

**Housing Authority of
the City of Fresno**

Fresno, California

Annual Comprehensive Financial Report

Year Ended

December 31, 2025

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

HOUSING AUTHORITY OF THE CITY OF FRESNO

Annual Comprehensive Financial Report

For the Year Ended December 31, 2025

Issued by
Accounting & Finance Department

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California
Year Ended December 31, 2025
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**Housing Authority of
the City of Fresno**
Fresno, California

Introductory Section:

Letter of Transmittal

Organizational Chart

List of Principal Officials



(Report Date)

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

We are pleased to present the Annual Comprehensive Financial Report for the Housing Authority of the City of Fresno (Agency) for the year ended December 31, 2025. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year end, financial statements presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The agency's financial statements have been audited by CohnReznick LLP, a firm of licensed independent auditors. The purpose of the independent audit is to provide reasonable assurance that the audited financial statements are free from material misstatement. The auditors issued an unmodified opinion on the Housing Authority of the City of Fresno's financial statements for the year ended December 31, 2025. The data presented in this report is the responsibility of the management of Agency. To the best of our knowledge and belief, the data presented is accurate in all material aspects and is presented in a manner designed to fairly state the financial position and results of operations of the Agency. All disclosures necessary have been included to enable the reader to gain an understanding of Agency's financial affairs. As required by GAAP, management has provided a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Agency's MD&A can be found immediately following the Independent Auditor's Report.

Government Overview

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

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

Economic Condition and Outlook

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

Congressional housing legislation and the Federal budget affect the FH more than local economic factors. FH's primary source of funding is HUD. As with most housing authorities, a majority of FH's operating and capital funding comes from federal sources in the form of operating subsidies, capital grant funds and Section 8 Housing Assistance Payments (HAP). In FY 2025, HUD and other federal agencies provided approximately 100.7% of the Agency's total operating revenues. For the Public Housing program, housing authorities receive operating subsidies in accordance with an operating subsidy funding formula. In general, the calculated subsidy amount is the difference between an estimate of operating costs minus an estimate of income from rents. Operating subsidies are subject to annual appropriation by Congress. In 2025, the Public Housing program was funded at 102.58% of eligibility. Funding for Section 8 was prorated at 100.7% for HAP and 88.5% of eligibility for administrative fees.

Major Initiatives

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

- Target & Invest in Neighborhoods
- Fight to Eradicate Housing Insecurity
- Housing Choice Voucher Innovation
- Leverage Partnership & Funding to Support Resident Goals

It is FH's mission to serve the residents of Fresno by developing and expanding the availability of quality affordable housing options throughout the County by growing and preserving appropriate residential assets and increasing housing opportunities for low-income residents. Over the past decade, FH has been the most productive affordable housing developers in the Central Valley, building and renovating

over 2,700 units and bringing over \$884 million dollars of private investment to Fresno County. These efforts are mainly accomplished through the Low-Income Housing Tax Credit Program (LIHTC) and HUD's Rental Assistance Demonstration (RAD). These two programs allow FH to leverage public and private debt and equity in order to construct and/or rehabilitate affordable housing stock.

The Agency continues to explore ways to expand the portfolio with the goal of increasing the supply of affordable housing and creating options for long term financial stability. With changes to the real estate and construction industries, there may be existing high-quality properties that became available for acquisition.

Financial Information

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

As a recipient of federal awards, FH is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. These internal controls are subject to periodic evaluation by management, and independent auditors. As part of FH's single audit, the adequacy of internal controls are tested, including that portion related to federal award programs, as well as FH's compliance with applicable laws, regulations, contracts and grants. The FH's single audit for the year ended December 31, 2025 found no instances of material weakness in the internal controls. Reports were prepared for this purpose and are included in this financial report in the Single Audit Section.

FH exercises budgetary controls over all programs through a variety of internal control mechanisms. Budget to actual reports is presented to the FH Board and management for all FH programs on a monthly basis.

Acknowledgements

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

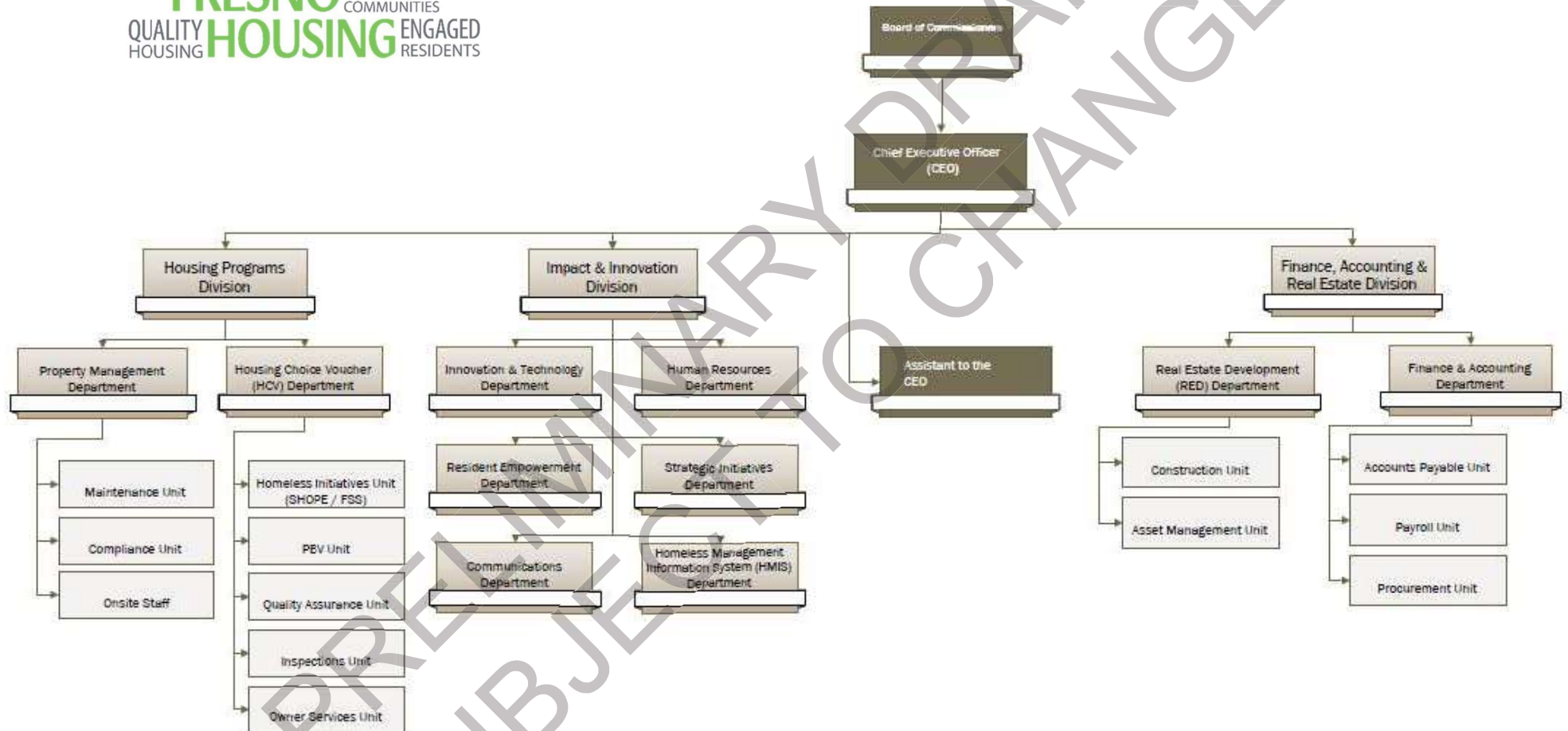
In closing, without the leadership and support of the members of the Boards of Commissioners, preparation of this report would not have been made possible.

Respectfully Submitted,

Tyrone Roderick Williams

Tyrone Roderick Williams
Chief Executive Director

Housing Authority of the City of Fresno
Organizational Chart
December 31, 2025



**Housing Authority of the City of Fresno
List of Principal Officials
December 31, 2025**

Board of Commissioners:

Sharon Williams
Chairperson

Emogene Nelson
Vice-Chairperson

Isaiah Green
Commissioner

Ruby Yanez
Commissioner

Paul Idsvoog
Commissioner

Raye Michelle Vang
Commissioner

Richard Burrell
Commissioner

Management:

Tyrone Roderick Williams
Chief Executive Director

Michael Duarte
Deputy Executive Director

Marc' Bady
Chief Impact and Initiatives Officer

Brandy Woodard
Chief of Housing Programs

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Fresno (the "Agency"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Housing Authority of the City of Fresno, as of December 31, 2025, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Housing Relinquished Fund Corporation, joint venture of the Agency. The Agency's investment in Housing Relinquished Fund Corporation as of December 31, 2025 of \$51,223,277 is included in investments in joint ventures in the statement of net position and the Agency's share of Housing Relinquished Fund Corporation's income for the year then ended of \$1,498,382 is included in share of joint venture income in the statement of revenues, expenses and changes in net position. The financial statements was audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency's investment in Housing Relinquished Fund Corporation is based solely on the report of the other auditor.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

The Financial Data Schedule required by HUD and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Financial Data Schedule required by HUD and the Schedule of Expenditures of Federal Awards as listed in the table of contents as other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

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

Sacramento, California
(Report Date)

PRELIMINARY DRAFT
SUBJECT TO CHANGE

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

Introduction

This narrative overview and analysis of the Housing Authority of the City of Fresno's (the "Agency") performance through December 31, 2025, is provided as a supplement to the Agency's year-end financial statements. Please read it in conjunction with the basic financial statements and the notes to the basic financial statements.

Overview of the Basic Financial Statements

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

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

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

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

- The Statement of Net Position includes all of the Agency's assets and deferred outflow of resources (DOR) and liabilities and deferred inflow of resources (DIR), with the difference between the two reported as the net position. Assets and liabilities are presented in the order of liquidity and are classified as "current" (convertible to cash within one year) and "non-current". This statement also provides a basis of measuring the liquidity and financial flexibility of the Agency. Over time, increases or decreases in net position will serve as a useful indicator of whether the Agency's financial health is improving or deteriorating.
- The Statement of Revenues, Expenses and Changes in Net Position reports the Agency's revenues by source and its expenses by category to substantiate the changes in net position for the year. This statement measures the success of the Agency's operations over the past year.
- The Statement of Cash Flows reports how the Agency's cash was provided and used during the year. It also provides information about the Agency's operating, investing, and financing activities, and can be used to reconcile cash balances at December 31, 2025 and 2024. Fundamentally, this statement shows where cash came from, how cash was used, and what the change in cash was during the year.
- The Notes to the Basic Financial Statements provide additional information that is integral to a full understanding of the Basic Financial Statements. The Notes to the Basic Financial Statements can be found in this report after the Basic Financial Statements.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

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

Financial Analysis

Statement of Net Position

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

Statement of Net Position is summarized in the table below:

	December 31,		Increase	Percentage
	2025	2024	(Decrease)	Change
Assets				
Unrestricted Current Assets	\$ 16,797,553	\$ 14,378,378	\$ 2,419,175	16.83%
Restricted Current Assets	2,395,489	1,864,224	531,265	28.50%
Capital Assets, Net of Accumulated Depreciation	23,148,983	25,712,666	(2,563,683)	-9.97%
Other Non-Current Assets	151,650,013	141,643,629	10,006,384	7.06%
Total Assets	193,992,038	183,598,897	10,393,141	5.66%
Deferred Outflows	1,763,538	2,143,593	(380,055)	-17.73%
Total Assets and Deferred Outflows	\$ 195,755,576	\$ 185,742,490	\$ 10,013,086	5.39%
Liabilities				
Current Liabilities	\$ 15,649,521	\$ 11,349,391	\$ 4,300,130	37.89%
Non-Current Liabilities	28,552,331	30,894,662	(2,342,331)	-7.58%
Total Liabilities	44,201,852	42,244,053	1,957,799	4.63%
Deferred Inflows	5,405,449	5,793,775	(388,326)	-6.70%
Total Liabilities and Deferred Inflows	49,607,301	48,037,828	1,569,473	3.27%
Net Position				
Net Investment in Capital Assets	(603,920)	6,912,120	(7,516,040)	-108.74%
Restricted Net Position	1,400,524	1,284,412	116,112	9.04%
Unrestricted Net Position	145,351,671	129,508,130	15,843,541	12.23%
Total Net Position	146,148,275	137,704,662	8,443,613	6.13%
Total Liabilities, Deferred Inflows and Net Position	\$ 195,755,576	\$ 185,742,490	\$ 10,013,086	5.39%

Total assets and DOR of the Agency at December 31, 2025 and 2024 amounted to \$195.8 million and \$185.7 million, respectively.

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

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

receivable, interest receivable, assets held for sale and investments in joint ventures. The principal changes in assets from December 31, 2024 to December 31, 2025 were the increase in notes receivable from related parties attributed to the pre-development loan issued, the increase in investments in joint ventures and the increase in assets held for sale for the Heritage Estates development with the design of 33 single family homes.

Total liabilities and DIR of the Agency were \$49.6 million and \$48 million at December 31, 2025 and 2024, respectively. Current liabilities include short-term accounts payable, accrued liabilities, current portions of long-term debt, and unearned revenue. The increase in current liabilities by \$4.3 million was mainly attributable due to the reduction in notes payable – related party of \$3.6 million and increases of \$3.3 million in due to related parties. Non-current liabilities decreased from \$30.9 million in 2024 to \$28.6 million in 2025 due to decreases in notes payable of \$3.3 million offset by an increase in subscription of \$1.3 million. The pension liability represents the difference between the Agency's total pension liability and the current plan assets calculated at fair value. Effective 2025, the Agency begun funding the other post-employment benefits (OPEB) which increased the OPEB liability by \$525 thousand. See Note 18 and Note 19 in the Notes to the Basic Financial Statements for more information.

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

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

The Agency's net position increased by 6.18% during the year from \$137.7 million in 2024 to \$146.1 million in 2025.

Statement of Revenues, Expenses and Changes in Net Position

The purpose of the statement of revenues, expenses and changes in net position is to present the operating and non-operating revenues earned by the Agency, the operating and non-operating expenses incurred, and other gains or losses of the Agency. This statement presents a glimpse into the financial activity that occurred from January 1, 2025 to December 31, 2025.

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

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

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

	December 31,		Increase (Decrease)	Percentage Change
	2025	2024		
Operating Revenues				
Rental Income and Other	\$ 7,103,311	\$ 5,590,268	\$ 1,513,043	27.07%
Other revenue	8,166,863	7,186,779	980,084	13.64%
Total Operating Revenues	15,270,174	12,777,047	2,493,127	19.51%
Operating Expenses	114,606,205	107,883,748	6,722,457	6.23%
Operating Income (Loss)	(99,336,031)	(95,106,701)	(4,229,330)	4.45%
Non-Operating Revenues/(Expenses)				
Grant Revenue	101,712,641	94,667,757	7,044,884	7.44%
Interest Income, net	2,415,416	2,464,126	(48,710)	-1.98%
Other Revenue/ (Expenses), net	2,994,688	9,435,469	(6,440,781)	-68.26%
Total Non-Operating Revenues/ (Expenses)	107,122,745	106,567,352	555,393	0.52%
Net Income/(Loss) before Capital Contributions	7,786,714	11,460,651	(3,673,937)	-32.06%
Capital and Equity Contributions/(Distributions)	656,899	171,850	485,049	282.25%
Increase/(Decrease) in Net Position	8,443,613	11,632,501	(3,188,888)	-27.41%
Net Position, Beginning of Year	137,704,662	126,072,161	11,632,501	9.23%
Net Position, End of Year	\$ 146,148,275	\$ 137,704,662	\$ 8,443,613	6.13%

The preceding Statement of Revenues, Expenses and Changes in Net Position reflects the year ended December 31, 2025, compared to the year ended December 31, 2024. Overall, operating revenues increased by 19.5% or \$2.5 million from 2024 to 2025; operating expenses increased by 6.2% or \$6.7 million for the year; non-operating revenues increased by 0.5% or \$555 thousand from 2024 to 2025. Capital and equity contributions increased by 282.25% or \$485 thousand, from 2024 to 2025. These changes led to a total decrease in net position of \$3.2 million from 2024 to 2025.

