other lenders | 31,289,908 |
| Total notes payable | $ 36,689,908 |

## NOTE 10. NOTES PAYABLE (continued)

Future maturities of notes payable for the discretely presented component unit are as follows:

| | |
|---|---|
| December 31, 2024 | $ - |
| 2025 | - |
| 2026 | - |
| 2027 | - |
| 2028 | - |
| Thereafter | 36,689,908 |
| Total notes payable | $ 36,689,908 |

Accrued interest payable as of September 30, 2024 and interest expense as of and for the year then ended for the discretely presented component units totaled $1,264,905 and $2,132,622, respectively.

For the year ended September 30, 2024, the effective interest rates approximated the stated interest rates.

## NOTE 11. RESTRICTED NET POSITION

Restricted net position consists of the following as of September 30, 2024:

| Description | Primary Government | Discretely Presented Component Unit | Total Reporting Entity (Memorandum Only) |
|---|---|---|---|
| Housing assistance payment reserves | $ 638,208 | $ - | $ 638,208 |
| Replacement reserves | - | 219,903 | 219,903 |
| Project reserves | - | 4,393,790 | 4,393,790 |
| Emergency housing vouchers | 47,370 | - | 47,370 |
| EFA FSS Forfeitures | 118,180 | - | 118,180 |
| Total restricted net position | $ 803,758 | $ 4,613,693 | $ 5,417,451 |

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers program for future housing assistance payments.

Replacement reserves represent funds held in reserve for future project expenditures in accordance with various regulatory agreements.

Project reserves are reserves in the discretely presented component unit that are required to be set aside for future project expenditures according to the respective regulatory agreement.

Emergency housing vouchers reserves are restricted for use only in the Emergency Housing Vouchers Program for program expenditures.

EFA FSS escrows represent amounts held by the Authority on behalf of FSS program participants. Upon graduation from the program, the participant is due amounts deposited plus interest earned.

## NOTE 12. COMMITMENTS AND CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD.

As of September 30, 2024, the Authority estimates that no material liabilities will result from such audits.

## NOTE 13. PENSION PLAN

### A. Plan Description

The plan is a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS. A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes and membership information, is listed in the June 30, 2023 Annual Actuarial Valuation Report. This report is a publicly available valuation report that can be obtained at CalPERS' website under "Forms and Publications". All qualified permanent and probationary employees are eligible to participate in the Authority's cost-sharing multiple-employer defined benefit pension plans administered by CalPERS. Benefit provisions under the plans are established by State statute and the Authority's 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.

### B. Benefits Provided

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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

## NOTE 13. PENSION PLAN (continued)

### C. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, Deferred Inflows of Resources Related to Pensions

The Authority's net pension liability of $13,563,074 is measured as the proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, with a valuation date of June 30, 2023. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of the contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Authority's proportion was 0.280425 percent, which was an increase of 0.007901 percent from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the Authority recognized pension expense of $1,765,336. At September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

### D. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, Deferred Inflows of Resources Related to Pensions (continued)

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Changes in Assumptions | $ 348,599 | $ - |
| Adjustments due to differences in proportions | 144,019 | 5,810 |
| Differences between expected and actual experience | 1,172,652 | 45,756 |
| Net differences between actual and projected earnings on pension plan investments | 780,810 | - |
| Net differences between proportionate share of required contribution and actual contribution | - | 923,886 |
| Contribution subsequent to the measurement date | 126,178 | - |
| Total | $ 2,572,258 | $ 975,452 |

The $126,178 reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Years ending September 30: | Amount |
|---|---|
| 2025 | $ 453,979 |
| 2026 | 1,414,517 |
| 2027 | (130,295) |
| 2028 | (267,573) |
| | $ 1,470,628 |

## NOTE 13. PENSION PLAN (continued)

### E. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities were determined using the following assumptions:

| | |
|---|---|
| Valuation date | June 30, 2023 |
| Measurement date | June 30, 2024 |
| Salary increase | Varies by entry age and service |
| Discount rate | 6.90% |
| Inflation | 2.30 |
| Investment rate of return | 6.90% |
| Mortality rate | Derived using CalPERS' Membership Data for all funds |
| Post retirement benefit increase | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies |

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 CalPERS Experience Study and Review of Actuarial Assumptions report that can be found on the CalPERS website.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The expected real rates of return by asset class are as follows:

| Asset Class | New Strategic Allocation | Real Return (a) (b) |
|---|---|---|
| Global Equity - Cap-weighted | 30.00% | 4.54% |
| Global Equity - Non-Cap-weighted | 12.00% | 3.84% |
| Private Equity | 13.00% | 7.28% |
| Treasury | 5.00% | 0.27% |
| Mortgage-backed Securities | 5.00% | 0.50% |
| Investment Grade Corporates | 10.00% | 1.56% |
| High Yield | 5.00% | 2.27% |
| Emerging Market Debt | 5.00% | 2.48% |
| Private Debt | 5.00% | 3.57% |
| Real Assets | 15.00% | 3.21% |
| Leverage | (5.00%) | (0.59%) |
| | 100.00% | |

(a) an expected inflation of 2.30% used for this period
(b) figured are based on the 2021-22 Asset Liability Management study

## NOTE 13. PENSION PLAN (continued)

### F. Discount Rate

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

### G. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

| | 1% Decrease (5.90%) | Current Discount Rate (6.90%) | 1% Increase (7.90%) |
|---|---|---|---|
| Net pension liability | $ 20,922,888 | $ 13,563,074 | $ 7,504,864 |

## NOTE 14. OTHER POST EMPLOYMENT BENEFITS

### A. Plan description

The Authority participates in the CalPERS 2% at 55 Public Agency Miscellaneous Employees' pension plan for all regular employees hired before January 1, 2013, and 2% at 62 for those hired on or after January 1, 2013. Employees who retire with a CalPERS pension (at least age 50, or age 52 for employees hired on or after January 1, 2013, with five years of services) are eligible for post-employment medical benefits.

#### Benefits Provided

| | |
|---|---|
| Benefit types provided | Medical only |
| Duration of benefits | Lifetime |
| Required service | Retirement |
| Minimum age | Retirement |
| Dependent coverage | Yes |
| Contribution | 100% to cap |
| Contribution cap | $250/mo for single coverage*<br>$514/mo for two party coverage*<br>$25/mo for family coverage* |

* Or Government Code Section 22892 minimum should the minimum exceed this level.

### B. Plan Membership Information

| | |
|---|---|
| Active plan members | 76 |
| Inactive plan members or beneficiaries currently receiving benefits | 61 |
| Total | 137 |

### C. Contributions

The OPEB Plan and its contribution requirements are established by Board action and may be amended by Board action. The Authority contributes 100% of the cost of current-year premiums for eligible retired plan members and their dependents (pay-as-you-go).

### D. Funding Policy

The Authority intends to contribute the full actuarially determined contribution to the plan each year. Contributions would be made up of cash contributions made to the trust as well as any benefit payments (implicit and explicit) unreimbursed by the trust.