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

- The net increase in non-operating revenues/(expenses) was mainly attributable to the Agency's investment income/loss from Silvercrest, Inc. and Housing Relinquished Fund Corporation (HRFC) and increase in Housing Assistance Payment with increase in Per Unit Cost.

Capital Assets

The table below shows the Agency's capital assets, net of accumulated depreciation and amortization, at December 31, 2025 and 2024.

	December 31,		Increase (Decrease)	Percentage Change
	2025	2024		
Land	\$ 3,377,490	\$ 3,377,490	\$ -	0.00%
Structures	8,748,566	9,647,586	(899,020)	-9.32%
Equipment	372,839	423,830	(50,991)	-12.03%
Construction in Progress	9,207,166	11,480,047	(2,272,881)	-19.80%
Right of Use Assets	1,442,922	783,713	659,209	84.11%
Total Capital Assets, Net	\$ 23,148,983	\$ 25,712,666	\$ (2,563,683)	-9.97%

Overall, the Agency's capital assets decreased by \$2.56 million during 2025, mainly attributable to the disposition of capital assets upon sales. See Note 7 in the Notes to the Basic Financial Statements for more information.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

Debt Administration

The table below shows the Agency's outstanding debt at December 31, 2025 and 2024. Short-term borrowings include inter-fund loans between programs, between the City and County Housing Authorities, or between component units of the Agency. Notes payable - non-related parties include loans and mortgages with external entities. Notes payable - related parties includes loans from joint ventures and Agency-sponsored limited partnerships.

	December 31,		Increase (Decrease)	Percentage Change
	2025	2024		
Notes Payable - Non-Related Parties	14,792,498	14,433,681	358,817	2.49%
Notes Payable - Related Parties	9,207,237	5,545,186	3,662,051	66.04%
Total Debt	<u>\$ 23,999,735</u>	<u>\$ 19,978,867</u>	<u>\$ 4,020,868</u>	<u>20.13%</u>

The notes payable increased by \$4.02 million during the year mostly due to increase in related party loans for development of low-income projects. See Note 12 in the Notes to the Basic Financial Statements for more information.

Economic Factors Affecting the Agency's Future

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

As Fresno Housing looks forward, changes in the federal administration have created uncertainty, particularly around the funding that supports core operations. As a Housing Authority, the agency closely monitors fluctuations in federal funding and policy and collaboration has enabled the Agency to reduce costs while still maintaining a focus on improving services. Fresno Housing remains committed to its mission to continue to create and sustain affordable housing and vibrant communities throughout City of Fresno.

The Agency's strategy for improving housing includes developing and maintaining quality affordable housing for low-income individuals throughout the City of Fresno; implementing exceptional programs that invest in residents; encouraging partnerships with local, regional and national organizations to build the Fresno community; and generating public will to address the housing needs of low-income individuals. Keeping to the core values of the Agency and staying committed to a proven strategy will allow Fresno Housing to attain these goals and strengthen the Agency's ability to address the housing and quality-of-life challenges facing Fresno, now and in the future.

**Housing Authority of the City of Fresno
Management's Discussion and Analysis
Year Ended December 31, 2025**

Requests for Information

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

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

PRELIMINARY DRAFT -
SUBJECT TO CHANGE

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2025

ASSETS AND DEFERRED OUTFLOWS

Unrestricted Current Assets

Cash and Cash Equivalents	\$ 9,068,241
Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$95,007	448,890
Other Receivables, Net of Allowance for Doubtful Accounts of \$61,193	1,151,985
Current Lease Receivable	1,180,606
Due From Other Governments	1,197,322
Due From Related Parties	3,357,075
Prepaid Expenses	393,434

Total Unrestricted Current Assets	16,797,553
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Restricted Current Assets

Restricted Cash	2,395,489
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Total Restricted Current Assets	2,395,489
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Total Current Assets	19,193,042
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Non-Current Assets

Capital Assets

Capital Assets - Not being depreciated	12,584,656
Capital Assets - Depreciable, Net of Accumulated Depreciation of \$44,567,008	10,564,327

Total Capital Assets, Net	23,148,983
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Other Non-Current Assets

Lease Receivable	2,731,271
Notes Receivable From Related Parties	65,411,396
Notes Receivable From Non-Related Parties	112,948
Interest Receivable From Related Parties, Net of Allowance for Doubtful Accounts of \$1,463,383	16,758,524
Interest Receivable - Non-Related Parties	772
Investments In Joint Ventures	60,387,253
Assets Held For Sale	6,247,849

Total Other Non-Current Assets	151,650,013
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Total Non-Current Assets	174,798,996
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Total Assets	193,992,038
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Deferred Outflow of Resources - Pension Related	1,761,158
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Deferred Outflow of Resources - OPEB Related	2,380
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Total Deferred Outflow of Resources	1,763,538
--	------------------

Total Assets and Deferred Outflows	\$ 195,755,576
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(Continued)

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF NET POSITION
DECEMBER 31, 2025
(Continued)

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Current Liabilities

Vendors and Contractors Payable	\$ 789,777
Accrued Compensated Absences	373,711
Accrued Interest Payable	6,406
Resident Security Deposits	334,152
Due To Other Governments	189,325
Due To Related Parties	1,114,725
Current Lease Liability	57,041
Current Subscription Liability	179,478
Other Current Liabilities - Related Parties	827,086
Other Current Liabilities - Non-Related Parties	766,778
Notes Payable - Related Parties	6,843,103
Notes Payable - Non-Related Parties	3,837,528
Unearned Revenue	330,411

Total Current Liabilities	15,649,521
----------------------------------	-------------------

Non-Current Liabilities

Lease Liability	82,461
Subscription Liability	1,072,289
Notes Payable - Related Parties	2,364,134
Notes Payable - Non-Related Parties	10,954,970
Accrued Interest Payable	2,134,156
Accrued Compensated Absences	398,217
Other Accrued Non-Current Liabilities	67,547
Net Pension Liability	10,953,285
Net OPEB Liability	525,272

Total Non-Current Liabilities	28,552,331
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Total Liabilities	44,201,852
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Deferred Inflows of Resources - Pension Related	1,406,930
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Deferred Inflows of Resources - OPEB Related	86,642
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Deferred Inflows of Resources - Lease Related	3,911,877
--	------------------

Total Deferred Inflows of Resources	5,405,449
--	------------------

Total Liabilities and Deferred Inflows	49,607,301
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Net Position

Net Investment in Capital Assets	(603,920)
Restricted for:	
Housing Assistance Payments	1,400,524
Unrestricted	145,351,671

Total Net Position	146,148,275
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Total Liabilities, Deferred Inflows and Net Position	\$ 195,755,576
---	-----------------------

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

Operating Revenues

Rental Revenue	\$ 7,103,311
Fee Revenue	1,162,441
Other Revenue	5,846,731
Developer Fee Revenue	1,157,691
Total Operating Revenues	<u>15,270,174</u>

Operating Expenses

Administrative Expense	15,834,752
Tenant Services Expense	576,844
Utilities Expense	1,090,937
Maintenance and Operations Expense	3,909,344
Protective Services Expense	310,898
Insurance Expense	693,954
General Expense	3,198,245
Housing Assistance Payments	87,428,363
Depreciation	1,562,868
Total Operating Expenses	<u>114,606,205</u>
Operating Income (Loss)	<u>(99,336,031)</u>

Non-Operating Revenues (Expenses)

HUD Grants	97,646,674
Other Governmental Grants	4,065,967
Interest Revenue, Unrestricted	111,369
Interest Revenue, Restricted	33,907
Interest Revenue on Notes Receivable	2,872,873
Interest Expense	(602,733)
Share of Joint Venture Income (Loss)	3,006,657
Gain (Loss) from Disposition of Capital Assets	(11,969)
Total Non-Operating Revenues (Expenses)	<u>107,122,745</u>

Income (Loss) Before Contributions and Transfers	<u>7,786,714</u>
---	-------------------------

Capital Contributions	<u>656,899</u>
Increase (Decrease) in Net Position	<u>8,443,613</u>
Net Position, Beginning of Year	<u>137,704,662</u>
Net Position, End of Year	<u>\$ 146,148,275</u>

See accompanying notes to the basic financial statements

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HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

Cash Flows From Operating Activities:

Cash Received from Tenants	\$ 8,500,296
Cash Received from Others	6,218,130
Cash Paid to Employees for Services	(20,059,158)
Cash Paid for Housing Assistance	(87,428,363)
Cash Paid to Suppliers for Goods and Services	<u>(4,993,066)</u>
Net Cash Provided by Operating Activities	<u>(97,762,161)</u>

Cash Flows From Capital and Related Financing Activities:

Acquisition of Capital Assets	(13,719,370)
Proceeds from Sale of Capital Assets	9,986,764
Principal Proceeds on Long Term Debt - Related Parties	5,871,635
Principal Proceeds on Long Term Debt - Non-Related Parties	1,799,021
Principal Paid on Long Term Debt - Related Parties	(2,209,584)
Principal Paid on Long Term Debt - Non-Related Parties	(1,440,204)
Interest Paid on Long Term Debt	(219,941)
Principal Paid on Lease Liability	<u>(400,439)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(332,118)</u>

Cash Flows from Noncapital Financing Activities:

Issuance of Notes Receivable	(529,181)
Principal Received on Issuance of Notes Receivable	1,494,455
Interest Received on Notes Receivable	320,822
Cash Received from Operating Grants	<u>101,113,196</u>
Net Cash Provided by Noncapital Financing Activities	<u>102,399,292</u>

Cash Flows From Investing Activities:

Interest Received from Investments	111,369
Interest on Restricted Cash	<u>33,907</u>
Net Cash Provided by Investing Activities	<u>145,276</u>

Net Increase to Cash and Cash Equivalents	4,450,289
Cash and Cash Equivalents at Beginning of Year	7,013,441
Cash and Cash Equivalents at End of Year	<u>\$ 11,463,730</u>

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

Cash and Cash Equivalents	\$ 9,068,241
Restricted Cash	<u>2,395,489</u>
Cash and Cash Equivalents at End of Year	<u>\$ 11,463,730</u>

(Continued)

HOUSING AUTHORITY OF THE CITY OF FRESNO
Fresno, California

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(Continued)

Operating Income (Loss)	\$ (99,336,031)
Adjustments to Reconcile Operating Income (Loss) to	
Net Cash Provided By Operating Activities:	
Depreciation	1,562,868
Gain from Disposition of Capital Assets	
(Increase) Decrease in Accounts Receivable - Tenants	168,830
(Increase) Decrease in Accounts Receivable - Other	(723,489)
(Increase) Decrease in Lease Receivable	1,228,155
(Increase) Decrease in Prepaid Expenses	263,635
(Increase) Decrease in Deferred Outflows	380,055
Increase (Decrease) in Accounts Payable - Vendors	(129,094)
Increase (Decrease) in Accrued Salaries	(386,608)
Increase (Decrease) in Accrued Compensated Absences	(304,383)
Increase (Decrease) in Other Accrued Liabilities	743,271
Increase (Decrease) in Resident Security Deposits Payable	2,910
Increase (Decrease) in Net Pension Liability	(1,369,226)
Increase (Decrease) in Net OPEB Liability	525,272
Increase (Decrease) in Deferred Inflows	(388,326)
Net Cash Provided by Operating Activities	<u>\$ (97,762,161)</u>
Significant Noncash Activities	
Capital asset additions through accounts payable	\$ 56,878
Decrease in right of use asset and lease liability	(51,973)
Reclassification of capital asset	(2,355,104)
	<u>\$ (2,407,077)</u>

See accompanying notes to the basic financial statements

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**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

1) Summary of Significant Accounting Policies

a) General Purpose

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

b) Financial Reporting Entity

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

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

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

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

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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

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

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

Fresno 1415 Olive Ave, LP, a California Limited Partnership, consists of a 39-unit affordable housing project in the City of Fresno. In April 2024, the Agency entered into a Purchase and Sale Agreement with Silvercrest, Inc, as the Managing General Partner, related to the building and improvements. The Agency owns 0.005% as the Administrative General Partner and 99.99% as the Limited Partner. Separate financial statements are not issued for Fresno 1415 Olive Ave, LP.

c) Basis of Presentation

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

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

d) Measurement Focus/Basis of Accounting

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

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

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

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

e) Cash and Cash Equivalents

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

f) Restricted Cash

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

g) Assets Held for Sale

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

h) Capital Assets

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

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

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

i) Impairment of Capital Assets

The Agency reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is magnitude and outside of the normal life cycle of the capital asset being evaluated. As of December 31, 2025, there has been no impairment of the capital assets.

j) Predevelopment Costs

The Agency incurs costs in connection with properties it is considering for development as well as costs associated with projects in the initial stages of development. These costs include such items as market studies, purchase options, environmental study costs, legal and accounting costs. Predevelopment costs are capitalized until such time as the project is no longer considered

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

desirable or feasible, at which time the costs are expensed. Predevelopment costs related to projects that are ultimately developed are subsequently recorded as receivables to be repaid by the applicable projects.

k) Accounts Receivable and Allowance for Doubtful Accounts

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

l) Net Position

Net position represents the difference between assets and DOR and liabilities and DIR. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position is reported as unrestricted for all other net position that do not meet the definition of restricted or net investment in capital assets.

m) Operating Revenue and Expenses

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

n) Income Taxes

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

o) Grant Restrictions

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

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

p) Use of Estimates

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, and accordingly, include amounts that are based on

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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

q) Notes Receivable

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

r) Leases

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

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

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

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

Lessor: The Agency is a lessor under noncancellable leases and recognizes a lease receivable and a deferred inflow of resources in the statement of net position. The Agency initially measures the lease receivable at the present value of the payments expected to be received during the

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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

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

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

s) Investments in Joint Ventures

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

t) Defined Benefit Pension Plan

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

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

Valuation Date (VD)	June 30, 2024
Measurement Date (MD)	June 30, 2025
Measurement Period (MP)	July 1, 2024 to June 30, 2025

u) Other Post Employment Benefits

Other Post-Employment Benefits (OPEB) For purposes of measuring the net OPEB (asset) liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Agency's plan ("OPEB Plan") the assets of which are held

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

by CalPERS and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Valuation Date (VD)	June 30, 2025
Measurement Date (MD)	June 30, 2025
Measurement Period (MP)	January 1, 2025 to June 30, 2025

*Measurement period represents the first valuation period effective January 1, 2025. Subsequent measurement periods will span from July 1, to June 30.

v) Deferred Outflows/Inflows of Resources

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

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

w) New Accounting Pronouncements

During the year ended December 31, 2025, the Agency implemented the following new accounting standards issued by the GASB:

- Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". The adoption was effective, January 1, 2025. As of December 31, 2025, the Agency was required the recognition of net OPEB liability, Deferred Outflow of Resources – OPEB, and Deferred Inflow of Resources - OPEB.
- Statement No. 102, "Certain Risk Disclosure". Statement No. 102 establishes standards to provide users of financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this Statement did not have a significant impact on the Agency's financial statements and related disclosures.

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The Agency is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- Statement No. 103, "Financial Reporting Model Improvements". Statement No. 103 establishes standards to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for Agency's year ending December 31, 2026.
- Statement No. 104, "Disclosure of Certain Capital Assets". Statement No. 104 requires certain types of capital assets to be disclosed separately by major class of underlying asset in the capital assets note disclosures. The requirements of this Statement are effective for Agency's year ending December 31, 2026.
- Statement No. 105, "Subsequent Events". Statement No. 105 establishes standards to improve the financial reporting requirements for subsequent events. The requirements of this Statement are effective for Agency's year ending December 31, 2027.

2) Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents held by the Agency at December 31, 2025, was classified as follows in the accompanying Statement of Net Position:

Cash and Cash Equivalents	\$ 9,068,241
Restricted Cash	<u>2,395,489</u>
Total Cash, Cash Equivalents and Restricted Cash	<u>\$ 11,463,730</u>

Disclosure Related to Interest Rate Risk

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

Disclosure Related to Credit Risk

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

For the year ended December 31, 2025, the Agency did not maintain a significant equity position in investment pool activities. It is the policy of the Agency to invest only in highly rated securities to the extent practicable and where applicable by law.

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Concentration of Credit Risk

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

Custodial Credit Risk

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

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

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

The Agency's cash deposits, and cash equivalents are \$10,247,153 at December 31, 2025. Bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and for amounts over \$250,000 collateralized with securities held by the pledging financial institutions in the Agency's name in accordance with California Government Code as discussed above. As of December 31, 2025, \$1,457,277 is insured, \$7,062,672 is collateralized, and the remaining \$1,727,204 is uncollateralized cash deposits and cash equivalents.

Pooled Cash and Cash Equivalents

The Agency's cash and investments are pooled with the Housing Authority of Fresno County's cash and cash equivalents. Income from the investment of the pooled cash is allocated to each Agency's

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funds on a monthly basis, based on the average monthly balance of the fund as a percent of the average monthly total pooled cash balance.

3) Restricted Cash

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

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

Details of restricted cash at December 31, 2025 are as follows:

Cash Restricted for:	Cash Restriction	In Liabilities	In Restricted Net Position
Escrow	\$ 36,631	\$ 36,612	\$ 19
HAP Funding	194,404	194,404	-
Tenant Security Deposits	297,680	297,680	-
Emergency Housing Vouchers	244,666	140,569	104,097
Other Reserves	1,622,108	325,700	1,296,408
	\$ 2,395,489	\$ 994,965	\$ 1,400,524

4) Accounts Receivable

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

Accounts receivable at December 31, 2025 consist of the following:

Accounts Receivable - Tenants, Net of Allowance for Doubtful Accounts of \$95,007	\$ 448,890
Miscellaneous Receivables, Net of Allowance for Doubtful Accounts of \$61,193	1,151,985
Total Accounts Receivable	\$ 1,600,875

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5) Due from Other Governments

At December 31, 2025, amounts Due from Other Governments consists of the following:

U.S. Department of HUD	\$ 539,453
Other	657,869
Total Due from Other Governments	<u>\$ 1,197,322</u>

6) Due from Related Parties

At December 31, 2025, amounts Due from Related Parties consists of the following:

Limited Partnerships	\$ 1,710,594
Housing Relinquished Fund Corporation	350,598
Beyond Housing Foundation	88,258
Better Opportunities Builder, Inc.	55,428
Silvercrest, Inc.	1,139,466
Beyond Housing Foundation	12,500
Total Due from Related Parties	<u>\$ 3,357,075</u>

7) Capital Assets

Changes in the Capital Assets during the year ended December 31, 2025 were as follows:

	Balance 12/31/2024	Additions	Deletions/ Transfers	Balance 12/31/2025
Capital assets not depreciated:				
Land	\$ 3,377,490	\$ -	\$ -	\$ 3,377,490
Construction in progress	11,480,047	10,079,980	(12,352,861)	9,207,166
Total capital assets not depreciated	14,857,537	10,079,980	(12,352,861)	12,584,656
Capital assets being depreciated:				
Buildings and Improvements	49,725,512	-	-	49,725,512
Equipment / Software	1,639,030	21,274	(33,701)	1,626,603
Intangible Right of Use Leases	1,824,991	-	-	1,824,991
Intangible Right of Use Software Arrangements	702,463	1,251,767	-	1,954,230
Total capital assets being depreciated	53,891,996	1,273,041	(33,701)	55,131,336
Less accumulated depreciation for:				
Buildings and Improvements	(40,077,926)	(932,721)	33,701	(40,976,946)
Equipment / Software	(1,215,200)	(38,564)	-	(1,253,764)
Intangible Right of Use Leases	(1,259,643)	(425,845)	-	(1,685,488)
Intangible Right of Use Software Arrangements	(484,098)	(166,713)	-	(650,811)
Total accumulated depreciation	(43,036,867)	(1,563,843)	33,701	(44,567,009)
Total capital assets being depreciated, net	10,855,129	(290,802)	-	10,564,327
Total Capital Assets, Net	<u>\$ 25,712,666</u>	<u>\$ 9,789,178</u>	<u>\$ (12,352,861)</u>	<u>\$ 23,148,983</u>

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8) Notes Receivable

The following is a summary of changes in Notes Receivable during the year ended December 31, 2025:

	Balance 12/31/2024	Additions	Payments/ Deletions	Balance 12/31/2025	Interest Receivable
<u>Non-Related Parties:</u>					
City of Clovis-Clovis Senior Ctr	\$ 46,245	\$ -	\$ -	\$ 46,245	\$ 361
844 S. Chance	71,291	-	(71,291)	-	-
844 S Chance-J Ledesma	-	54,800	-	54,800	411
Heritage Estate Homeowners	-	11,903	-	11,903	-
Total due from non-related parties	117,536	66,703	(71,291)	112,948	772
<u>Related Parties:</u>					
Better Opportunities Builders, Inc.	125,000	-	-	125,000	-
Limited Partnerships:					
Fresno Edison II (Legacy Commons)	4,150,000	-	-	4,150,000	1,141,151
Fresno Pacific Gardens	2,738,430	-	-	2,738,430	2,493,967
Parc Grove Commons II	3,129,538	-	-	3,129,538	5,080,337
Renaissance at Alta Monte	400,000	-	-	400,000	139,306
Renaissance at Santa Clara Street	400,000	-	-	400,000	186,440
Renaissance at Santa Clara Street AHP	638,839	-	-	638,839	279,491
Fresno Renaissance at Trinity	395,951	-	(2,842)	393,109	-
Fresno Renaissance at Trinity - AHP Loan	197,966	-	(1,427)	196,539	-
Southeast Fresno RAD	10,601,534	-	-	10,601,534	3,038,213
Viking Village RAD	955,349	-	-	955,349	242,955
YEC Limited (HOPE VI)	6,258,336	-	-	6,258,336	1,112,213
Doragon @ Chinatown-Cap Fund	1,045,000	-	-	1,045,000	-
FHA Note Rec RP L/T - Doragon @ Chinatown-IIG	1,160,000	-	-	1,160,000	-
Mon. at Chinatown-EPRI /Solar	596,000	-	-	596,000	-
Doragon @ Chinatown-TCC AHD	8,007,319	-	-	8,007,319	905,319
Doragon @ Chinatown-TCC HRI	2,800,000	-	-	2,800,000	-
Doragon @ Chinatown	305,000	-	-	305,000	-
Villages at Barstow-Alegre	1,450,000	-	-	1,450,000	291,289
Villages at Paragon - Predevelopment	314,540	-	-	314,540	-
The Arthur at Blackstone	3,300,000	-	-	3,300,000	261,000
Arthur at Blackstone IIG	1,787,676	46,024	-	1,833,700	-
Fresno 1101 Parkway	5,858,779	-	-	5,858,779	811,627
Fresno Step Up 99	5,259,125	-	-	5,259,125	521,822
Huron Corazón - Predevelopment	725,000	190,454	(756,195)	159,259	-
Monte Vista Terrace	3,300,000	-	-	3,300,000	253,367
Mendota Esperanza - Predevelopment	458,200	190,000	(648,200)	-	-
Avalon Commons I - Predevelopment	14,500	-	(14,500)	-	-
La Joya	-	35,000	-	35,000	-
BOB Mosaic	-	1,000	-	1,000	27
Total due from related parties	66,372,082	462,478	(1,423,164)	65,411,396	16,758,524
Total	\$ 66,489,618	\$ 529,181	\$ (1,494,455)	\$ 65,524,344	\$ 16,759,296

City of Clovis

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

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Annual principal and interest payments depend on the residual cash flows of this future tax credit project. The availability of these cash flows to make future payments is unknown. As of December 31, 2025, the outstanding principal balance was \$46,245 with accrued interest of \$361.

844 South Chance

On January 14, 2021, the Agency entered a loan agreement in the amount of \$76,300 with the buyer of the property located at 844 South Chance Avenue, Fresno. The loan is secured by the Deed of Trust. The loan accrues interest at 2.74% per annum, payable monthly beginning March 1, 2021 with a maturity of February 1, 2051. As of December 31, 2025, the loan was paid in full.

Better Opportunities Builders, Inc.

On September 18, 2008, the Agency has made a loan of \$125,000 to Better Opportunities Builders, Inc. ("BOB"). The loan is unsecured and interest free. No payments are due on this loan for 60 months after the date the Agency records the final release of construction covenants for the projects pursuant to the Disposition and Development Agreement (DDA). BOB is considered to be a related party of the Agency. As of December 31, 2025, the outstanding principal balances was \$125,000.

Fresno Edison II, LP

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

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

As of December 31, 2025, the total outstanding principal balances for both loans was \$4,150,000 with accrued interest of \$1,141,151.

Fresno Pacific Gardens, LP

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

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

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

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

As of December 31, 2025, the outstanding principal balance for all three loans was \$2,738,430 with accrued interest of \$2,493,967.

Parc Grove Commons II, LP

On January 27, 2010, the Agency authorized a loan to Parc Grove Commons II, LP, for \$5,322,730 for the development and construction of a mixed-income tax credit rental unit project comprised of 215 rental units of which 31 are Public Housing units. Interest accrues at a rate of 5%, compounded annually prior to construction completion and 7.5% compounded annually thereafter. The entire amount of principal and accrued interest for both notes is due and payable on February 1, 2065. The note is secured by the deed of trust of the development's property located in Fresno, California. As of December 31, 2025, the outstanding principal balance was \$3,129,538 with accrued interest of \$5,080,337.

Renaissance at Alta Monte, LP

On December 13, 2011, the Agency entered into a loan agreement with the Renaissance at Alta Monte, LP for an amount of \$400,000. This loan is secured by a Deed of Trust, bears interest at a simple rate of 7.5% during construction and 8.75% after construction completion. The loan matures on November 30, 2065. The loan is payable in annual amounts equal to 50% of the residual receipts as defined in Article 1, Section 1.3 of the promissory note dated December 13, 2011. As of December 31, 2025, the outstanding principal was \$400,000 with accrued interest of \$139,306. Accrued interest in the amount of \$495,407 has been reserved as of December 31, 2025.

Renaissance at Santa Clara Street, LP

On December 1, 2010, the Agency entered into a loan agreement with Renaissance at Santa Clara Street, LP for an amount of \$400,000 (the "FH Loan"). The loan bears interest on the outstanding balance at 8.75%. The FH Loan is secured by a Deed of Trust, and matures on December 30, 2066. Beginning January 14, 2014, annual payments of interest and principal are due equal to 50% of the residual receipts, as defined in the Partnership Agreement. As of December 31, 2025, the outstanding principal balance on the FH Loan was \$400,000 with accrued interest of \$186,440. Accrued interest in the amount of \$625,288 have been reserved as of December 31, 2025.

On November 14, 2014, the Agency entered into an AHP loan agreement with Renaissance at Santa Clara Street, LP, for \$638,839 with a maturity date of June 1, 2068. The loan bears interest at 8.75% per annum. As of December 31, 2025, the outstanding principal on the AHP Loan was \$638,839 with accrued interest of \$279,491. Accrued interest in the amount of \$510,383 have been reserved as of December 31, 2025.

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The total principal recorded for both loans at December 31, 2025 was \$1,038,839 with accrued interest of \$465,931.

Fresno Renaissance at Trinity, LP

On December 1, 2010, the Agency authorized a loan of \$400,000 to Fresno Renaissance at Trinity, LP, a related party to the Housing Authority of the City of Fresno, for the purpose of financing a 21-unit low-income multifamily project known as Renaissance at Trinity. The loan bears no interest with payments due on or before the maturity date of November 30, 2065. The note is secured by a deed of trust of the development's property located in Fresno, California. Fresno Renaissance at Trinity, LP, is considered to be related party of the Agency. The outstanding balance at December 31, 2025 was \$393,109.

On December 1, 2010, the Agency entered into a loan agreement with Fresno Renaissance at Trinity, LP. The Agency was awarded a grant through the Affordable Housing Program (AHP) and these funds were in turn loaned to the Fresno Renaissance at Trinity, LP. The note bears no interest with principal payable upon completion of the project. The outstanding balance of the loan due from Fresno Renaissance at Trinity, LP at December 31, 2025 was \$196,539.

Southeast Fresno RAD, LP

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

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

The outstanding principal balances for the two loans at December 31, 2025, were \$10,601,534 with accrued interest of \$3,038,213.

Viking Village RAD, LP

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

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

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The outstanding principal balances for the two loans at December 31, 2025 was \$955,349 with accrued interest of \$242,955.

YEC Limited

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

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

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

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

As of December 31, 2025, the outstanding principal balances for all three loans was \$6,258,336 with accrued interest of \$1,112,213.

Doragon @ Chinatown, LP

On August 1, 2020, the Agency entered into an HAFC Capital Funds loan agreement with Doragon @ Chinatown, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,045,000. The HAFC (Cap Funds) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. The note bears no interest and matures on September 30, 2077. As of December 31, 2025, the outstanding principal balance on the Cap Funds loan was \$1,045,000.

On August 1, 2020, the Agency entered into an HAFC Infill Infrastructure grant program (IIG) loan agreement with Doragon @ Chinatown, LP, in the amount of \$1,160,000. The HAFC (IIG) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. This loan bears no interest and matures on September 30, 2077. As of December 31, 2025, the outstanding principal balance on the Cap Funds loan was \$1,160,000.

On August 1, 2020, the Agency entered into the Monarch @ Chinatown HACF (EPRI/Solar) loan agreement with Doragon @ Chinatown, LP for the amount \$850,876. The EPRI/Solar Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement. The loan bears no interest and matures on September 30, 2077. The entire amount of principal is due at maturity. As of December 31, 2025, the outstanding principal balance on the EPRI/Solar Loan was \$596,000.

On August 1, 2020, the Agency entered into an HAFC (TCC-AHD) loan agreement with Doragon @ Chinatown, LP for the amount \$8,004,319. The loan bears interest on the outstanding balance at 3%.

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The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement, and matures on September 30, 2077. The entire amount of principal and accrued interest for both notes is due at maturity. As of December 31, 2025, the outstanding principal balance on the TCC-AHD Loan was \$8,007,319 with accrued interest of \$905,319.

On August 1, 2020, the Agency entered into an HAFC (TCC-HRI) loan agreement with Doragon @ Chinatown, LP for the amount \$2,800,000. The TCC-AHD Loan is secured by the Construction Deed of Trust, Security Agreement and Financing Statement. The loan bears no interest and matures on September 30, 2077. The entire amount of principal is due at maturity. As of December 31, 2025, the outstanding principal balance on the TCC-HRI Loan was \$2,800,000.

On October 11, 2017, the Agency authorized an advance for pre-developmental activities, closing costs and development activities for the Chinatown Housing Development project. The Agency advanced \$1,550,000, the advances bear no interest. As of December 31, 2025, the outstanding principal balance on the advances was \$305,000.

As of December 31, 2025, the outstanding principal balances for all six loans was \$13,913,319 with accrued interest of \$905,319.