## NOTE 14. OTHER POST EMPLOYMENT BENEFITS (continued)

### D. Funding Policy (continued)

#### Actuarial Methods and Assumptions

| | |
|---|---|
| Valuation date | September 30, 2024 |
| Measurement date | September 30, 2024 |
| Payroll increases | 2.75% annual increases |
| Discount rate | 3.81% |
| Investment rate of return | 3.81%, net of OPEB plan investment expense |
| Net investment return | 3.81%, based on the CERBT Strategy 1 investment policy |
| Inflation rate | 2.50% |
| Healthcare cost trend rates | 4.00% per year |

The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

The retirement assumptions are based on the 2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

The turnover assumptions are based on the 2021 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

The actuarial assumptions used in the September 30, 2024 valuation were based on the results of the most recent applicable experience study and a review of plan experience during the period September 30, 2023 to September 30, 2024.

### E. Discount Rate

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

## NOTE 14. OTHER POST EMPLOYMENT BENEFITS (continued)

### E. Discount Rate (continued)

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The Authority has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are expected to be sufficient. The discount rate used to measure the total OPEB liability is equal to the long-term expected rate of return.

### F. Changes in the Net OPEB Liability (Asset)

The total OPEB liability (asset) shown below is based on an actuarial valuation performed as of September 30, 2024, and a measurement date of September 30, 2024:

| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability (Asset) |
|---|---|---|---|
| Balance at September 30, 2023 | $ 4,429,764 | $ - | $ 4,429,764 |
| Changes for the year: | | | |
| Service cost | 127,985 | - | 127,985 |
| Interest | 178,459 | - | 178,459 |
| Experience (gains)/losses | (172,136) | - | (172,136) |
| Changes of assumptions | 157,823 | - | 157,823 |
| Contributions - employer | - | 260,908 | (260,908) |
| Benefit payments | (260,908) | (260,908) | - |
| Net changes | 31,223 | - | 31,223 |
| Balance at September 30, 2024 | $ 4,460,987 | $ - | $ 4,460,987 |

## NOTE 14. OTHER POST EMPLOYMENT BENEFITS (continued)

### G. Sensitivity of the Net OPEB Liability Due to Changes in the Discount Rate

The following table represents the net OPEB liability, calculated using the current discount rate of 3.81%, as well as what it would be if it were calculated using a discount rate that is one percentage point lower (2.81%) or one percentage point higher (4.81%) than the current rate:

| | 1% Decrease (2.81%) | Current Discount Rate (3.81%) | 1% Increase (4.81%) |
|---|---|---|---|
| Net OPEB liability | $ 5,058,844 | $ 4,460,987 | $ 3,973,320 |

### H. Sensitivity of the Net OPEB Liability (asset) Due to Changes in the Health Care Cost Trend Rate

The following table represents the net OPEB liability of the Authority, calculated using the current health care cost trend rate as well as what it would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

| | 1% Decrease | Discount Rate | 1% Increase |
|---|---|---|---|
| Net OPEB liability | $ 4,295,220 | $ 4,460,987 | $ 4,661,424 |

### I. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the Authority recognized an OPEB benefit of $190,059. At September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Changes in Assumptions | $ 369,780 | $ 580,092 |
| Differences between expected and actual experience | - | 480,255 |
| Total | $ 369,780 | $ 1,060,347 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

## NOTE 14. OTHER POST EMPLOYMENT BENEFITS (continued)

### I. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

| Years ending September 30: | Recognized Deferred Outflows/Inflows of Resources |
|---|---|
| 2025 | $ (195,406) |
| 2026 | (270,708) |
| 2027 | (217,353) |
| 2028 | (2,867) |
| 2029 | (2,016) |
| Thereafter | (2,217) |
| | $ (690,567) |

## NOTE 15. GROUND LEASES

The Authority was the lessor in several ground leases as of September 30, 2024. These ground leases do not meet the reporting requirements of GASB 87, as the do not represent market value and future payments are uncertain. These ground leases are identified below.

On October 23, 2018, the Authority entered into a ground lease agreement with Stockton Sierra Vista II, LP in the amount of $3,180,000, with an interest rate of 3.145%. The lease term is 55 years, maturing in 2074. Pursuant to the ground lease agreement, the ground lease is payable from available cash flows after the required priority distributions, as defined in the ground lease agreement.

On November 17, 2017 the Authority entered into a ground lease agreement with Stockton Sierra Vista I, LP in the amount of $2,767,000, with an interest rate of 4%. The lease term is 55 years, ending in 2072. Pursuant to the ground lease agreement, the ground lease is payable from 50% of available cash flows after the required priority distributions, as defined in the ground lease agreement.

On April 1, 2021, the Authority entered into a non-interest bearing ground lease agreement with Victory Gardens, LP in the amount of $690,000. The lease term is 75 years, maturing in 2096. Pursuant to the ground lease agreement, the ground lease is payable from available cash flows after the required priority distributions, as defined in the ground lease agreement.

## NOTE 16. CONDENSED FINANCIAL INFORMATION FOR THE BLENDED COMPONENT UNIT

| | Delta Community Developers Corporation |
|---|---|
| Assets: | |
| Current assets | $ 23,098,912 |
| Capital assets, net | 39,180,808 |
| Other non-current assets | 114,040 |
| Total assets | 62,393,760 |
| Liabilities: | |
| Current | 14,184,609 |
| Non-current | 5,121,502 |
| Deferred inflows of resources | 110,357 |
| Total liabilities | 19,416,468 |
| Net Position: | |
| Net investment in capital assets | 33,915,278 |
| Unrestricted | 9,062,014 |
| Net position | $ 42,977,292 |

## NOTE 16. CONDENSED FINANCIAL INFORMATION FOR THE BLENDED COMPONENT UNIT (continued)

| | Delta Community Developers Corporation |
|---|---|
| Operating revenues: | |
| Tenant revenue | $ 1,225,098 |
| Government grants | 9,532,755 |
| Other revenues | 3,372,565 |
| Total operating revenues | 14,130,418 |
| Operating expenses: | |
| Administrative | 481,662 |
| Maintenance and utilities | 504,056 |
| Protective services | 28,379 |
| Insurance | 52,956 |
| General expenses | 183,294 |
| Depreciation | 978,204 |
| Total operating expenses | 2,228,551 |
| Other income (expense) | |
| Interest income | 548,550 |
| Interest expense | (118,201) |
| Gain on sale of assets | 221,667 |
| Net other expense | 652,016 |
| Net income before special items | 12,553,883 |
| Special item | (1,108,504) |
| Net income | $ 11,445,379 |

## NOTE 17. GAIN ON SALE OF ASSETS

During the year ended September 30, 2024, the Authority sold fully depreciated property in the amount $5,022. The sale resulted in a gain of $5,022.

Additionally, the Authority's blended component unit, Delta Community Developers Corporation, sold vacant land known as Rose Creek lots. The sale resulted in a gain of $221,66 and is included on the Statement of Revenues, Expenses, and Changes in Net Position.

## NOTE 18. PRIOR PERIOD ADJUSTMENT - CORRECTION OF ERROR

The Authority's September 30, 2024 financial statements have been restated as of October 1, 2023 due to a correction of error related to the financial statements of Delta Community Developers Corporation (the Authority's blended component unit). As a result of the correction, there was a decrease in notes receivable and accrued interest receivable in the amount of $887,238, an increase in capital assets in the amount of $95,208, and a decrease in net position in the amount $792,030.

## NOTE 19. SPECIAL ITEM - CONTRIBUTIONS

Pursuant to various Partnership Agreements, the Limited Partners of the discretely presented component units are required to provide capital contributions. During the year ended September 30, 2024, contributions were made to the discretely presented component units totaling $15,692,098.

Special items in the Primary Government are related to the reimbusrement of labor costs with DCDC due to timing differences from DCDC being reported on a December 31, 2023 year-end. The timing differences resulted in a special item in the amount of $167,268.

## NOTE 20. SUBSEQUENT EVENTS

Events that occur after the financial statement 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 financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Authority through June 10, 2025 (the date the financial statements were available to be issued) and determined that the following subsequent events require disclosure:

- On April 10, 2025, the Authority received approval from HUD for the disposition of AMP CA024000242, known as Diablo Homes. The Authority proposes that, after removal, the property will allow for the development of 108 affordable housing units, which includes 54 energy efficient units and 55 one and two-bedroom units to provide more affordable housing options for the residents of Tracy, California.

**INDEPENDENT AUDITORS' 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 County of San Joaquin:

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 (primary government) and the discretely presented component units of the Housing Authority of the County of San Joaquin (the "Authority") as of, and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 10, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units and Delta Community Developers Corporation (the "blended component unit"), as described in our report on the financial statements of the Authority. Those financial statements were not audited in accordance with *Government Auditing Standards*, with the exception of Victory Gardens, LP, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with those entities.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 and significant deficiencies may exist that have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



June 10, 2025
Toms River, New Jersey

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners
Housing Authority of the County of San Joaquin:

***Report on Compliance for Each Major Federal Program***

***Opinion on Each Major Federal Program***

We have audited the Housing Authority of the County of San Joaquin's (the "Authority") compliance with the types of compliance requirements described in the Uniform Guidance that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2024. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Authority and to meet our other ethical responsibilities, in accordance with 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 Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### *Auditors' 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 Authority'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 generally accepted auditing standards, *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 Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Authority'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 Authority'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 Authority'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*

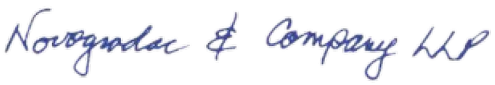
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 Auditors' 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 in expressed.

***Purpose of this Report***

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.



June 10, 2025
Toms River, New Jersey

**SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

| Federal Grantor/Program Title | AL Number | Grant Expenditures |
|---|---|---|
| U.S. Department of Housing and Urban Development: | | |
| Housing Voucher Cluster | | |
| Section 8 Housing Choice Vouchers | 14.871 | $ 61,796,129 |
| Mainstream Vouchers | 14.879 | 1,306,018 |
| Emergency Housing Voucher | 14.EHV | 3,096,377 |
| Total Housing Voucher Cluster | | 66,198,524 |
| Jobs-Plus Pilot Initiative | 14.249 | 348,407 |
| Public and Indian Housing Program | 14.850 | 4,921,745 |
| Public Housing Capital Fund Program | 14.872 | 7,219,175 |
| Family Self Sufficiency Program | 14.896 | 235,211 |
| Subtotal United States Department of Housing and Urban Development - Direct Programs | | 78,923,062 |
| U.S. Department of Agriculture: | | |
| Farm Labor Housing Loans and Grants | 10.405 | 386,464 |
| Farm Labor Housing Loans and Grants - Subsidy | 10.405 | 56,540 |
| Total U.S. Department of Agriculture | | 443,004 |
| Total Expenditures of Federal Awards | | $ 79,366,066 |

See Notes to Schedule of Expenditures of Federal Awards.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

## NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended September 30, 2024. 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). Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on 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.

## NOTE 3. INDIRECT COST RATE

The Authority has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

## NOTE 4. FARM LABOR HOUSING LOANS

The Farm Labor Housing Loan Program (mortgage) listed subsequently is administered by the U.S. Department of Agriculture, and balance and transactions relating to the program are included in the Authority's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of the loan outstanding at September 30, 2024 consisted of:

| *AL Number* | *Program Name* | *Outstanding Balance at September 30, 2024* |
|---|---|---|
| 10.405 | Farm Labor Housing Loan Program | $ 366,226 |

## NOTE 5. SCHEDULE OF CAPITAL FUND COSTS AND ADVANCES

The total amounts of Capital Fund Program Costs and Advances incurred and earned by the Authority as of and for the year ended September 30, 2024 are provided herein:

| | 501-20 | 501-21 | 501-21 | Totals |
|---|---|---|---|---|
| Budget | $3,636,182 | $3,800,313 | $4,577,622 | $12,014,117 |
| Advances: | | | | |
| Cumulative through 9/30/23 | $ 545,427 | $1,490,229 | $ - | $2,035,656 |
| Current Year | 3,090,755 | 2,310,084 | 1,887,357 | 7,288,196 |
| Cumulative through 9/30/24 | 3,636,182 | 3,800,313 | 1,887,357 | 9,323,852 |
| Costs: | | | | |
| Cumulative through 9/30/23 | 545,427 | 1,559,250 | - | 2,104,677 |
| Current Year | 3,090,755 | 2,241,063 | 1,887,357 | 7,219,175 |
| Cumulative through 9/30/24 | 3,636,182 | 3,800,313 | 1,887,357 | 9,323,852 |
| Excess / (Deficiency) | $ - | $ - | $ - | $ - |

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

I. Summary of Auditors' Results

Financial Statement Section

| | | |
|---|---|---|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None Reported |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

| | | |
|---|---|---|
| 1. | Internal control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None reported |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

4. Identification of major programs:

| AL Number | Name of Federal Program |
|---|---|
| | Housing Voucher Cluster: |
| 14.871 | Section 8 Housing Choice Vouchers |
| 14.879 | Mainstream Vouchers |
| 14.EHV | Emergency Housing Vouchers |

| | | |
|---|---|---|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | $2,380,982 |
| 6. | Auditee qualified as low-risk Auditee? | Yes |

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Audit Findings

None.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**REQUIRED PENSION INFORMATION**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**SCHEDULE OF THE AUTHORITY'S PENSION PLAN CONTRIBUTIONS**

| | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 | June 30, 2022 | June 30, 2023 | June 30, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 759,844 | $ 979,202 | $ 1,229,983 | $ 517,944 | $ 515,566 | $ 1,102,035 | $ 1,221,015 | $ 1,489,776 | $ 925,515 | $ 996,862 |
| Contributions in relation to the contractually required contribution | 759,844 | 979,202 | 1,229,983 | 517,944 | 515,566 | 1,102,035 | 1,221,015 | 1,489,776 | 925,515 | 996,862 |
| (Over) / under funded | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| covered-employee payroll | $ 5,086,451 | $ 4,991,353 | $ 4,656,364 | $ 4,645,823 | $ 4,809,917 | $ 5,266,303 | $ 5,050,137 | $ 5,316,437 | $ 5,750,823 | $ 5,823,960 |
| Contributions as a % covered employee payroll | 14.94 % | 19.62 % | 26.42 % | 11.15 % | 10.72 % | 20.93 % | 24.18 % | 28.02 % | 16.09 % | 17.12 % |