Villages at Barstow, LP

On December 23, 2020, the Agency entered into a loan agreement with The Villages at Barstow, LP, a related party to the Housing Authority of the City of Fresno in the amount of \$1,450,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on January 31, 2078. As of December 31, 2025, the outstanding principal balance for the loan was \$1,450,000 with accrued interest of \$291,289.

The Villages at Paragon, LP

On July 23, 2019, the Agency and the Housing Authority of Fresno County entered into a joint pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,000,000 for the rehabilitation of The Villages at Paragon Apartments. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears interest at 5% per annum and matures on January 31, 2078. As of December 31, 2025, the outstanding principal balance for the loan was \$314,540.

The Arthur at Blackstone, LP

On May 26, 2022, the Agency entered into a loan agreement with The Arthur at Blackstone, LP, a related party of the Housing Authority of the City of Fresno in the amount of \$3,300,000. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on May 1, 2080. As of December 31, 2025, the outstanding principal balance for the loan was \$3,300,000 with accrued interest of \$261,000.

On May 26, 2022, the Agency entered into an HAFC Infill Infrastructure grant program (IIG) loan agreement with The Arthur at Blackstone, LP, in the amount of \$1,833,700. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The HAFC (IIG) Construction Deed of Trust, Security Agreement and Financing Statement secure the note. This loan bears no

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interest and matures on May 1, 2080. As of December 31, 2025, the outstanding principal balance on the Cap Funds loan was \$1,833,700.

As of December 31, 2025, the outstanding principal balances for the two loans was \$5,133,700 with accrued interest of \$261,000.

Fresno 1101 Parkway, LP

On June 28, 2021, the Agency and the Housing Authority of Fresno County entered into a joint pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$2,000,000 for the pre-development of Fresno 1101 Parkway, LP, a related party of the Housing Authority of the City of Fresno. The note bears no interest and matures upon permanent loan conversion. During 2024, \$609,000 was advanced for pre-development activities. As of December 31, 2025, the loan was paid in full.

On May 26, 2022, the Agency entered into a loan agreement with Fresno 1101 Parkway, LP, a related party of the Housing Authority of the City of Fresno in the amount of \$5,858,779. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on June 1, 2079. As of December 31, 2025, the outstanding principal balance for the loan was \$5,858,779 with accrued interest of \$811,627.

Fresno Step Up 99, LP

On July 6, 2023, the Agency entered into a loan agreement with Fresno Step Up at 99, LP, a related party of the Housing Authority of the City of Fresno in the amount of \$5,259,125. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on July 1, 2080. As of December 31, 2025, the outstanding principal balance for the loan was \$5,259,125 with accrued interest of \$521,822.

Huron Corazón del Valle Commons, LP

On October 26, 2021, the Agency entered into a pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,250,000 for the pre-development of Huron Corazón del Valle Commons, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the outstanding principal balance for the loan was \$159,259.

Monte Vista Terrace

On February 1, 2024, the Agency and the Housing Authority of Fresno County entered into a joint HACF carryback loan agreement with Silvercrest, Inc, a related party of the Housing Authority of the City of Fresno in the amount of \$3,300,000 for the sale of Monte Vista Terrace property. The note is secured by, among other security, a subordinate lien mortgage or deed of trust. The note bears an interest rate of 4.00% per annum and matures on March 31, 2079. As of December 31, 2025, the outstanding principal balance for the loan was \$3,300,000 with accrued interest of \$253,367.

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Mendota Esperanza Commons, LP

On July 27, 2021, the Agency and the Housing Authority of Fresno County entered into a joint pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,000,000 for the pre-development of Mendota Esperanza, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. During 2025, \$190,000 was advanced for pre-development activities. As of December 31, 2025, the loan was paid in full.

Avalon Commons I

On November 17, 2020, the Agency and the Housing Authority of Fresno County entered into a joint pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$2,900,000 for the pre-development of Avalon Commons I, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 5.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

La Joya Commons

On February 22, 2022, the Agency entered into a joint pre-development loan agreement with Housing Relinquished Fund Corporation, a joint venture to the Housing Authority of the City of Fresno in the amount of \$1,000,000 for the development of the La Joya Commons project, a related party. The note bears interest at 4.00% per annum. The loan is intended to fund development-related expenses for the project. As of December 31, 2025, the outstanding principal balance for the loan was \$35,000.

BOB Mosaic

On February 25, 2025, Agency entered pre-development loan of \$1,000 to Fresno Mosaic @ Broadway LLC, a related party. The note bears interest at 3.00% per annum. The loan is intended for obtaining welfare (property) tax exemptions on the property. As of December 31, 2025, the outstanding principal balance for the loan was \$1,000 with accrued interest of \$27.

9) Investment in Joint Ventures

As of December 31, 2025, the Agency's investment in joint ventures is comprised of the following:

Housing Relinquished Fund Corporation	\$ 51,223,277
Housing Self Insurance Corporation	109,601
Silvercrest, Inc.	9,463,992
Villa Del Mar, Inc.	(409,617)
Total Investments in Joint Venture	<u>\$ 60,387,253</u>

Housing Relinquished Fund Corporation (HRFC) – This entity was created as a steward for the Housing Authority of the City and County of Fresno's development and investment capital. HRFC's Board of Directors is comprised of two members each of the City Housing Authority and County

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Housing Authority's Board of Commissioners. The Agency has an 78% allocation on distribution of net assets upon dissolution of HRFC. Audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. As of December 31, 2025, HRFC has total assets, liabilities and equity of \$76,290,065, \$3,100,000, and \$73,190,065 respectively. For the year end December 31, 2025, HRFC's revenue and expenses were \$6,331,904 and \$282,418 respectively.

Housing Self Insurance Corporation (HSIC) – This entity was organized to provide additional security against a variety of insurable and non-insurable losses to include deductibles, payouts, settlements, and other related obligations. HSIC's Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has an 84% allocation on distribution of net assets upon dissolution of HSIC. HSIC does not issue separate financial statements. As of December 31, 2025, HSIC has total assets, liabilities and equity (deficit) of \$197,942, \$12,499, and \$185,443, respectively. For the year end December 31, 2025, HSIC's revenue and expenses were \$2,788 and \$33,957, respectively.

Silvercrest, Inc. – This entity is a California non-profit public benefit corporation. Silvercrest, Inc. was formed as a vehicle to own and operate a number of housing developments throughout Fresno County, primarily in a limited partnership arrangement with local developers. Silvercrest, Inc.'s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 73% allocation on distribution of net assets upon dissolution of Silvercrest, Inc. Audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985. As of December 31, 2025, Silvercrest, Inc. has total assets, liabilities and equity of \$32,774,792, \$20,753,199 and \$12,021,593, respectively. For the year end December 31, 2025, Silvercrest, Inc.'s revenue and expenses were \$5,292,031 and \$3,149,211, respectively.

Villa Del Mar, Inc. – This entity was created for purposes of ownership and management of the 48-unit Villa Del Mar affordable housing project in the City of Fresno. Villa Del Mar, Inc.'s Board of Directors is comprised of two members each of the City Housing Authority and County Housing Authority's Board of Commissioners. The Agency has a 100% allocation on distribution of net assets upon dissolution of Villa Del Mar, Inc. Villa Del Mar, Inc. does not issue separate financial statements. As of December 31, 2025, Villa Del Mar, Inc. has total assets, liabilities and equity (deficit) of \$27,118, \$491,850 and (\$464,732), respectively. For the year end December 31, 2025, Villa Del Mar, Inc.'s revenue and expenses were \$9,808 and \$39,608, respectively.

10) Assets Held for Sale

Assets held for sale consist of homes that are being developed using a variety of Federal, State, and local funds. The assets held for sale are recorded in the following funds as of December 31, 2025:

City Public Housing Program	<u>\$ 6,247,849</u>
Total Assets Held for Sale	<u>\$ 6,247,849</u>

In accordance with Section 5 of the Public Housing Act, the Agency sells single family homes to qualified low-income residents. At December 31, 2025, the book value of homes held for sale were \$6,247,849. During the year ended, 10 single family homes were sold for a net proceeds of \$3,800,000.

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11) Leases

Lease receivable

The Agency, as a lessor, has entered into lease agreements for the use of certain ground and commercial spaces. Terms of the agreements are listed below. As an interest rate implicit in the Agency's leases is not readily determinable, the Agency used the incremental borrowing rate of 3.52% obtained from their lenders. For the year ended December 31, 2025, the Agency has the following leases:

	<u>Current Lease Receivable</u>	<u>Non-Current Lease Receivable</u>	<u>Deferred Inflows of Resources</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
<u>Ground Lease</u>					
Pacific Garden Ground Lease	\$ 15,624	\$ 1,467,494	\$ 1,483,118	\$ 15,579	\$ 4,421
<u>Commercial Lease</u>					
1260-Marderosian Building	58,081	805,355	863,435	56,074	33,927
Plaza Terrace El Puente	527,997	411	528,408	415,629	79,075
VA Parc Grove Parking Lot	242,151	458,011	700,163	165,581	2,332
Monte Vista Terrace	336,753	-	336,753	340,768	91,164
Total	<u>\$ 1,180,606</u>	<u>\$ 2,731,271</u>	<u>\$ 3,911,877</u>	<u>\$ 993,631</u>	<u>\$ 210,919</u>

Ground lease

Pacific Gardens - On March 14, 2011, the Agency entered into a 99-year ground lease agreement with Pacific Gardens, LP, for the property located at 516 E Kings Canyon Rd, Fresno, CA. The Agency is receiving annual payments of \$20,000 through March 3, 2110.

Commercial lease

1260-Marderosian Building - On December 8, 2021, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a 5-year lease agreement with Central Valley Community Foundation, a California nonprofit corporation, for the property located at 1260 Fulton Street, Fresno, CA 93721. The Agency is receiving monthly payments of \$7,500 through 2027, with two 5-year options to extend.

Plaza Terrace El Puente - On September 26, 2017, the Agency entered into a 5-year lease agreement with County of Fresno, a political subdivision of the State of California, for the property located at 4041 Plaza Drive, Fresno, CA 93702 (from October 2017 – September 2018) and 937 Klette Avenue, Fresno, CA 93706 (August 2018 – June 2023). The Agency received monthly payments of \$67,682 through June 2023. On June 20, 2023, the Agency entered into a new 3-year lease agreement with the County of Fresno for the property located at 937 Klette Avenue, Fresno, CA 93706. The Agency is receiving monthly payments of \$97,071 through June 2026. On May 12, 2026, the Agency entered a new 2- year lease with a 3-year option to extend with the County of Fresno.

VA Parc Grove Parking Lot - On August 19, 2022, the Agency entered into a 1-year lease agreement with Department of Veterans Affairs for the parking lot located at E. Clinton Avenue/N. Angus Street, Fresno, CA 93703. The Agency is receiving monthly payments of \$11,015 through August 2025, with one 3-year option to extend.

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On February 21, 2025, the Agency extended the lease for 3 years receiving monthly payments of \$21,375 through August 2026, \$22,800 through August 2027, and \$24,225 through August 2028.

Monte Vista Terrace - On September 19, 2023, the Agency entered into a 3-year lease agreement with County of Fresno, a political subdivision of the State of California, for the 42 units at property located at 1 Sherman Court, Fresno, CA 93701. The Agency is receiving monthly payment of \$66,725 through June 2026 with two one-year options to extend. In June 2026, the Agency exercised one one-year option to extend till June 2027.

The following is a schedule of future lease payments expected through the terms of the lease agreements noted above subsequent to December 31, 2025:

	<u>Total future rental payments</u>	<u>Less amount representing interest</u>	<u>Present value of future lease payments receivable</u>
2026	\$ 1,354,977	\$ (174,370)	\$ 1,180,607
2027	391,325	(45,257)	346,068
2028	308,586	(33,805)	274,781
2029	117,629	(29,335)	88,294
2030	120,558	(26,648)	93,910
2031-2035	575,738	(85,507)	490,231
2036-2040	250,310	(58,905)	191,405
2041-2045	100,000	(17,889)	82,111
2056-2050	100,000	(16,678)	83,322
2051-2055	100,000	(15,449)	84,551
2056-2060	100,000	(14,201)	85,799
2061-2065	100,000	(12,935)	87,065
2066-2070	100,000	(11,651)	88,349
2071-2075	100,000	(10,347)	89,653
2076-2080	100,000	(9,025)	90,975
2081-2085	100,000	(7,683)	92,317
2086-2090	100,000	(6,321)	93,679
2091-2095	100,000	(4,939)	95,061
2096-2100	100,000	(3,536)	96,464
2101-2105	100,000	(2,113)	97,887
2106-2110	80,000	(652)	79,348
Total	<u>\$ 4,499,123</u>	<u>\$ (587,246)</u>	<u>\$ 3,911,877</u>

Lease Payable

On January 1, 2021, the Agency, as a lessee, had entered a 1-year lease agreement with Silvercrest, Inc., a related party, for the real property located at 777 N Parkway, Fresno, CA 93728. As an interest rate implicit in the Silvercrest, Inc.'s lease is not readily determinable, the Agency used the incremental borrowing rate of 3.52% obtained from their lenders. The Agency has exercised the

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option to extend the agreement for additional 4-years and is paying monthly payments of \$35,000 through 2025.

On March 26, 2014 the Agency and the Housing Authority of Fresno County, a related party, jointly as a lessee, entered a master equity lease agreement with Enterprise FM Trust for service vehicles. Each vehicle lease contains various expiration dates and payment terms.

	Current Lease Liability	Non-Current Lease Liability	Right of Use Asset, Net	Lease Amortization Expense	Lease Interest Expense
Silvercrest, Inc.	\$ -	\$ -	\$ -	\$ 359,407	\$ 61,950
Vehicles	57,041	82,461	139,503	66,438	13,846
Total	\$ 57,041	\$ 82,461	\$ 139,503	\$ 425,845	\$ 75,796

The following is a schedule for the future minimum lease payment requirements through the term of the lease agreement noted above subsequent to December 31, 2025:

	Total future required payments	Less amount representing interest	Present value of future minimum lease payments
2026	68,545	(11,504)	57,041
2027	49,780	(10,375)	39,405
2028	43,824	(9,096)	34,728
2029	10,869	(2,541)	8,328
Total	\$ 173,018	\$ (33,516)	\$ 139,502

Subscription-Based Information Technology Arrangements ("SBITA")

On January 1, 2023, the Agency implemented GASB No. 96. The Agency identified one software arrangement that requires recognition under GASB No. 96. This SBITA is recorded as intangible right of use software arrangement in the capital assets and subscription liability. As an interest rate implicit in the Agency's subscription arrangements are not readily determinable, the Agency uses the State of California incremental borrowing rate posted for GASB No. 96. For fiscal year 2024-2025 for leases 0 months to 60 months this rate was 3.16%. The terms in months are calculated to include option periods.

On October 1, 2020, the Agency and the Housing Authority of Fresno County, a related party, jointly entered a three-year agreement with 2 additional option years with the back office and property management platform. Annual payments are due in the amount of \$415,631, with an annual increase up to the Consumer Price Index. There is no option to purchase this software.

On March 12, 2026, the Agency and the Housing Authority of Fresno County, a related party, jointly entered a three-year agreement with 2 additional option years with the back office and property management platform. Annual payments are due in the amount of \$527,263, with an annual increase

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up to the Consumer Price Index, effective October 1, 2025. There is no option to purchase this software. As of December 31, 2025, the subscription payable is \$1,251,767, which represents the present value of the remaining payment as of December 31, 2025.

On January 31, 2023, the Agency and the Housing Authority of Fresno County, a related party, jointly entered a five-year agreement with a communications and collaboration servicer. Annual payments are due in the amount of \$71,289, starting the third year. There is no option to purchase this software. As of December 31, 2025, the subscription payable is \$0.