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS**

| Measurement Date | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 | June 30, 2022 | June 30, 2023 | June 30, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Proportion of the net pension liability (asset) | 0.0990 % | 0.0962 % | 0.0918 % | 0.0875 % | 0.0920 % | 0.0959 % | 0.2891 % | 0.2701 % | 0.2725 % | 0.2804 % |
| Proportionate share of the net pension liability (asset) | $ 6,794,182 | $ 8,327,917 | $ 9,102,218 | $ 8,428,786 | $ 9,431,983 | $ 10,437,177 | $ 5,490,238 | $ 12,637,457 | $ 3,627,341 | $ 13,563,074 |
| covered-employee payroll | $ 5,086,451 | $ 4,991,353 | $ 4,656,364 | $ 4,645,823 | $ 4,809,917 | $ 5,266,303 | $ 5,050,137 | $ 5,316,437 | $ 5,750,823 | $ 5,823,960 |
| Proportionate share of the net pension liability as a % of covered-employee payroll | 133.57 % | 166.85 % | 195.48 % | 181.43 % | 196.09 % | 198.19 % | 108.71 % | 237.71 % | 236.96 % | 232.88 % |

**Changes in Actuarial Assumptions and Benefit Terms:**
No changes noted.

See report of independent auditors.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**REQUIRED OTHER POST EMPLOYMENT BENEFIT INFORMATION**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS*****

| Total OPEB Liability (Asset): | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 | June 30, 2022 | June 30, 2023 | June 30, 2024 |
|---|---|---|---|---|---|---|---|
| Service cost | $ 107,021 | $ 109,964 | $ 154,123 | $ 222,518 | $ 234,492 | $ 126,540 | $ 127,985 |
| Interest | 193,528 | 138,218 | 159,120 | 124,376 | 122,983 | 175,202 | 178,459 |
| Experience (gains)/losses | - | - | (633,323) | - | (263,001) | - | (172,136) |
| Changes of assumptions | - | 785,274 | 178,803 | 79,132 | (1,151,180) | (37,170) | 157,823 |
| Benefit payments | (271,713) | (282,582) | (280,215) | (236,676) | (242,733) | (259,608) | (260,908) |
| Net change in total OPEB liability (asset) | 28,836 | 750,874 | (421,492) | 189,350 | (1,299,439) | 4,964 | 31,223 |
| Plan fiduciary net position - beginning | 5,176,671 | 5,205,507 | 5,956,381 | 5,534,889 | 5,724,239 | 4,424,800 | 4,429,764 |
| Plan fiduciary net position - ending | $ 5,205,507 | $5,956,381 | $5,534,889 | $5,724,239 | $4,424,800 | $4,429,764 | $4,460,987 |

*** = These amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

See report of independent auditors.

**HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN**
**REQUIRED OTHER POST EMPLOYMENT BENEFIT INFORMATION**
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**SCHEDULE OF THE AUTHORITY'S OPEB PLAN CONTRIBUTIONS*****

| | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 | June 30, 2022 | June 30, 2023 | June 30, 2024 |
|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 271,713 | $ 282,582 | $ 280,215 | $ 236,676 | $ 242,733 | $ 175,202 | $ 260,908 |
| Contributions in relation to the contractually required contribution | (271,713) | (282,582) | (280,215) | (236,676) | (242,733) | (175,202) | (260,908) |
| (Over) / under funded | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Authority's covered-employee payroll | $ 4,645,823 | $ 4,809,917 | $ 5,266,303 | $ 5,050,137 | $ 5,316,437 | $ 5,750,823 | $ 5,823,960 |
| Contributions as a percentage of covered employee payroll | (5.85)% | (5.87)% | (5.32)% | (4.69)% | (4.57)% | (3.05)% | (4.48)% |

*** = These amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

**Changes in Actuarial Assumptions:**
No changes noted.

**Changes in Benefit Terms:**
No changes noted.

See report of independent auditors.

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2024

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 6.1 Component Unit - Discretely Presented | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 14.895 Jobs-Plus Pilot Initiative | 10.405 Farm Labor Housing Loans and Grants |
|---|---|---|---|---|---|---|---|
| 111 Cash - Unrestricted | $14,313,659 | | $1,929,721 | $19,537,123 | | $0 | $767,709 |
| 112 Cash - Restricted - Modernization and Development | | | | | | | |
| 113 Cash - Other Restricted | $0 | $118,180 | $4,613,693 | | | | |
| 114 Cash - Tenant Security Deposits | $456,397 | | $200,891 | $77,825 | | | $13,211 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | | | |
| 100 Total Cash | $14,770,056 | $118,180 | $6,744,305 | $19,614,948 | $0 | $0 | $780,920 |
| | | | | | | | |
| 121 Accounts Receivable - PHA Projects | | | | | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | $125,918 | $0 | |
| 124 Accounts Receivable - Other Government | | | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | $79,858 | $3,289,816 | | | |
| 126 Accounts Receivable - Tenants | $320,572 | | $94,084 | $41,174 | | | $4,588 |
| 126.1 Allowance for Doubtful Accounts -Tenants | -$193,805 | | -$31,327 | -$796 | | | -$636 |
| 126.2 Allowance for Doubtful Accounts - Other | | | $0 | $0 | $0 | $0 | |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | | | |
| 128 Fraud Recovery | | | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | | | |
| 129 Accrued Interest Receivable | | | | $12,042 | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | $126,767 | $0 | $142,615 | $3,342,236 | $125,918 | $0 | $3,952 |
| | | | | | | | |
| 131 Investments - Unrestricted | | | | | | | |
| 132 Investments - Restricted | | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | | |
| 142 Prepaid Expenses and Other Assets | $416,812 | | $104,574 | $141,728 | | | $31,813 |
| 143 Inventories | | | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | | | |
| 144 Inter Program Due From | | | | | | | |
| 145 Assets Held for Sale | | | | | | | |
| 150 Total Current Assets | $15,313,635 | $118,180 | $6,991,494 | $23,098,912 | $125,918 | $0 | $816,685 |
| | | | | | | | |
| 161 Land | $1,314,322 | | $11,168,959 | $5,197,525 | | | $8,169 |
| 162 Buildings | $82,892,751 | | $74,551,872 | $22,797,865 | | | $5,230,374 |
| 163 Furniture, Equipment & Machinery - Dwellings | $572,845 | | $4,241,919 | $8,649 | | | |
| 164 Furniture, Equipment & Machinery - Administration | $653,556 | | $5,795,258 | $312,212 | | | |
| 165 Leasehold Improvements | | | | | | | |
| 166 Accumulated Depreciation | -$58,488,752 | | -$12,008,405 | -$5,787,070 | | | -$3,239,947 |
| 167 Construction in Progress | $1,429,594 | | | $16,651,627 | | | |
| 168 Infrastructure | | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | $28,374,316 | $0 | $83,749,603 | $39,180,808 | $0 | $0 | $1,998,596 |
| | | | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | $114,040 | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | | | |
| 173 Grants Receivable - Non Current | | | | | | | |
| 174 Other Assets | | | $506,320 | | | | |
| 176 Investments in Joint Ventures | | | | | | | |
| 180 Total Non-Current Assets | $28,374,316 | $0 | $84,255,923 | $39,294,848 | $0 | $0 | $1,998,596 |
| | | | | | | | |
| 200 Deferred Outflow of Resources | $1,083,129 | | | | | | $2,878 |
| | | | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | $44,771,080 | $118,180 | $91,247,417 | $62,393,760 | $125,918 | $0 | $2,818,159 |