PRELIMINARY DRAFT
SUBJECT TO CHANGE

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12) Long-Term Liabilities

Changes in long-term liabilities for the year ended December 31, 2025, were as follows:

	Balance 12/31/2024	Additions	Payments/ Deletions	Balance 12/31/2025	Due Within One Year
<u>Notes Payable - Non-Related Parties:</u>					
U.S. Department of Agriculture					
City of Fresno - NSP San Ramon	\$ 3,000,036	\$ -	\$ -	\$ 3,000,036	\$ -
Santa Clara-AHP	638,839	-	-	638,839	-
Trinity- AHP	200,000	-	-	200,000	-
San Ramon Apartments	937,989	19,202	(38,582)	918,609	48,419
Valley Republic Bank - Marderosian Bldg	1,180,273	-	(32,072)	1,148,201	30,800
Heritage Estates COF	2,505,302	494,698	(800,000)	2,200,000	2,200,000
Heritage Estates AHP	611,060	-	(169,122)	441,938	441,938
Heritage Estates RDA	-	1,200,000	(201,320)	998,680	998,680
Mortgages	-	-	-	-	-
Dayton Square	1,827,848	1,511	(40,355)	1,789,004	40,134
El Cortez Apartments	1,457,562	36,044	(67,051)	1,426,555	32,003
Woodside Apartments	2,074,772	47,566	(91,702)	2,030,636	45,554
	14,433,681	1,799,021	(1,440,204)	14,792,498	3,837,528
<u>Notes Payable - Related Parties:</u>					
P&CD (Pacific Garden Enterp.) to HRFC	1,340,894	-	-	1,340,894	-
City View Commerical Building	362,170	-	-	362,170	-
P&CD (Various pre-dev) to HRFC	1,668,812	1,662,500	(61,430)	3,269,882	3,269,882
Bridge Loans to HRFC	-	-	-	-	-
Villages at Paragon	314,540	-	-	314,540	314,540
Corazon del Valle	725,000	190,454	(915,454)	-	-
Mendota Esperanza	458,200	190,000	(648,200)	-	-
Fresno 1101 Parkway	-	300,000	(300,000)	-	-
Avalon Commons I	14,500	-	(14,500)	-	-
Step Up on 99	-	270,000	(270,000)	-	-
La Joya	-	35,000	-	35,000	35,000
Heritage Estates to HRFC	-	3,223,681	-	3,223,681	3,223,681
Office building to HRFC	154,000	-	-	154,000	-
LIPH (Townsend) to HRFC	98,097	-	-	98,097	-
Roosevelt Apartment	408,973	-	-	408,973	-
	5,545,186	5,871,635	(2,209,584)	9,207,237	6,843,103
<u>Other Liabilities:</u>					
Interest Payable	1,757,770	526,937	(144,145)	2,140,562	6,406
Compensated Absences	1,076,311	1,189,306	(1,493,689)	771,928	373,711
Homebuyers Earned Payments	61,421	6,126	-	67,547	-
Net Pension Liability	12,322,511	1,418,094	(2,787,320)	10,953,285	-
	15,218,013	3,140,463	(4,425,154)	13,933,322	380,117
Total Notes Payable	\$ 35,196,880	\$ 10,811,119	\$ (8,074,942)	\$ 37,933,057	\$ 11,060,748

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

Year Ending December 31	Principal	Interest	Total
2026	\$ 10,680,631	\$ 6,406	\$ 10,687,037
2027	389,990	467,765	857,755
2028	2,838,290	359,738	3,198,028
2029	972,610	297,168	1,269,778
2030	176,622	289,672	466,294
2031-2035	4,537,827	1,911,260	6,449,087
2036-2040	4,403,765	694,002	5,097,767
2041-2045	-	-	-
2046 and Beyond	-	-	-
	\$ 23,999,735	\$ 4,026,011	\$ 28,025,746

City of Fresno NSP (Neighborhood Stabilization Program)

In March 2013, the Agency entered into a Loan Agreement with the City of Fresno for \$1,800,000 to administer the Neighborhood Stabilization Program, a federal program funded by HUD. This loan is intended for the construction, rehabilitation, and/or preservation of project units and affordable housing units. In March 2014, an Amendment to the Agreement was made to increase the loan amount to \$3,000,000. This note carries a 2% simple annual interest rate. Current payment terms are based upon residual cash flow of the properties being funded with principal and interest payable 30 years from origination date. As of December 31, 2025, the outstanding balance of this note was \$3,000,036.

Santa Clara-AHP

On November 14, 2014, the Agency entered into a promissory note with Mississippi Valley Company Bank in the amount of \$638,839 (the "AHP Loan") from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interests. The Agency has loaned the proceeds to 1555 Santa Clara Street, LP, a related party. See Note 8 for the Notes Receivable from 1555 Santa Clara Street related to this AHP loan. As of December 31, 2025, the outstanding principal balance was \$638,839.

Fresno Renaissance at Trinity-AHP

On February 25, 2013, the Agency entered into a promissory note with Bank of the West in the amount of \$200,000 from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest. The Agency has loaned the proceeds to Fresno Renaissance at Trinity, LP, a related party. See Note 8 for the Notes Receivable from Fresno Renaissance at Trinity related to this AHP loan. As of December 31, 2025, the outstanding principal balance was \$200,000.

San Ramon Apartments

On July 15, 2019, the Agency entered into a promissory note with Central Valley Community Bank in the amount of \$1,025,000. The fund was applied to the HRFC loan, which can be used on future

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affordable housing projects. The note accrues interest of 5.25% per annum and matures on July 15, 2029. As of December 31, 2025, the outstanding principal balance was \$918,609.

Mortgages

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

As of December 31, 2025, the balances were the following:

	Principal	Monthly Payment	Due Within 1 Year
Dayton Square	\$ 1,789,004	\$ 3,345	\$ 40,134
El Cortez	1,426,555	2,667	32,003
Woodside Apartments	2,030,636	3,796	45,554
	<u>\$ 5,246,195</u>		<u>\$ 117,691</u>

Marderosian Building Note

On March 16, 2022, the Agency and The Housing Authority of Fresno County, jointly entered into a loan agreement with Valley Republic Bank in the amount of \$2,500,000. Under the terms of the agreement, the loan bears 4.00% interest per annum and matures on April 5, 2037. The loan is allocated 50-50 between the borrowers. As of December 31, 2025, the outstanding principal balance was \$1,148,201.

Heritage Estates

On June 20, 2024, the Agency entered into a promissory note with City of Fresno in the amount of \$3,000,000. The fund can be used for the acquisition, construction, and development of Heritage Estates in accordance with Permanent Local Housing Allocation Program Agreement. The note accrues interest of 3% per annum and matures on June 20, 2054. As of December 31, 2025, the outstanding principal balance was \$2,200,000.

On June 24, 2024, the Agency entered into a promissory note with Community West Bank in the amount of \$611,060 from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program ("AHP"). Under the terms of the agreement, the AHP Loan bears no interest. As of December 31, 2025, the outstanding principal balance was \$441,938.

On June 25, 2024, the Agency entered into a promissory note with the City of Fresno in an amount of up to \$1,200,000. The funds may be used for the development of Heritage Estates in accordance with the Disposition and Development Agreement dated January 12, 2024. The note accrues interest

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at 3% per annum on amounts disbursed and is forgivable in accordance with the terms of the agreement. As of December 31, 2025, the outstanding principal balance was \$998,680.

Housing Relinquished Fund Corporation (HRFC)

On June 2, 2010, the Agency recorded in the Planning and Community Development fund a promissory note entered into with the HRFC for \$2,700,000 for the acquisition of 100% of the shares of Pacific Gardens Enterprises, Inc., the sole owner of Pacific Gardens Apartments located in Fresno, California. Payments for the loan are to be made from the eventual sale or refinancing of the apartment complex. The loan carries an interest rate of 5% per annum and is due upon sale or refinance of the complex. The outstanding principal balance at December 31, 2025 was \$1,340,894.

On October 21, 2013, the Agency obtained a loan from HRFC for City View, a related party of the Housing Authority of the City of Fresno. The note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2025 was \$362,170.

The predevelopment loans are made throughout the year. Payments are to be made from the sale of the properties. The outstanding balance at December 31, 2025 was \$3,269,882.

During 2024, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Villages at Paragon, LP, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. The outstanding principal balance on this note at December 31, 2025 was \$314,540.

During 2024, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Huron Corazón del Valle Commons, LP, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

During 2024, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Mendota Esperanza, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

During 2024, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Fresno 1101 Parkway, LP, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

During 2024, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Avalon Commons I, LP, a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

During 2025, the Agency and the Housing Authority of Fresno County, a related party, jointly entered into a bridge loan with HRFC, for the pre-development of Step Up on 99, a related party of the Housing

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Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. As of December 31, 2025, the loan was paid in full.

During 2025, the Agency entered into a bridge loan with HRFC, for the pre-development of La Joya Commons a related party of the Housing Authority of the City of Fresno. The note bears an interest rate of 4.00% per annum and matures upon permanent loan conversion. The outstanding principal balance at December 31, 2025 was \$35,000.

As of December 31, 2025, the outstanding principal balances for the seven bridge loans were \$349,540.

The Agency entered into a promissory agreement with HRFC for \$154,000, a portion of the acquisition of the Central Office Building. This note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2025 was \$154,000.

On October 1, 2006, the Agency obtained a loan from HRFC for the purchase of the property at 3129 E. Townsend properties for \$98,097. The note bears no interest and the principal is payable upon sale of property. The outstanding principal balance on this note at December 31, 2025 was \$98,097. This property is currently in Assets Held for Sale.

On October 2, 2020, the Agency obtained a loan from HRFC for the purchase of the property at 466 N. Roosevelt property for \$408,973. The note bears no interest and is open ended with regard to payment. The outstanding principal balance on this note at December 31, 2025 was \$408,973.

On January 4, 2024, the Agency obtained a construction bridge loan from the Housing Relinquished Fund Corporation (HRFC) of up to \$3,062,689 for the acquisition, development, and construction of Heritage Estates, a 33-unit single-family housing development located in Fresno, California. The note bears 3% interest during construction and 0% during conversion. The outstanding principal balance on this note at December 31, 2025 was \$3,223,681.

Compensated Absences Payable

The liability for compensated absences reported on the statement of net position consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. It is the Agency's policy to permit employees to accumulate earned but unused vacation leave, which will be paid to employees upon separation from the Agency's service or used in future periods. The Agency permits employees to accumulate earned but unused sick leave which will be used in future periods, paid to the employee upon termination, or upon retirement. The Executive Director is not entitled to receive cash out of accrued sick leave. Other employees are paid 25% of the value of their unused sick leave upon voluntary separation, and 50% upon retirement or death.

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

As of December 31, 2025, accrued vacation and vested sick leave has been valued by the Agency at \$975,150 with the current portion due in the amount of \$373,711.

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13) Due to Other Governments

At December 31, 2025, amounts due to other governments consists of the following:

Payments in Lieu of Taxes	\$ 107,589
U.S. Department of HUD	<u>80,811</u>
Total Due to Other Governments	<u>\$ 189,325</u>

14) Due to Related Parties

At December 31, 2025, amounts due to related parties consist of the following:

Housing Authority of Fresno County	\$ 1,093,983
Silvercrest, Inc.	14,769
Limited Partnerships	5,965
Better Opportunities Builders, Inc.	<u>8</u>
Total Due to Related Parties	<u>\$ 1,114,725</u>

15) Other Current Liabilities

Other current liabilities at December 31, 2025, consist of the following:

Payroll - Withholding Taxes, Benefits Payable	\$ 481,511
Unclaimed Checks/Refunds	146,298
Accrued Expenses	138,969
Other Liabilities	<u>827,086</u>
Total Other Current Liabilities	<u>\$ 1,593,864</u>

16) Unearned Revenues

Unearned revenues at December 31, 2025, consist of the following:

Grant	\$ 309,092
Prepaid Tenant Rents	<u>21,319</u>
Total Unearned Revenues	<u>\$ 330,411</u>

17) Deferred Compensation

The Agency offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all permanent employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Annual contributions by a participant may not exceed \$24,500 established by IRS for 2024. Employees may also borrow against their deferred compensation account while employed under the deferred compensation loan program. The

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401(a) Plan also provides an employer-matching contribution on amounts up to \$900 per employee to defer into the 457 plan. The employer contribution to the 457 plan amounted to \$80,515 for the year ended December 31, 2025. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and their beneficiaries.

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

18) Defined Benefit Pension Plan

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

Plan's Major Benefit Options

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

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

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

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Post-Retirement Death Benefits			
Lump Sum	\$500	\$500	\$500
Survivor Allowance (PRSA)	No	No	No
COLA	2%	2%	2%

Employees Covered:

Summary of Valuation Data (Counts)

	June 30, 2025
1. Active Members	110
2. Transferred Members	42
3. Terminated Members	112
4. Retired Members and Beneficiaries	112
5. Active to Retired Ratio [(1)/(4)]	0.98

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

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

Contribution Description

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

For the measurement period ending June 30, 2025, the average active employee contribution rate was 7.00 percent of annual pay, and the average employer's contribution rate was 7.65 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

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Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 20285 valuation was rolled forward to determine the June 30, 2025 total pension liability, based on the following actuarial methods and assumptions:

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

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025, was 6.90%. This is based on the long-term expected rate of return on plan assets and is net of investment expenses but not reduced for administrative expenses. In determining the long-term expected rate of return, CalPERS took into account 20-year 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 to project compound (geometric) returns over the long term.

Asset Class	Assumed asset allocation	Long-Term Expected Real rate of return (1), (2)
Public Equity	37.0%	4.56%
Private Equity	17.0%	5.56%
Fixed Income	28.0%	2.53%
Real Assets	15.0%	3.03%
Private Debt	8.0%	4.93%
Strategic Leverage	(5.0%)	1.40%

(1) An expected annual rate of price inflation of 2.30% was used for this period.

(2) Figures are based on the 2024 Mid-Cycle Asset Liability Management study.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected

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future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

The changes in Net Pension Liability for the measurement period ended June 30, 2025, were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension Liability
Balance at: June 30, 2024	\$ 52,992,653	\$ 40,670,142	\$ 12,322,511
Changes recognized for the measurement period:			
Service Cost	1,215,318	-	1,215,318
Interest on Total Pension Liability	3,666,089	-	3,666,089
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	925,081	-	925,081
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,706,706	(1,706,706)
Contributions - Employee	-	588,276	(588,276)
Net Investment Income	-	4,909,795	(4,909,795)
Benefit Payments, including Refunds of Employee Contributions	(2,787,320)	(2,787,320)	-
Administrative Expense	-	(29,063)	29,063
Other Miscellaneous Income	-	-	-
Net Changes during 2024-2025	3,019,168	4,388,394	(1,369,226)
Balance at: June 30, 2025	\$ 56,011,821	\$ 45,058,536	\$ 10,953,285

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

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

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Assets)	\$ 18,783,607	\$ 10,953,285	\$ 4,533,988

Subsequent Events

CalPERS will be completing an Asset Liability Management (ALM) review process in November 2025 that will review the capital market assumptions as well as the risk and asset allocation analysis and

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ascertain whether a change in the discount rate is warranted. As part of the ALM process, the Actuarial Office will be completing its Experience Study to review economic assumptions other than the discount rate as well as all demographic assumptions and make recommendations to modify future assumptions where appropriate. Any resulting changes will be reflected as of the June 30, 2025, valuation date and June 30, 2026, measurement date.

Recognition of Gains and Losses

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

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

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

Expected Average Remaining Service Lifetime (EARSL)

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

The EARSL for the Plan for the measurement period ending June 30, 2025 is 3.4 years, which was obtained by dividing the total service years of 1,296 (the sum of remaining service lifetimes of the active employees) by 376 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Deferred Outflows and Deferred Inflows of Resources

For the Measurement Period ending June 30, 2025, the Agency incurred a pension expense of \$1,657,870.