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2024

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 6.1 Component Unit - Discretely Presented | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 14.895 Jobs-Plus Pilot Initiative | 10.405 Farm Labor Housing Loans and Grants |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 311 Bank Overdraft | | | | | | | |
| 312 Accounts Payable <= 90 Days | $0 | | $12,166 | $1,188,095 | | | |
| 313 Accounts Payable >90 Days Past Due | | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | $49,650 | | | | $5,384 | | $386 |
| 322 Accrued Compensated Absences - Current Portion | $55,301 | | | | $593 | | |
| 324 Accrued Contingency Liability | | | | | | | |
| 325 Accrued Interest Payable | | | $1,264,905 | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | | | |
| 332 Account Payable - PHA Projects | | | | | | | |
| 333 Accounts Payable - Other Government | $392,047 | | $1,119 | | | | |
| 341 Tenant Security Deposits | $456,397 | | $197,468 | $77,825 | | | $13,211 |
| 342 Unearned Revenue | $35,846 | | $13,523 | $12,055,260 | | | $8,844 |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | | $144,028 | | | $20,141 |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | | | |
| 345 Other Current Liabilities | | | | $719,401 | | | |
| 346 Accrued Liabilities - Other | | | $225,875 | | | | |
| 347 Inter Program - Due To | | | | | $118,681 | | |
| 348 Loan Liability - Current | | | | | | | |
| 310 Total Current Liabilities | $989,241 | $0 | $1,715,056 | $14,184,609 | $124,658 | $0 | $42,582 |
| | | | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | $36,689,908 | $5,121,502 | | | $346,085 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | | | |
| 353 Non-current Liabilities - Other | $281,456 | | $278,383 | | | | |
| 354 Accrued Compensated Absences - Non Current | $117,515 | | | | $1,260 | | |
| 355 Loan Liability - Non Current | | | | | | | |
| 356 FASB 5 Liabilities | | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | $6,634,333 | | | | | | $34,103 |
| 350 Total Non-Current Liabilities | $7,033,304 | $0 | $36,968,291 | $5,121,502 | $1,260 | $0 | $380,188 |
| | | | | | | | |
| 300 Total Liabilities | $8,022,545 | $0 | $38,683,347 | $19,306,111 | $125,918 | $0 | $422,770 |
| | | | | | | | |
| 400 Deferred Inflow of Resources | $749,062 | | | $110,357 | | | $9,143 |
| | | | | | | | |
| 508.4 Net Investment in Capital Assets | $28,374,316 | | $47,059,695 | $33,915,278 | | | $1,632,370 |
| 511.4 Restricted Net Position | $0 | $118,180 | $4,613,693 | | | | |
| 512.4 Unrestricted Net Position | $7,625,157 | $0 | $890,682 | $9,062,014 | $0 | $0 | $753,876 |
| 513 Total Equity - Net Assets / Position | $35,999,473 | $118,180 | $52,564,070 | $42,977,292 | $0 | $0 | $2,386,246 |
| | | | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | $44,771,080 | $118,180 | $91,247,417 | $62,393,760 | $125,918 | $0 | $2,818,159 |

Housing Auth. of the County of San Joaquin (CA024)

STOCKTON, CA

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2024

| | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.870 Resident Opportunity and Supportive Services | 14.EHV Emergency Housing Voucher | COCC | ELIM | Total |
|---|---|---|---|---|---|---|---|---|
| 111 Cash - Unrestricted | $1,286 | $120,826 | $3,964,975 | | $362,682 | $231,664 | | $41,229,645 |
| 112 Cash - Restricted - Modernization and Development | | | | | | | | |
| 113 Cash - Other Restricted | | $34,419 | $1,169,692 | | $98,892 | | | $6,034,876 |
| 114 Cash - Tenant Security Deposits | | | $2,692 | | | | | $751,016 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | | | | |
| 100 Total Cash | $1,286 | $155,245 | $5,137,359 | $0 | $461,574 | $231,664 | $0 | $48,015,537 |
| | | | | | | | | |
| 121 Accounts Receivable - PHA Projects | | | $572,888 | | | | | $572,888 |
| 122 Accounts Receivable - HUD Other Projects | | $0 | | | | | | $125,918 |
| 124 Accounts Receivable - Other Government | | | | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | | | $62,458 | | $3,432,132 |
| 126 Accounts Receivable - Tenants | | | | | | | | $460,418 |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | | | | | | -$226,564 |
| 126.2 Allowance for Doubtful Accounts - Other | | $0 | -$498,663 | | | $0 | | -$498,663 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | | | | |
| 128 Fraud Recovery | | $5,474 | $617,850 | | $555 | | | $623,879 |
| 128.1 Allowance for Doubtful Accounts - Fraud | | -$5,474 | -$617,850 | | -$555 | | | -$623,879 |
| 129 Accrued Interest Receivable | | | | | | | | $12,042 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | $0 | $0 | $74,225 | $0 | $0 | $62,458 | $0 | $3,878,171 |
| | | | | | | | | |
| 131 Investments - Unrestricted | | | | | | | | |
| 132 Investments - Restricted | | | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | | | |
| 142 Prepaid Expenses and Other Assets | | | $63,897 | | | $45,165 | | $803,989 |
| 143 Inventories | | | | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | | | | |
| 144 Inter Program Due From | $0 | | | | | $118,681 | -$118,681 | $0 |
| 145 Assets Held for Sale | | | | | | | | |
| 150 Total Current Assets | $1,286 | $155,245 | $5,275,481 | $0 | $461,574 | $457,968 | -$118,681 | $52,697,697 |
| | | | | | | | | |
| 161 Land | | | $665,724 | | | | | $18,354,699 |
| 162 Buildings | | | $5,330,056 | | | $110,715 | | $190,913,633 |
| 163 Furniture, Equipment & Machinery - Dwellings | | | $6,940 | | | | | $4,830,353 |
| 164 Furniture, Equipment & Machinery - Administration | | | $512,791 | | | $237,785 | | $7,511,602 |
| 165 Leasehold Improvements | | | | | | | | |
| 166 Accumulated Depreciation | | | -$1,725,130 | | | -$183,528 | | -$81,432,832 |
| 167 Construction in Progress | | | | | | $2,856,441 | | $20,937,662 |
| 168 Infrastructure | | | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | $0 | $0 | $4,790,381 | $0 | $0 | $3,021,413 | $0 | $161,115,117 |
| | | | | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | | $4,202,393 | | $4,316,433 |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | | | | |
| 173 Grants Receivable - Non Current | | | | | | | | |
| 174 Other Assets | | | | | | | | $506,320 |
| 176 Investments in Joint Ventures | | | | | | | | |
| 180 Total Non-Current Assets | $0 | $0 | $4,790,381 | $0 | $0 | $7,223,806 | $0 | $165,937,870 |
| | | | | | | | | |
| 200 Deferred Outflow of Resources | | | $787,919 | | | $1,068,112 | | $2,942,038 |
| | | | | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | $1,286 | $155,245 | $10,853,781 | $0 | $461,574 | $8,749,886 | -$118,681 | $221,577,605 |