As of June 30, 2025, the Housing Authority of the City of Fresno has deferred outflows and deferred inflows of resources related to pensions listed below. Contributions subsequent to the measurement date are also shown as a Deferred Outflow of Resources.

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	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	\$ 36,355	\$ -
Differences between Expected and Actual Experience	856,290	(371,256)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(1,058,711)
Payment on pension contributions between measurement date and fiscal year end	868,513	-
Total	\$ 1,761,158	\$ (1,429,967)

The \$868,513 in pension payments between June 30 and December 31, 2025, reported as deferred outflows of resources related to employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended December 31, 2025.

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

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

2026	\$ 853,741
2027	(454,428)
2028	(511,621)
2029	(425,014)
2030	-
Thereafter	-
	\$ (537,322)

\$ 1,761,158
(1,429,967)

331,191

Payment on pension contributions between measurement
date and fiscal year end

\$ (868,513)

19) Other Postemployment Benefits (OPEB)

Plan Description

Effective January 1, 2025, the Agency contracted with CalPERS to provide eligible employees with post-retirement medical healthcare benefits. The Agency participates in the CalPERS medical program as permitted under the Public Employees' Medical and Hospital and Care Act ("PEMHCA"). As such, the Authority is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. For all employees to be eligible for this benefit, the

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employee must retire from the Agency at age 50 or later (age 52 or later for Miscellaneous members entering CalPERS on or after January 1, 2013) with at least five years of eligible service. Eligible service includes service with CalPERS employers and reciprocal retirement systems.

Employees are eligible for postretirement health insurance coverage under Government Code Section 22920, the retiree and their qualified family members are eligible for health benefits. The calendar year employer contribution may not be less than the amount stipulated by the Government Code which is \$100 per month for calendar year 2025.

The Agency contributes towards retiree medical coverage under the Unequal Method. Under this approach, the Agency's retiree medical contribution is phased in as a percentage of PEMHCA minimum employer contribution. Retirees are responsible for any premium costs above the Agency's contribution. For 2025, the Agency contributed \$55.30 per month.

Plan Membership

As of the valuation date of June 30, 2025, there are 4 retirees receiving benefits under the program and no other retiree who is currently waiving coverage. At the same measurement date, the Agency had 116 active employees.

Actuarial Methods

Actuarial Cost Method	Entry Age Normal
Amortization Methodology	Straight-line amortization over the Average Future Working Lifetime for assumption changes and experience gains/losses. Asset gains/losses are amortized over 5 years.
Plan Fiduciary Net Position	Market value of assets as of the measurement date.
Measurement Date	June 30, 2025
Valuation Date	June 30, 2025
Funding Policy	Pay-as-you-go
Valuation Model	Results in this report were calculated using ProVal actuarial valuation software in accordance with its intended purpose. We have not identified any material inconsistencies in ProVal's assumptions or outputs that would affect this valuation. ProVal was developed in 1994 and maintained by WinTech, a company that provides valuation and projection software for both pension and other postemployment benefit plans.

Actuarial Assumptions

Discount Rate	5.20% on June 30, 2025 4.06% on January 1, 2025
Payroll Increases	2.80% annual increases.

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Health Care Trend

Short-term healthcare trends are based on recent plan experience. Long-term trends are based on the Society of Actuaries recommended use of the "Getzen Model".

Year Beginning	Increase in Premium Rates	
	Pre-65	Post-65
2025	Actual	Actual
2026	8.63%	6.15%
2027	8.13%	5.65%
2028	7.60%	5.33%
2029	7.04%	5.18%
2030	6.48%	5.03%
2031	5.92%	4.88%
2032	5.36%	4.74%
2033	4.80%	4.59%
2034	4.41%	4.41%
2035	4.30%	4.30%
...		
2075+	4.00%	4.00%
PEMHCA Minimum		3.00%

**Plan Distribution for
Calculating Baseline Costs**

Plan	Pre- Medicare	Post-Medicare
Anthem BC Traditional	2%	0%
BS Access+ HMO	6%	0%
Kaiser Permanente	73%	0%
PERS Gold	2%	0%
PERS Platinum	2%	0%
UHC SignatureValue Alliance	15%	0%
Blue Shield Med. PPO	0%	25%
Kaiser Senior Adv.	0%	50%
UHC Med. Adv. PPO	0%	25%
Total	100%	100%

**Average Monthly Per Capita
Claims Cost (Baseline Cost)**

Retiree & Spouse	\$966.82	\$413.88
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Current active employees will choose the same coverage at retirement.

Medicare Coverage

All future retirees will be eligible for Medicare when they reach age 65.

Morbidity Factors

2021 CalPERS Study

Population for Curving

2021 CalPERS Study

CalPERS health premiums for Medicare eligible retirees are based on Medicare eligible retiree claims experience and represent the true cost of retiree coverage. No implicit subsidy is calculated for Medicare retirees.

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Age-Weighted Monthly Claims	Age	Male	Female
	50	\$1,073	\$1,031
	55	\$1,408	\$1,198
	60	\$1,769	\$1,403
	61	\$1,840	\$1,448
	62	\$1,912	\$1,492
	63	\$1,984	\$1,537
	64	\$2,055	\$1,582
Health Plan Participation	20% of future retirees will participate in the medical plan.		
Mortality	Pre-Retirement: CalPERS 2021 Mortality pre-retirement Post-Retirement: CalPERS 2021 Mortality post-retirement		
Disability	N/A		
Retirement	CalPERS 2021 Experience		
Withdrawal	CalPERS 2021 Experience		
Percent Married	30% of future retirees will cover a spouse. Male spouses are assumed to be 3 years older than female spouses.		

Changes in the OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Total OPEB liability	Fiduciary net position	Net OPEB liability (asset)
Balance at January 1, 2025	\$ 582,061	\$ -	\$ 582,061
Changes recognized for the measurement period			
Service cost	26,763	-	26,763
Interest cost	12,223	-	12,223
Difference between expected and actual experience			
Assumption changes	(94,448)	-	(94,448)
Net investment income		-	-
Benefit payments	(1,327)	(1,327)	-
Contributions - employer	-	1,327	(1,327)
Contributions - employee	-	-	-
Administrative expense	-	-	-
Change of benefit terms	-	-	-
Assumption changes	-	-	-
Net changes during the year	(56,789)	-	(56,789)
Balance at June 30, 2025	\$ 525,272	\$ -	\$ 525,272

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Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the Agency's net OPEB liability if it were calculated using a discount rate that is one percent point lower or one percent point higher than the current rate as of the measurement date:

	Discount Rate -1% (6.20%)	Current Discount Rate (5.20%)	Discount Rate +1% (7.20%)
Net OPEB Liability	\$ 457,385	\$ 525,272	\$ 606,988

Sensitivity of the net OPEB liability to changes in the Healthcare cost trend rates

The following presents the Agency's net OPEB liability if it were calculated using healthcare cost trend rates that are one percent point lower or one percent point higher than the current rate as of the measurement date:

	1% Decrease	Current Trend	1% Increase
Net OPEB Liability	\$ 439,745	\$ 525,272	\$ 633,837

Recognition of deferred outflows and deferred inflows of resources

Gains and losses related to changes in total OPEB (asset) liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB expense and deferred outflows/inflows of resources related to OPEB

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

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For the fiscal year ended December 31, 2025, the Agency recognized OPEB expense of \$609,534. As of December 31, 2025, the Agency reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	86,642
Net difference between projected and actual investment earnings	-	-
Employer contribution made after measurement date*	2,380	-
Total	<u>\$ 2,380</u>	<u>\$ 86,642</u>

* Determined as of the fiscal year ending December 31, 2025.

The \$2,380 reported as deferred outflows of resources related to contributions made subsequent to the December 31, 2025 measurement date will be recognized as a reduction of the net OPEB liability during the Agency's fiscal year ending December 31, 2025. Other amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized as revenue for years subsequent to December 31, 2025 as follows:

Recognized Deferred Outflows/(Inflows) of Resources December 31:	
2026	\$ (7,806)
2027	(7,806)
2028	(7,806)
2029	(7,806)
2030	(7,806)
Thereafter	<u>(47,612)</u>
	<u><u>\$ (86,642)</u></u>

20) Insurance Coverage

HARRP

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

The Agency's insurance expense was \$468,549 for the year ended December 31, 2025. The loss limits for the various types of insurance are follows: individual structure stated value, with full

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replacement cost, for property with a deductible per occurrence of \$10,000; \$2,000,000 for general liability with no deductible; \$2,000,000 for automobile liability, including losses arising from the use of a non-owned covered automobile; \$100,000 for employee dishonesty and forgery and alteration with a \$1,000 deductible; \$10,000 for employee theft with a \$1,000 deductible; and \$2,000,000 for errors and omissions with a 10% co-pay.

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

California Housing Workers' Compensation Authority

The Agency is insured for workers' compensation claims through the California Housing Workers' Compensation Authority (CHWCA). Under this program, the pool provides up to \$550,000 workers' compensation coverage and \$550,000 employer's liability coverage. The Authorities are insured for Statutory Workers' Compensation by the Safety National Casualty Corporation. The pool provides up to \$5,000,000 per occurrence. The Agency's worker's compensation insurance expense was \$225,405 for the year ended December 31, 2025.

21) Participation in Related Party Limited Partnerships

YEC Limited

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

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

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

Parc Grove Commons II, Limited Partnership

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

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

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

Fresno Renaissance at Trinity, LP

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

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

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

Fresno Renaissance at Alta Monte, LP

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

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

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

1555 Santa Clara Street, LP

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

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

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

Fresno Pacific Gardens, LP

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

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

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

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Bridges at Florence, LP

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

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

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

Parc Grove Commons Northwest, LP

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

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

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

Southeast Fresno RAD, LP

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

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

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

Viking Village Fresno RAD, LP

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

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

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

802 Van Ness Avenue, LP

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

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

As the Managing General Partner and Administrative General Partner, Silvercrest, Inc. and 802 Van Ness Avenue AGP, LLC, respectively, are allocated 0.005% interest of all net profits (or net losses) of the partnership. Complete audited financial statements, when they become available, may be

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requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Fulton West/Cedar Heights Scattered Site, LP

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

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

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

Fresno Edison I Apartments, LP

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

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

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

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Lowell Neighborhood Project, LP

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

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

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

Fresno Edison II Apartments, LP

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

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

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

Parc Grove Commons III, LP

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

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

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

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Fresno Mariposa Meadows, LP

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

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

Villages at Paragon, LP

Villages at Paragon, LP was formed in July of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex consists of 28 units of multifamily housing and was placed in service on October 12, 2021.

Villages at Paragon, LP is a California limited partnership between Villages at Paragon AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, Red Stone Equity as the Limited Partner, and Red Stone Equity Manager, LLC as the Special Limited Partner.

Net profits or losses of the partnership are allocated 0.0045% to the Administrative General Partner, 0.0045% to the Managing General Partner, 99.99% to the Limited Partner, and 0.0001% to the Special Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Mendota Esperanza Commons, LP

Mendota Esperanza Commons, LP was formed for the purpose of developing and operating a 60-unit project located in the City of Fresno, California.

Mendota Esperanza Commons, LP was originally formed on December 22, 2021 and is a California limited partnership between Mendota Esperanza Commons AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, and PNC LIHTC Fund 81, LLC as the Limited Partner.

Net profits or losses of the partnership are allocated 0.005% to the Administrative General Partner, 0.005% to the Managing General Partner, and 99.99% to the Limited Partner. Complete audited

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financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Villages at Broadway, LP

Villages at Broadway, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex consists of 26 units of multifamily housing and was placed in service in March 2022.

Villages at Broadway, LP is a California limited partnership between Villages at Broadway AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, Red Stone Equity as the Limited Partner, and Red Stone Equity Manager, LLC as the Special Limited Partner.

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

Doragon @ Chinatown, LP

Doragon @ Chinatown, LP was formed in August of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex consists of 57 units of multifamily housing and was placed in service on November 30, 2022.

Doragon @ Chinatown, LP is a California limited partnership between Doragon @ Chinatown AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, and U.S. Bancorp Community Development Corporation as the Limited Partner.

Net profits or losses of the partnership are allocated 0.0045% to the Administrative General Partner, 0.0045% to the Managing General Partner, 99.99% to the Limited Partner, and 0.001% to the Special Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

Villages at Barstow, LP

Villages at Barstow, LP was formed in June of 2019 to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex consists of 42 units of multifamily housing and was placed in service on September 29, 2022.

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Villages at Barstow, LP is a California limited partnership between Villages at Barstow AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, and Wells Fargo Affordable Housing Community Development Corporation as the Limited Partner.

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

The Arthur at Blackstone, LP

The Arthur at Blackstone, LP was formed to expand the development and availability of long-term housing for low-income persons residing in the City of Fresno, California, including the sale of low-income housing tax credits and entering into agreements for the financing, planning, construction and development of the Complex. The complex consists of 41 units of multifamily housing and was placed in service on March 7, 2024.

The Arthur at Blackstone, LP is a California limited partnership between The Arthur at Blackstone AGP, LLC as the Administrative General Partner, Silvercrest, Inc. as the Managing General Partner, Red Stone Equity as the Limited Partner, and Red Stone Equity Manager, LLC as the Special Limited Partner.

Net profits or losses of the partnership are allocated 0.0045% to the Administrative General Partner, 0.0045% to the Managing General Partner, 99.99% to the Limited Partner, and 0.001% to the Special Limited Partner. Complete audited financial statements, when they become available, may be requested by writing to the Housing Authority of the City of Fresno, at P.O. Box 11985, Fresno, California 93776-1985.

22) Other Related Parties

Better Opportunities Builders, Inc.

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

Housing Authority of Fresno County

The Housing Authority of Fresno County was established by a resolution of the Fresno County Board of Supervisors on February 5, 1946. The Authority is governed by a seven-member Board of Commissioners who are appointed to four-year terms by the County Board of Supervisors, reports on a calendar year, and has issued separate financial and compliance audits for 2025. The County and City Housing Authorities operate and report separately while sharing the same management

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team and staff. All significant related party transactions have been appropriately identified in the accompanying financial statements.

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

Beyond Housing Foundation

Beyond Housing Foundation ("BHF", formerly known as Fresno Housing Education Corps, Inc.) is a California nonprofit public benefit corporation in Fresno, CA. The Executive Director and Deputy Executive Director of the Agency serve as Directors on the Board for BHF.

23) Inter-fund and Interagency Activity

The following is a summary of changes in Inter-fund loans as of December 31, 2025:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025	Interest
Receivables:					
City RF from NSP	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Total Receivables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Payables:					
NSP To City RF	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -
Total Payables	\$ 1,128,277	\$ -	\$ -	\$ 1,128,277	\$ -

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

24) Contingent Liabilities

a) Grants

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

b) Pending Litigation

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

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c) Guarantees

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

d) HUD Guaranteed Debt

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

25) Restricted Net Position

Net position is reported as restricted when constraints placed on the net position uses are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation and/or imposed time restrictions. At December 31, 2025, the Agency had reported the following as restricted net position:

Externally Required Restrictions:

Housing Choice Voucher

\$ 1,400,524

Total Restricted Net Position

\$ 1,400,524

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

26) Blended Component Units

Below is a summary of the financial statements as of December 31, 2025 of the blended component units.

Current assets	
Cash	\$ 162,541
Other assets	<u>40,000</u>
Total current assets	<u>202,541</u>
Non-current assets	
Capital assets, net	<u>1,554,631</u>
Total non-current assets	<u>1,554,631</u>
Total assets	<u><u>\$ 1,757,172</u></u>
Current liabilities	
Other current liabilities	<u>\$ 30,974</u>
Total current liabilities	<u>30,974</u>
Deferred inflow of resources	<u>1,500,775</u>
Total liabilities and deferred inflow of resources	<u><u>\$ 1,531,749</u></u>
Total net position	<u><u>\$ 225,423</u></u>
Change in net position	
Revenues	\$ 42,043
Expenses	<u>(4,083)</u>
Income (loss) before transfers	<u>37,960</u>
Transfers	
Transfers in	-
Transfers out	<u>-</u>
Total transfers	<u>-</u>
Change in net position	37,960
Net position - beginning	<u>187,463</u>
Net position - end	<u><u>\$ 225,423</u></u>

**HOUSING AUTHORITY OF THE CITY OF FRESNO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

A summary of the cash flow information of the blended component units for the year ended December 31, 2025, is as follows:

Cash Flow Information	
Operating receipts	\$ 22,119
Operating expenses paid	<u>(3,308)</u>
Cash flows from operating activities	<u>18,811</u>
Net increase in cash	36,772
Cash - beginning	<u>125,769</u>
Cash - end	<u>\$ 162,541</u>

27) Subsequent Events

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

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PRELIMINARY DRAFT -
SUBJECT TO CHANGE

REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Changes in Net Pension Liability and Related Ratios
For the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 2025
(With comparative information for the last 10 years)

Measurement Date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
TOTAL PENSION LIABILITY										
Service Cost	\$ 1,215,318	\$ 1,163,813	\$ 1,142,875	\$ 1,081,529	\$ 956,110	\$ 898,425	\$ 880,861	\$ 797,492	\$ 776,960	\$ 663,643
Interest on Total Pension Liability	3,666,089	3,472,179	3,398,700	3,206,612	3,101,668	2,936,254	2,804,543	2,624,537	2,506,027	2,446,728
Changes in Benefit Terms	-	-	82,459	-	-	-	-	-	-	112,322
Changes of Assumptions	-	-	-	1,490,483	-	-	-	(226,094)	1,986,632	-
Difference between Expected and Actual Experience	925,081	(793,207)	813,165	(279,241)	669,327	273,462	1,075,312	547,402	(187,114)	(245,424)
Benefit Payments, Including Refunds of Employee Contributions	(2,787,320)	(2,765,731)	(2,622,118)	(2,239,012)	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)
Net Change in Total Pension Liability	3,019,168	1,077,054	2,815,081	3,260,371	2,488,014	1,908,529	2,709,226	1,751,890	3,159,775	1,098,878
Total Pension Liability - Beginning	52,992,653	51,915,599	49,100,518	45,840,147	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713	32,723,835
Total Pension Liability - Ending (a)	56,011,821	52,992,653	51,915,599	49,100,518	45,840,147	43,352,133	41,443,604	38,734,378	36,982,488	33,822,713
PLAN FIDUCIARY NET POSITION										
Net Plan to Plan Resource Movement	-	-	-	-	-	-	-	(72)	-	-
Contributions - Employer	1,706,706	1,491,143	1,440,679	1,291,712	1,139,232	987,323	806,755	637,719	485,952	398,558
Contributions - Employee	588,276	552,728	499,319	491,122	516,172	508,143	459,475	431,744	369,705	359,742
Investment Income	4,909,795	3,559,371	2,256,006	(2,976,523)	7,331,672	1,587,266	1,999,891	2,454,577	3,046,401	172,143
Benefit Payments, Including Refunds of Employee Contributions	(2,787,320)	(2,765,731)	(2,622,118)	(2,239,012)	(2,239,091)	(2,199,612)	(2,051,490)	(1,991,447)	(1,922,730)	(1,878,391)
Administrative Expense	(29,063)	(30,810)	(26,705)	(24,777)	(33,024)	(45,424)	(22,143)	(46,171)	(40,885)	(17,465)
Other Miscellaneous Income	-	-	-	-	-	-	72	(87,680)	-	-
Net Change in Fiduciary Net Position	4,388,394	2,806,701	1,547,181	(3,457,478)	6,714,961	837,696	1,192,560	1,398,670	1,938,443	(965,413)
Plan Fiduciary Net Position - Beginning	40,670,142	37,863,441	36,316,260	39,773,738	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408	28,656,821
Plan Fiduciary Net Position - Ending (b)	45,058,536	40,670,142	37,863,441	36,316,260	39,773,738	33,058,777	32,221,081	31,028,521	29,629,851	27,691,408
Plan Net Pension Liability - Ending (a) - (b)	\$ 10,953,285	\$ 12,322,511	\$ 14,052,158	\$ 12,784,258	\$ 6,066,409	\$ 10,293,356	\$ 9,222,523	\$ 7,705,857	\$ 7,352,637	\$ 6,131,305
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.44%	76.75%	72.93%	73.96%	86.77%	76.26%	77.75%	80.11%	80.12%	81.87%
Covered Payroll	\$ 7,922,545	\$ 7,717,593	\$ 7,609,022	\$ 7,322,473	\$ 7,087,544	\$ 6,529,253	\$ 6,382,123	\$ 5,694,745	\$ 5,478,495	\$ 5,206,671
Plan Net Pension Liability as a Percentage of Covered Payroll	138.25%	159.67%	184.68%	174.59%	85.59%	157.65%	144.51%	135.32%	134.21%	117.76%

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

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

Changes of Assumptions: There were no assumption changes in 2023 through 2025. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. 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. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Pension Plan Contributions
For the Measurement Period (Miscellaneous Plan)
Year Ended December 31, 2025
(With comparative information for the last 10 years)

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

Employer Fiscal Year End	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 1,706,706	\$ 1,491,143	\$ 1,440,679	\$ 1,291,712	\$ 1,139,232	\$ 987,323	\$ 806,755	\$ 637,719	\$ 485,952	\$ 398,558
Contribution in Relation to the Actuarially Determined Contribution	(1,706,706)	(1,491,143)	(1,440,679)	(1,291,712)	(1,139,232)	(987,323)	(806,755)	(637,719)	(485,952)	(398,558)
Contribution Deficiency / (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 7,922,545	\$ 7,717,593	\$ 7,609,022	\$ 7,322,473	\$ 7,314,484	\$ 7,177,834	\$ 6,813,937	\$ 6,361,633	\$ 5,699,120	\$ 5,427,848
Contributions as a Percentage of Covered Payroll	21.54%	19.32%	18.93%	17.64%	15.58%	13.76%	11.84%	10.02%	8.53%	7.34%

Notes to Schedule of Pension Plan Contributions:

The actuarial method and assumptions used to set the actuarially determined contributions for the Fiscal Year 2024-2025 were derived from the June 30, 2025 funding valuation report as follows:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2022 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2022 Funding Valuation Report.
Inflation	2.3%
Salary Increases	Varies by entry age and service
Payroll Growth	2.8%
Investment Rate of Return	6.8% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios
For the Measurement Period
Year Ended December 31, 2025
(With comparative information for the last 10 years)*

	<u>12/31/2025</u>
Service cost	\$ 26,763
Interest on total OPEB liability	12,223
Changes of assumptions	(94,448)
Differences between expected and actual experience	-
Benefit payments	(1,327)
Net change in total OPEB liability	(56,789)
Total OPEB liability - beginning	582,061
Total OPEB liability - ending (a)	<u>\$ 525,272</u>
Plan fiduciary net position	
Contributions from employer	\$ 1,327
Net investment income	-
Benefit payments	(1,327)
Administrative expenses	-
Investment experience	-
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	\$ -
Net OPEB liability - ending (a) - (b)	<u>\$ 525,272</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0%
Covered employee payroll	\$ 6,994,755
Net OPEB liability as a percentage of covered employee payroll	8.00%

* Fiscal year 2025 was the first year of implementation of GASB No. 75, therefore only one year is shown.

Assumption Changes:

The following assumption changes were made between January 1, 2025 and June 30, 2025:

1. Discount rate increased from 4.06% at January 1, 2025 to 5.20% at June 30, 2025.

HOUSING AUTHORITY OF THE CITY OF FRESNO
Schedule of OPEB Plan Contributions
Year Ended December 31, 2025
(With comparative information for the last 10 years)*

Schedule of OPEB Plan Contribution for the Fiscal Year Ended December 31

	<u>2025</u>
Actuarially Determined Contributions (ADC)	\$ 1,327
Contributions in relation to the ADC	<u>3,707</u>
Contributions deficiency (excess)	<u>\$ (2,380)</u>
Covered-employee payroll	\$ 6,994,755
Contributions as a percentage of covered employee payroll	0.05%

* Fiscal year 2025 was the first year of implementation of GASB No. 75, therefore only one year is shown.

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year 2025 contribution rates are as in Note 19.

OTHER SUPPLEMENTARY INFORMATION

FINANCIAL DATA SCHEDULES

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

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	14,892 Choice Neighborhood Planning Grants	6,2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAH)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	21,027 Coronavirus State and Local Fiscal Recovery Funds
111 Cash - Unrestricted	\$1,312,352			\$162,541		\$998,934	\$4,825,291		
112 Cash - Restricted - Modernization and Development							\$1,063,144		
113 Cash - Other Restricted							\$430,286		\$20,794
114 Cash - Tenant Security Deposits	\$90,095					\$15,776	\$162,988	\$28,821	
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash	\$1,402,447	\$0	\$0	\$162,541	\$0	\$1,014,710	\$6,481,709	\$28,821	\$20,794
121 Accounts Receivable - PHA Projects									
122 Accounts Receivable - HUD Other Projects	\$218,236								
124 Accounts Receivable - Other Government							\$133,788	\$359,996	
125 Accounts Receivable - Miscellaneous	\$4,920			\$1,220,606	\$18,205		\$271,438	\$688,710	
126 Accounts Receivable - Tenants	\$257,927					\$37,464	\$271,359		
126,1 Allowance for Doubtful Accounts - Tenants	(\$73,499)					(\$10,057)	(\$11,451)		
126,2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	\$0		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0						\$1,953,979		
128 Fraud Recovery	\$0								
128,1 Allowance for Doubtful Accounts - Fraud									
129 Accrued Interest Receivable							\$222,574		
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$407,584	\$0	\$0	\$1,220,606	\$18,205	\$27,407	\$2,841,687	\$1,048,706	\$0
131 Investments - Unrestricted									
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets							\$369		
143 Inventories									
143,1 Allowance for Obsolete Inventories									
144 Inter Program Due From	\$1,423,904						\$17,696,904		
145 Assets Held for Sale	\$331,507						\$5,916,342		
150 Total Current Assets	\$3,565,442	\$0	\$0	\$1,383,147	\$18,205	\$1,042,117	\$32,937,011	\$1,077,527	\$20,794
161 Land	\$315,806			\$53,856		\$158,970	\$1,718,352	\$1,062,668	
162 Buildings	\$27,529,729					\$2,653,870	\$12,952,385	\$4,060,391	
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration	\$253,231					\$15,679	\$139,973		
165 Leasehold Improvements									
166 Accumulated Depreciation	(\$26,374,093)					(\$2,648,846)	(\$8,399,899)	(\$1,570,760)	
167 Construction in Progress	\$813,156						\$7,651,314	\$742,513	
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,537,829	\$0	\$0	\$53,856	\$0	\$179,673	\$14,062,125	\$4,294,812	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$13,805,257						\$66,133,415		
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due									
173 Grants Receivable - Non-Current									
174 Other Assets				\$302,512			\$2,467,625		
176 Investments in Joint Ventures	\$6,163,881						\$54,223,372		
180 Total Non-Current Assets	\$22,506,967	\$0	\$0	\$356,368	\$0	\$179,673	\$136,886,537	\$4,294,812	\$0
200 Deferred Outflow of Resources	\$105,494						\$184,569		
290 Total Assets and Deferred Outflow of Resources	\$26,177,903	\$0	\$0	\$1,739,515	\$18,205	\$1,221,790	\$170,008,117	\$5,372,339	\$20,794

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Balance Sheet Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,231 Emergency Shelter Grants Program	14,238 Shelter Plus Care	14,235 Supportive Housing Program	14,EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted			\$822,936					\$350,986	\$595,202	\$9,068,242		\$9,068,242
112 Cash - Restricted - Modernization and Development								\$109,016		\$1,172,160		\$1,172,160
113 Cash - Other Restricted			\$453,266						\$21,303	\$925,649		\$925,649
114 Cash - Tenant Security Deposits										\$297,680		\$297,680
115 Cash - Restricted for Payment of Current Liabilities												
100 Total Cash	\$0	\$0	\$1,276,202	\$0	\$0	\$0	\$0	\$460,002	\$616,505	\$11,463,731	\$0	\$11,463,731
121 Accounts Receivable - PHA Projects												
122 Accounts Receivable - HUD Other Projects		\$102,282		\$5,512			\$213,423			\$539,453		\$539,453
124 Accounts Receivable - Other Government			\$164,083							\$657,867		\$657,867
125 Accounts Receivable - Miscellaneous	\$147	\$9,911	\$244,997	\$220	\$41,444	\$3,611	\$14,359	\$10,036	\$3,057,676	\$5,586,280		\$5,586,280
126 Accounts Receivable - Tenants			\$0						\$0	\$566,750		\$566,750
126,1 Allowance for Doubtful Accounts - Tenants			\$0						\$0	(\$95,007)		(\$95,007)
126,2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current									\$0	\$1,953,979	(\$1,128,277)	\$825,702
128 Fraud Recovery			\$141,726							\$141,726		\$141,726
128,1 Allowance for Doubtful Accounts - Fraud			(\$61,193)							(\$61,193)		(\$61,193)
129 Accrued Interest Receivable										\$222,574	(\$222,163)	\$411
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$147	\$112,193	\$489,613	\$5,732	\$41,444	\$3,611	\$227,782	\$10,036	\$3,057,676	\$9,512,429	(\$1,350,440)	\$8,161,989
131 Investments - Unrestricted												
132 Investments - Restricted												
135 Investments - Restricted for Payment of Current Liability												
142 Prepaid Expenses and Other Assets							\$20,503		\$333,696	\$354,568		\$354,568
143 Inventories												
143,1 Allowance for Obsolete Inventories												
144 Inter Program Due From			\$1,445,995						\$10,080	\$20,576,883	(\$20,576,883)	\$0
145 Assets Held for Sale										\$6,247,849		\$6,247,849
150 Total Current Assets	\$147	\$112,193	\$3,211,810	\$5,732	\$41,444	\$3,611	\$248,285	\$470,038	\$4,017,957	\$48,155,460	(\$21,927,323)	\$26,228,137
161 Land									\$67,838	\$3,377,490		\$3,377,490
162 Buildings									\$2,529,139	\$49,725,514		\$49,725,514
163 Furniture, Equipment & Machinery - Dwellings												
164 Furniture, Equipment & Machinery - Administration			\$89,759				\$21,274		\$1,106,687	\$1,626,603		\$1,626,603
165 Leasehold Improvements												
166 Accumulated Depreciation			(\$89,759)				\$0		(\$3,147,354)	(\$42,230,711)		(\$42,230,711)
167 Construction in Progress									\$183	\$9,207,166		\$9,207,166
168 Infrastructure												
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$21,274	\$0	\$556,493	\$21,706,062	\$0	\$21,706,062
171 Notes, Loans and Mortgages Receivable - Non-Current							\$1,518,855			\$81,457,527		\$81,457,527
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due												
173 Grants Receivable - Non-Current												
174 Other Assets									\$1,442,921	\$4,213,058		\$4,213,058
176 Investments in Joint Ventures										\$60,387,253		\$60,387,253
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$1,540,129	\$0	\$1,999,414	\$167,763,900	\$0	\$167,763,900
200 Deferred Outflow of Resources			\$658,145						\$815,330	\$1,763,538		\$1,763,538
290 Total Assets and Deferred Outflow of Resources	\$147	\$112,193	\$3,869,955	\$5,732	\$41,444	\$3,611	\$1,788,414	\$470,038	\$6,832,701	\$217,682,898	(\$21,927,323)	\$195,755,575