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2024

| | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.870 Resident Opportunity and Supportive Services | 14.EHV Emergency Housing Voucher | COCC | ELIM | Total |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| 311 Bank Overdraft | | | | | | | | |
| 312 Accounts Payable <= 90 Days | $9,103 | $0 | $0 | | | $2,921,169 | | $4,130,533 |
| 313 Accounts Payable >90 Days Past Due | | | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | $1,876 | | $42,804 | | | $56,106 | | $156,206 |
| 322 Accrued Compensated Absences - Current Portion | $828 | | $32,493 | | | $88,953 | | $178,168 |
| 324 Accrued Contingency Liability | | | | | | | | |
| 325 Accrued Interest Payable | | | | | | | | $1,264,905 |
| 331 Accounts Payable - HUD PHA Programs | | | $27,086 | | | | | $27,086 |
| 332 Account Payable - PHA Projects | | | | | | | | |
| 333 Accounts Payable - Other Government | | | | | | | | $393,166 |
| 341 Tenant Security Deposits | | | $2,692 | | | | | $747,593 |
| 342 Unearned Revenue | $0 | | | | $51,522 | | | $12,164,995 |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | $68,393 | | | | | $232,562 |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | | | | |
| 345 Other Current Liabilities | | | | | | $0 | | $719,401 |
| 346 Accrued Liabilities - Other | | | | | | | | $225,875 |
| 347 Inter Program - Due To | | | | | | $0 | -$118,681 | $0 |
| 348 Loan Liability - Current | | | | | | | | |
| 310 Total Current Liabilities | $11,807 | $0 | $173,468 | $0 | $51,522 | $3,066,228 | -$118,681 | $20,240,490 |
| | | | | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | $2,560,682 | | | | | $44,718,177 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | | | | |
| 353 Non-current Liabilities - Other | | | $565,903 | | | | | $1,125,742 |
| 354 Accrued Compensated Absences - Non Current | $1,759 | | $69,048 | | | $189,026 | | $378,608 |
| 355 Loan Liability - Non Current | | | | | | | | |
| 356 FASB 5 Liabilities | | | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | $4,853,638 | | | $6,501,987 | | $18,024,061 |
| 350 Total Non-Current Liabilities | $1,759 | $0 | $8,049,271 | $0 | $0 | $6,691,013 | $0 | $64,246,588 |
| | | | | | | | | |
| 300 Total Liabilities | $13,566 | $0 | $8,222,739 | $0 | $51,522 | $9,757,241 | -$118,681 | $84,487,078 |
| | | | | | | | | |
| 400 Deferred Inflow of Resources | | | $557,705 | | | $719,889 | | $2,146,156 |
| | | | | | | | | |
| 508.4 Net Investment in Capital Assets | | | $2,161,306 | | | $3,021,413 | | $116,164,378 |
| 511.4 Restricted Net Position | | $34,419 | $603,789 | | $47,370 | | | $5,417,451 |
| 512.4 Unrestricted Net Position | -$12,280 | $120,826 | -$691,758 | $0 | $362,682 | -$4,748,657 | | $13,362,542 |
| 513 Total Equity - Net Assets / Position | -$12,280 | $155,245 | $2,073,337 | $0 | $410,052 | -$1,727,244 | $0 | $134,944,371 |
| | | | | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | $1,286 | $155,245 | $10,853,781 | $0 | $461,574 | $8,749,886 | -$118,681 | $221,577,605 |

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 6.1 Component Unit - Discretely Presented | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 14.895 Jobs-Plus Pilot Initiative | 10.405 Farm Labor Housing Loans and Grants |
|---|---|---|---|---|---|---|---|
| 70300 Net Tenant Rental Revenue | $4,837,738 | | $3,950,978 | $1,202,585 | | | $222,905 |
| 70400 Tenant Revenue - Other | $198,025 | | $11,263 | $22,513 | | | $168 |
| 70500 Total Tenant Revenue | $5,035,763 | $0 | $3,962,241 | $1,225,098 | $0 | $0 | $223,073 |
| | | | | | | | |
| 70600 HUD PHA Operating Grants | $5,379,507 | | | | $235,211 | $348,407 | |
| 70610 Capital Grants | $6,761,413 | | | | | | |
| 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 | $268,505 | | | $9,532,755 | | | $56,540 |
| 71100 Investment Income - Unrestricted | $566,452 | | $33,189 | $548,550 | | | $15,720 |
| 71200 Mortgage Interest Income | $0 | | | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | | | |
| 71310 Cost of Sale of Assets | | | | | | | |
| 71400 Fraud Recovery | | | | | | | |
| 71500 Other Revenue | $411,135 | $17,876 | $69,499 | $3,372,565 | | | $357 |
| 71600 Gain or Loss on Sale of Capital Assets | $0 | | | $221,667 | | | |
| 72000 Investment Income - Restricted | | | | | | | |
| 70000 Total Revenue | $18,422,775 | $17,876 | $4,064,929 | $14,900,635 | $235,211 | $348,407 | $295,690 |
| | | | | | | | |
| 91100 Administrative Salaries | $928,500 | | $179,995 | $72,393 | | $40,362 | $13,519 |
| 91200 Auditing Fees | | | $27,104 | $21,044 | | | |
| 91300 Management Fee | $1,337,324 | | $0 | $25,932 | | | $30,803 |
| 91310 Book-keeping Fee | $77,122 | | | $4,538 | | | $2,700 |
| 91400 Advertising and Marketing | | | $988 | $11,892 | | | |
| 91500 Employee Benefit contributions - Administrative | $973,678 | | $53,332 | $999 | | $12,056 | $3,630 |
| 91600 Office Expenses | $586,980 | | $76,050 | $125,871 | $2,162 | $4,214 | $6,267 |
| 91700 Legal Expense | $179,641 | | $54,159 | $78,826 | | | $42 |
| 91800 Travel | | | $2,134 | $9,091 | | $700 | |
| 91810 Allocated Overhead | | | | | | | |
| 91900 Other | $160,513 | | $275,975 | $131,076 | | $22,570 | |
| 91000 Total Operating - Administrative | $4,243,758 | $0 | $669,737 | $481,662 | $2,162 | $79,902 | $56,961 |
| | | | | | | | |
| 92000 Asset Management Fee | $112,830 | | | | | | |
| 92100 Tenant Services - Salaries | | | | | $126,551 | | |
| 92200 Relocation Costs | | | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | $106,498 | | |
| 92400 Tenant Services - Other | $138,001 | | $132,172 | | | | $56 |
| 92500 Total Tenant Services | $138,001 | $0 | $132,172 | $0 | $233,049 | $0 | $56 |

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 6.1 Component Unit - Discretely Presented | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 14.895 Jobs-Plus Pilot Initiative | 10.405 Farm Labor Housing Loans and Grants |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 93100 Water | $699,515 | | $210,199 | $71,211 | | | $12,942 |
| 93200 Electricity | $53,993 | | $61,713 | $39,654 | | | $3,825 |
| 93300 Gas | $13,149 | | $68,478 | $20,775 | | | $227 |
| 93400 Fuel | | | | | | | |
| 93500 Labor | $3,184 | | | | | | |
| 93600 Sewer | $768,516 | | | $48,602 | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | | | |
| 93800 Other Utilities Expense | | | $159,466 | | | | |
| 93000 Total Utilities | $1,538,357 | $0 | $499,856 | $180,242 | $0 | $0 | $16,994 |
| | | | | | | | |
| 94100 Ordinary Maintenance and Operations - Labor | $1,214,882 | | $167,622 | | | | $366 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | $1,596,845 | | $94,675 | $70,713 | | | $14,542 |
| 94300 Ordinary Maintenance and Operations Contracts | $1,573,717 | | $405,997 | $253,101 | | | $17,692 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | $588,105 | | $32,492 | | | | |
| 94000 Total Maintenance | $4,973,549 | $0 | $700,786 | $323,814 | $0 | $0 | $32,600 |
| | | | | | | | |
| 95100 Protective Services - Labor | | | | | | | |
| 95200 Protective Services - Other Contract Costs | $21,153 | | | $28,379 | | | $371 |
| 95300 Protective Services - Other | | | $1,466 | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | | | |
| 95000 Total Protective Services | $21,153 | $0 | $1,466 | $28,379 | $0 | $0 | $371 |
| | | | | | | | |
| 96110 Property Insurance | $490,478 | | $160,912 | $50,387 | | | $33,377 |
| 96120 Liability Insurance | | | | | | | |
| 96130 Workmen's Compensation | $143,154 | | $24,904 | $2,569 | | | $417 |
| 96140 All Other Insurance | | | | | | | |
| 96100 Total insurance Premiums | $633,632 | $0 | $185,816 | $52,956 | $0 | $0 | $33,794 |
| | | | | | | | |
| 96200 Other General Expenses | $114,242 | | $31,128 | $109,844 | | | $14,378 |
| 96210 Compensated Absences | | | $5,905 | | | | |
| 96300 Payments in Lieu of Taxes | $325,516 | | $24,211 | | | | |
| 96400 Bad debt - Tenant Rents | $211,398 | | $41,564 | | | | $636 |
| 96500 Bad debt - Mortgages | | | | | | | |
| 96600 Bad debt - Other | $23,488 | | | $73,450 | | | |
| 96800 Severance Expense | | | | | | | |
| 96000 Total Other General Expenses | $674,644 | $0 | $102,808 | $183,294 | $0 | $0 | $15,014 |
| | | | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | | $2,132,622 | $118,201 | | | $7,839 |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | $39,626 | | | | |
| 96700 Total Interest Expense and Amortization Cost | $0 | $0 | $2,172,248 | $118,201 | $0 | $0 | $7,839 |
| | | | | | | | |
| 96900 Total Operating Expenses | $12,335,924 | $0 | $4,464,889 | $1,368,548 | $235,211 | $79,902 | $163,629 |

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 6.1 Component Unit - Discretely Presented | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 14.895 Jobs-Plus Pilot Initiative | 10.405 Farm Labor Housing Loans and Grants |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | $6,086,851 | $17,876 | -$399,960 | $13,532,087 | $0 | $268,505 | $132,061 |
| | | | | | | | |
| 97100 Extraordinary Maintenance | | | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | | | |
| 97300 Housing Assistance Payments | | | | | | $268,505 | |
| 97350 HAP Portability-In | | | | | | | |
| 97400 Depreciation Expense | $1,845,653 | | $3,831,580 | $978,204 | | | $193,220 |
| 97500 Fraud Losses | | | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | | | |
| 97800 Dwelling Units Rent Expense | | | $22,056 | | | | |
| 90000 Total Expenses | $14,181,577 | $0 | $8,318,525 | $2,346,752 | $235,211 | $348,407 | $356,849 |
| | | | | | | | |
| 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) | $1,240 | | $15,692,098 | -$1,108,504 | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | | | |
| 10093 Transfers between Program and Project - In | | | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | | | |
| 10100 Total Other financing Sources (Uses) | $1,240 | $0 | $15,692,098 | -$1,108,504 | $0 | $0 | $0 |
| | | | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | $4,242,438 | $17,876 | $11,438,502 | $11,445,379 | $0 | $0 | -$61,159 |
| | | | | | | | |
| 11020 Required Annual Debt Principal Payments | $0 | $0 | $0 | $144,028 | $0 | $0 | $20,141 |
| 11030 Beginning Equity | $31,757,035 | $100,304 | $41,125,568 | $32,323,943 | $0 | $0 | $2,447,405 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | $0 | | | -$792,030 | | | |
| 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 | | | | | | | |
| | | | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | | | |
| 11190 Unit Months Available | 11283 | | 1284 | 648 | | | 372 |
| 11210 Number of Unit Months Leased | 10283 | | 1280 | 646 | | | 370 |

| | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.870 Resident Opportunity and Supportive Services | 14.EHV Emergency Housing Voucher | COCC | ELIM | Total |
|---|---|---|---|---|---|---|---|---|
| 70300 Net Tenant Rental Revenue | | | | | | | | $10,214,206 |
| 70400 Tenant Revenue - Other | | | | | | | | $231,969 |
| 70500 Total Tenant Revenue | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $10,446,175 |
| | | | | | | | | |
| 70600 HUD PHA Operating Grants | | $1,404,351 | $60,943,629 | | $3,332,851 | | | $71,643,956 |
| 70610 Capital Grants | | | | | | | | $6,761,413 |
| 70710 Management Fee | | | | | | $2,473,335 | -$2,473,335 | $0 |
| 70720 Asset Management Fee | | | | | | $112,830 | -$112,830 | $0 |
| 70730 Book Keeping Fee | | | | | | $485,085 | -$485,085 | $0 |
| 70740 Front Line Service Fee | | | | | | | -$165,408 | -$165,408 |
| 70750 Other Fees | | | | | | $165,408 | | $165,408 |
| 70700 Total Fee Revenue | | | | | | $3,236,658 | -$3,236,658 | $0 |
| | | | | | | | | |
| 70800 Other Government Grants | $1,031,951 | | | | | | -$268,505 | $10,621,246 |
| 71100 Investment Income - Unrestricted | | | $500 | | | $131 | | $1,164,542 |
| 71200 Mortgage Interest Income | | | | | | | | $0 |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | | | | |
| 71310 Cost of Sale of Assets | | | | | | | | |
| 71400 Fraud Recovery | | | $76,694 | | | | | $76,694 |
| 71500 Other Revenue | $11,122 | $2,162 | $1,190,458 | | | $200,370 | -$615,266 | $4,660,278 |
| 71600 Gain or Loss on Sale of Capital Assets | | | $5,022 | | | | | $226,689 |
| 72000 Investment Income - Restricted | | | | | | | | |
| 70000 Total Revenue | $1,043,073 | $1,406,513 | $62,216,303 | $0 | $3,332,851 | $3,437,159 | -$4,120,429 | $105,600,993 |
| | | | | | | | | |
| 91100 Administrative Salaries | $255,633 | $12,642 | $1,549,538 | | | $1,535,422 | | $4,588,004 |
| 91200 Auditing Fees | | | $7,641 | | | $38,956 | | $94,745 |
| 91300 Management Fee | | $22,993 | $1,005,484 | | $50,799 | | -$2,473,335 | $0 |
| 91310 Book-keeping Fee | | $9,060 | $375,255 | | $16,410 | | -$485,085 | $0 |
| 91400 Advertising and Marketing | | | | | | | | $12,880 |
| 91500 Employee Benefit contributions - Administrative | $13,089 | $3,158 | $1,124,000 | | | $1,654,075 | | $3,838,017 |
| 91600 Office Expenses | $140,607 | $141 | $696,238 | | $1,915 | $767,033 | -$373,705 | $2,033,773 |
| 91700 Legal Expense | | | $32,775 | | | $51,504 | | $396,947 |
| 91800 Travel | | | $621 | | | $2,331 | | $14,877 |
| 91810 Allocated Overhead | | | | | | | | |
| 91900 Other | -$46,469 | | $109,063 | | $268 | | -$165,408 | $487,588 |
| 91000 Total Operating - Administrative | $362,860 | $47,994 | $4,900,615 | $0 | $69,392 | $4,049,321 | -$3,497,533 | $11,466,831 |
| | | | | | | | | |
| 92000 Asset Management Fee | | | | | | | -$112,830 | $0 |
| 92100 Tenant Servics - Salaries | | | | | | | | $126,551 |
| 92200 Relocation Costs | | | | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | | | | $106,498 |
| 92400 Tenant Services - Other | $181,434 | | | | $95,540 | $235 | | $547,438 |
| 92500 Total Tenant Services | $181,434 | $0 | $0 | $0 | $95,540 | $235 | $0 | $780,487 |

| | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.870 Resident Opportunity and Supportive Services | 14.EHV Emergency Housing Voucher | COCC | ELIM | Total |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| 93100 Water | | | $1,040 | | | | | $994,907 |
| 93200 Electricity | | | $91,263 | | | | | $250,448 |
| 93300 Gas | | | $14,092 | | | | | $116,721 |
| 93400 Fuel | | | | | | | | |
| 93500 Labor | | | | | | | | $3,184 |
| 93600 Sewer | | | $3,689 | | | | | $820,807 |
| 93700 Employee Benefit Contributions - Utilities | | | | | | | | |
| 93800 Other Utilities Expense | | | | | | | | $159,466 |
| 93000 Total Utilities | $0 | $0 | $110,084 | $0 | $0 | $0 | $0 | $2,345,533 |
| | | | | | | | | |
| 94100 Ordinary Maintenance and Operations - Labor | | | | | | $143,127 | | $1,525,997 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | | | $43,472 | | | $3,705 | | $1,823,952 |
| 94300 Ordinary Maintenance and Operations Contracts | | | $166,044 | | | $43,509 | | $2,460,060 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | $3,042 | | | $44,533 | | $668,172 |
| 94000 Total Maintenance | $0 | $0 | $212,558 | $0 | $0 | $234,874 | $0 | $6,478,181 |
| | | | | | | | | |
| 95100 Protective Services - Labor | | | | | | | | |
| 95200 Protective Services - Other Contract Costs | | | $29,431 | | | | | $79,334 |
| 95300 Protective Services - Other | | | | | | | | $1,466 |
| 95500 Employee Benefit Contributions - Protective Services | | | | | | | | |
| 95000 Total Protective Services | $0 | $0 | $29,431 | $0 | $0 | $0 | $0 | $80,800 |
| | | | | | | | | |
| 96110 Property Insurance | | | $69,940 | | | $61,312 | | $866,406 |
| 96120 Liability Insurance | | | | | | | | |
| 96130 Workmen's Compensation | | | $27,776 | | | $40,596 | | $239,416 |
| 96140 All Other Insurance | | | | | | | | |
| 96100 Total insurance Premiums | $0 | $0 | $97,716 | $0 | $0 | $101,908 | $0 | $1,105,822 |
| | | | | | | | | |
| 96200 Other General Expenses | | | $2,230 | | | | | $271,822 |
| 96210 Compensated Absences | | | | | | | | $5,905 |
| 96300 Payments in Lieu of Taxes | | | | | | | | $349,727 |
| 96400 Bad debt - Tenant Rents | | | | | | | | $253,598 |
| 96500 Bad debt - Mortgages | | | | | | | | |
| 96600 Bad debt - Other | | | $498,663 | | | | | $595,601 |
| 96800 Severance Expense | | | | | | | | |
| 96000 Total Other General Expenses | $0 | $0 | $500,893 | $0 | $0 | $0 | $0 | $1,476,653 |
| | | | | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | | $69,567 | | | | | $2,328,229 |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | | | | $39,626 |
| 96700 Total Interest Expense and Amortization Cost | $0 | $0 | $69,567 | $0 | $0 | $0 | $0 | $2,367,855 |
| | | | | | | | | |
| 96900 Total Operating Expenses | $544,294 | $47,994 | $5,920,864 | $0 | $164,932 | $4,386,338 | -$3,610,383 | $26,102,162 |

| | 2 State/Local | 14.879 Mainstream Vouchers | 14.871 Housing Choice Vouchers | 14.870 Resident Opportunity and Supportive Services | 14.EHV Emergency Housing Voucher | COCC | ELIM | Total |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | $498,779 | $1,358,519 | $56,295,439 | $0 | $3,167,919 | -$949,179 | -$510,066 | $79,498,831 |
| | | | | | | | | |
| 97100 Extraordinary Maintenance | | | | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | | | | |
| 97300 Housing Assistance Payments | $241,561 | $1,250,157 | $55,350,766 | | $2,931,445 | | -$510,066 | $59,532,368 |
| 97350 HAP Portability-In | | | $346,523 | | | | | $346,523 |
| 97400 Depreciation Expense | | | $323,030 | | | $31,439 | | $7,203,126 |
| 97500 Fraud Losses | | $7,867 | $21,440 | | | | | $29,307 |
| 97600 Capital Outlays - Governmental Funds | | | | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | | | | $22,056 |
| 90000 Total Expenses | $785,855 | $1,306,018 | $61,962,623 | $0 | $3,096,377 | $4,417,777 | -$4,120,429 | $93,235,542 |
| | | | | | | | | |
| 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) | | | | | | $939,996 | | $15,524,830 |
| 10091 Inter Project Excess Cash Transfer In | | | | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | | | | |
| 10093 Transfers between Program and Project - In | | | | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | | | | |
| 10100 Total Other financing Sources (Uses) | $0 | $0 | $0 | $0 | $0 | $939,996 | $0 | $15,524,830 |
| | | | | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | $257,218 | $100,495 | $253,680 | $0 | $236,474 | -$40,622 | $0 | $27,890,281 |
| | | | | | | | | |
| 11020 Required Annual Debt Principal Payments | $0 | $0 | $68,393 | $0 | $0 | $0 | | $232,562 |
| 11030 Beginning Equity | -$169,498 | $54,750 | $1,719,657 | $0 | $173,578 | -$1,686,622 | | $107,846,120 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | -$100,000 | | $100,000 | | | | | -$792,030 |
| 11050 Changes in Compensated Absence Balance | | | | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | | | | |
| 11170 Administrative Fee Equity | | | $1,469,548 | | | | | $1,469,548 |
| | | | | | | | | |
| 11180 Housing Assistance Payments Equity | | | $603,789 | | | | | $603,789 |
| 11190 Unit Months Available | | 1596 | 62646 | | 2775 | 0 | | 80604 |
| 11210 Number of Unit Months Leased | | 1227 | 50158 | | 2192 | 0 | | 66156 |