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	14,892 Choice Neighborhood Planning Grants	6,2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAH)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	21,027 Coronavirus State and Local Fiscal Recovery Funds
311 Bank Overdraft	\$19,819								
312 Accounts Payable <= 90 Days	\$40,227				\$4,720	\$13,863	\$339,152	\$14,452	
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable									
322 Accrued Compensated Absences - Current Portion	\$10,702					\$1,403		\$53,633	
324 Accrued Contingency Liability									
325 Accrued Interest Payable							\$626,846		
331 Accounts Payable - HUD PHA Programs						\$925			
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government	\$107,589								
341 Tenant Security Deposits	\$94,178					\$15,820	\$195,443	\$28,710	
342 Unearned Revenue	\$5,520					\$6,866	\$114,209	\$43,696	\$20,794
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							\$3,767,912	\$48,419	
344 Current Portion of Long-term Debt - Operating Borrowings							\$408,973		
345 Other Current Liabilities	\$274			\$30,974		\$249	\$1,139,968	\$43	
346 Accrued Liabilities - Other	\$149,894					\$12,114	\$11,115		
347 Inter Program - Due To	\$1,423,904		\$867,937		\$237,403		\$10,080	\$2,761,779	\$87,601
348 Loan Liability - Current									
310 Total Current Liabilities	\$1,852,107	\$0	\$867,937	\$30,974	\$242,123	\$51,240	\$6,613,698	\$2,950,732	\$108,395
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$98,097						\$14,371,330	\$3,870,225	
352 Long-term Debt, Net of Current - Operating Borrowings							\$2,409,054		
353 Non-current Liabilities - Other							\$969,701	\$748,218	
354 Accrued Compensated Absences - Non Current	\$6,115					\$832	\$31,369	\$26,933	
355 Loan Liability - Non Current									
356 FASB 5 Liabilities									
357 Accrued Pension and OPEB Liabilities	\$656,101						\$1,147,904		
350 Total Non-Current Liabilities	\$760,313	\$0	\$0	\$0	\$0	\$832	\$18,929,358	\$4,645,376	\$0
300 Total Liabilities	\$2,612,420	\$0	\$867,937	\$30,974	\$242,123	\$52,072	\$25,543,056	\$7,596,108	\$108,395
400 Deferred Inflow of Resources	\$85,655			\$1,483,118			\$2,555,582		
508,4 Net Investment in Capital Assets	\$2,438,732			\$53,856		\$179,673	(\$4,077,117)	\$376,168	
511,4 Restricted Net Position	\$0						\$1,379,221		
512,4 Unrestricted Net Position	\$21,040,096	\$0	(\$867,937)	\$171,567	(\$223,918)	\$990,045	\$144,607,375	(\$2,599,937)	(\$87,601)
513 Total Equity - Net Assets / Position	\$23,478,828	\$0	(\$867,937)	\$225,423	(\$223,918)	\$1,169,718	\$141,909,479	(\$2,223,769)	(\$87,601)
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$26,177,903	\$0	\$0	\$1,739,515	\$18,205	\$1,221,790	\$170,008,117	\$5,372,339	\$20,794

Housing Authority City of Fresno (CA006)

Fresno, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
311 Bank Overdraft										\$19,819		\$19,819
312 Accounts Payable <= 90 Days		\$65	\$20,898			\$2,412	\$69,669	\$4,110	\$296,470	\$826,038		\$826,038
313 Accounts Payable >90 Days Past Due												
321 Accrued Wage/Payroll Taxes Payable												
322 Accrued Compensated Absences - Current Portion		\$412	\$150,487	\$457		\$1,705	\$5,417		\$161,049	\$385,265		\$385,265
324 Accrued Contingency Liability									\$2	\$2		\$2
325 Accrued Interest Payable									\$6,406	\$633,252	(\$222,163)	\$411,089
331 Accounts Payable - HUD PHA Programs			\$80,535							\$81,460		\$81,460
332 Account Payable - PHA Projects												
333 Accounts Payable - Other Government										\$107,589		\$107,589
341 Tenant Security Deposits										\$334,151		\$334,151
342 Unearned Revenue							\$0	\$140,569		\$331,654		\$331,654
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue										\$3,816,331		\$3,816,331
344 Current Portion of Long-term Debt - Operating Borrowings										\$408,973		\$408,973
345 Other Current Liabilities			\$633					\$133	\$793,545	\$1,965,819		\$1,965,819
346 Accrued Liabilities - Other			\$109,483						\$1,600,392	\$1,882,998		\$1,882,998
347 Inter Program - Due To	\$151,990	\$131,214	\$1,445,995	\$34,923	\$41,492	\$553,096	\$1,299,288		\$11,530,181	\$20,576,883	(\$20,576,883)	\$0
348 Loan Liability - Current												
310 Total Current Liabilities	\$151,990	\$131,691	\$1,808,031	\$35,380	\$41,492	\$557,213	\$1,394,374	\$144,812	\$14,388,045	\$31,370,234	(\$20,799,046)	\$10,571,188
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue									\$154,000	\$18,493,652		\$18,493,652
352 Long-term Debt, Net of Current - Operating Borrowings										\$2,408,054	(\$1,128,277)	\$1,280,777
353 Non-current Liabilities - Other										\$1,717,919		\$1,717,919
354 Accrued Compensated Absences - Non Current		\$263	\$80,250	\$256		\$948	\$2,811		\$248,443	\$398,220		\$398,220
355 Loan Liability - Non Current									\$261,545	\$261,545		\$261,545
356 FASB 5 Liabilities												
357 Accrued Pension and OPEB Liabilities			\$4,093,243						\$5,581,308	\$11,478,556		\$11,478,556
350 Total Non-Current Liabilities	\$0	\$263	\$4,173,493	\$256	\$0	\$948	\$2,811	\$0	\$6,245,296	\$34,758,946	(\$1,128,277)	\$33,630,669
300 Total Liabilities	\$151,990	\$131,954	\$5,981,524	\$35,636	\$41,492	\$558,161	\$1,397,185	\$144,812	\$20,633,341	\$66,129,180	(\$21,927,323)	\$44,201,857
400 Deferred Inflow of Resources			\$534,379						\$746,715	\$5,405,449		\$5,405,449
508,4 Net Investment in Capital Assets							\$21,274		\$402,492	(\$603,922)	\$0	(\$603,922)
511,4 Restricted Net Position				\$0					\$21,303	\$1,400,524	\$0	\$1,400,524
512,4 Unrestricted Net Position	(\$151,843)	(\$19,761)	(\$2,845,948)	(\$29,904)	(\$48)	(\$554,550)	\$369,955	\$325,226	(\$14,971,150)	\$145,351,667	\$0	\$145,351,667
513 Total Equity - Net Assets / Position	(\$151,843)	(\$19,761)	(\$2,845,948)	(\$29,904)	(\$48)	(\$554,550)	\$391,229	\$325,226	(\$14,547,355)	\$146,148,269	\$0	\$146,148,269
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$147	\$112,193	\$3,869,955	\$5,732	\$41,444	\$3,611	\$1,788,414	\$470,038	\$6,832,701	\$217,682,898	(\$21,927,323)	\$195,755,575

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	14,892 Choice Neighborhoods Planning Grants	6,2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	21,027 Coronavirus State and Local Fiscal Recovery Funds
70300 Net Tenant Rental Revenue	\$1,341,460					\$166,413	\$3,153,802	\$352,397	
70400 Tenant Revenue - Other	\$14,067					\$2,118	\$33,658		
70500 Total Tenant Revenue	\$1,355,527	\$0	\$0	\$0	\$0	\$168,531	\$3,187,460	\$352,397	\$0
70600 HUD PHA Operating Grants	\$2,624,666							\$13,238	
70610 Capital Grants	\$656,899								
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						\$580,177	\$374,107	\$313,186	
71100 Investment Income - Unrestricted	\$845,935					\$697	\$1,931,548	\$893	
71200 Mortgage Interest Income							\$462		
71300 Proceeds from Disposition of Assets Held for Sale									
71310 Cost of Sale of Assets									
71400 Fraud Recovery									
71500 Other Revenue	\$2,648			\$40,000	\$9,883	\$701	\$7,803,828		
71600 Gain or Loss on Sale of Capital Assets	\$38,700						(\$57,094)	\$1,523,229	
72000 Investment Income - Restricted				\$2,043		\$591		\$1,609	
70000 Total Revenue	\$5,524,375	\$0	\$0	\$42,043	\$9,883	\$750,697	\$13,240,311	\$2,204,552	\$0
91100 Administrative Salaries	\$185,654		\$701			\$36,802	\$782,326	\$309,844	\$1,188
91200 Auditing Fees	\$18,159					\$1,000	\$3,671	\$163	
91300 Management Fee	\$330,260					\$24,000	\$74,820		
91310 Book-keeping Fee	\$28,426								
91400 Advertising and Marketing	\$888					\$138	\$8,370	\$3,680	
91500 Employee Benefit contributions - Administrative	\$107,969		\$419			\$23,050	(\$147,091)	\$186,774	\$752
91600 Office Expenses	\$67,134					\$12,400	\$118,746	\$52,343	
91700 Legal Expense	\$14,027					\$450	\$39,052	\$523	
91800 Travel							\$1,423	\$476	
91810 Allocated Overhead									
91900 Other	\$117,030		\$9,789	\$4,083		\$22,060	\$305,788	\$103,653	
91000 Total Operating - Administrative	\$849,547	\$0	\$10,909	\$4,083	\$0	\$119,900	\$1,187,105	\$657,456	\$1,940
92000 Asset Management Fee	\$39,360								
92100 Tenant Services - Salaries									
92200 Relocation Costs	\$81								
92300 Employee Benefit Contributions - Tenant Services									
92400 Tenant Services - Other	\$26,575					\$7,654	\$14,531	\$24,524	\$827
92500 Total Tenant Services	\$26,756	\$0	\$0	\$0	\$0	\$7,654	\$14,531	\$24,524	\$827

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,231 Emergency Shelter Grants Program	14,238 Shelter Plus Care	14,235 Supportive Housing Program	14,EHV Emergency Housing Voucher	COC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue										\$5,014,072		\$5,014,072
70400 Tenant Revenue - Other										\$49,843		\$49,843
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,063,915	\$0	\$5,063,915
70600 HUD PHA Operating Grants	\$785,724	\$255,891	\$90,972,071	\$80,994			\$852,489	\$2,061,601		\$97,646,674		\$97,646,674
70610 Capital Grants										\$656,899		\$656,899
70710 Management Fee									\$1,978,975	\$1,978,975	(\$1,978,975)	\$0
70720 Asset Management Fee									\$39,360	\$39,360	(\$39,360)	\$0
70730 Book Keeping Fee									\$622,020	\$622,020	(\$622,020)	\$0
70740 Front Line Service Fee												
70750 Other Fees									\$1,030,014	\$1,030,014		\$1,030,014
70700 Total Fee Revenue									\$3,670,369	\$3,670,369	(\$2,640,355)	\$1,030,014
70800 Other Government Grants									\$2,798,497	\$4,065,967		\$4,065,967
71100 Investment Income - Unrestricted		\$88	\$482				\$169,340		\$34,798	\$2,983,781		\$2,983,781
71200 Mortgage Interest Income										\$462		\$462
71300 Proceeds from Disposition of Assets Held for Sale												
71310 Cost of Sale of Assets												
71400 Fraud Recovery			\$54,011							\$54,011		\$54,011
71500 Other Revenue		\$11,766	\$2,205,049			\$7,678	\$2,826	\$1,690	\$2,173,155	\$12,259,224	(\$1,457,169)	\$10,802,055
71600 Gain or Loss on Sale of Capital Assets									\$6,425	\$1,511,260		\$1,511,260
72000 Investment Income - Restricted			\$4,374							\$8,617		\$8,617
70000 Total Revenue	\$785,724	\$267,745	\$93,235,987	\$80,994	\$0	\$7,678	\$1,024,655	\$2,063,291	\$8,683,244	\$127,921,179	(\$4,097,524)	\$123,823,655
91100 Administrative Salaries		\$21,440	\$2,322,526	\$48,867		\$17,844	\$209,728	\$29,410	\$2,831,761	\$6,778,091		\$6,778,091
91200 Auditing Fees			\$43,150						\$24,008	\$90,151		\$90,151
91300 Management Fee	\$53,768		\$1,460,640					\$35,486		\$1,978,974	(\$1,978,975)	(\$1)
91310 Book-keeping Fee			\$581,842					\$11,753		\$622,021	(\$622,020)	\$1
91400 Advertising and Marketing			\$1,700						\$39,099	\$53,875		\$53,875
91500 Employee Benefit contributions - Administrative		\$10,509	\$995,160	\$25,502		\$10,144	\$118,196	\$15,901	\$1,960,858	\$3,308,143		\$3,308,143
91600 Office Expenses		\$124	\$138,457	\$947		\$51	\$511,169	\$12	\$217,799	\$1,119,182		\$1,119,182
91700 Legal Expense			\$9,469						\$103,089	\$166,610		\$166,610
91800 Travel			\$2,854	\$29			\$11,249		\$31,577	\$47,608		\$47,608
91810 Allocated Overhead												
91900 Other		\$10,327	\$631,038			\$3,210	\$48,135	\$6,118	\$1,492,105	\$2,753,336	(\$1,457,169)	\$1,296,167
91000 Total Operating - Administrative	\$53,768	\$42,400	\$6,186,836	\$75,345	\$0	\$31,249	\$898,477	\$98,680	\$6,700,296	\$16,917,891	(\$4,058,164)	\$12,859,827
92000 Asset Management Fee										\$39,360	(\$39,360)	\$0
92100 Tenant Services - Salaries												
92200 Relocation Costs									\$28	\$109		\$109
92300 Employee Benefit Contributions - Tenant Services												
92400 Tenant Services - Other		\$5,136	\$15,380		\$0	\$0	\$1,180	\$54,254	(\$961)	\$149,200		\$149,200
92500 Total Tenant Services	\$0	\$5,136	\$15,380	\$0	\$0	\$0	\$1,180	\$54,254	(\$933)	\$149,309	\$0	\$149,309

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	14,892 Choice Neighborhoods Planning Grants	6,2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	21,027 Coronavirus State and Local Fiscal Recovery Funds
93100 Water	\$200,550					\$20,832	\$74,633	\$5,011	
93200 Electricity	\$37,168					\$1,513	\$88,334	\$11,130	
93300 Gas	\$2,940					\$344	\$14,699	\$273	
93400 Fuel	\$0								
93500 Labor	\$0								
93600 Sewer	\$71,140					\$10,821	\$60,308	\$6,723	
93700 Employee Benefit Contributions - Utilities									
93800 Other Utilities Expense	\$225,176					\$17,798	\$92,390	\$10,767	
93000 Total Utilities	\$536,974	\$0	\$0	\$0	\$0	\$51,308	\$330,364	\$33,904	\$0
94100 Ordinary Maintenance and Operations - Labor	\$207,363					\$30,955	\$243,184	\$20,157	
94200 Ordinary Maintenance and Operations - Materials and Other	\$144,711					\$16,343	\$143,010	\$12,663	
94300 Ordinary Maintenance and Operations Contracts	\$491,028					\$46,662	\$470,815	\$56,232	
94500 Employee Benefit Contributions - Ordinary Maintenance									
94000 Total Maintenance	\$843,102	\$0	\$0	\$0	\$0	\$93,960	\$857,009	\$89,052	\$0
95100 Protective Services - Labor									
95200 Protective Services - Other Contract Costs	\$65,327					\$5,491	\$199,632	\$1,980	
95300 Protective Services - Other									
95500 Employee Benefit Contributions - Protective Services									
95000 Total Protective Services	\$65,327	\$0	\$0	\$0	\$0	\$5,491	\$199,632	\$1,980	\$0
96110 Property Insurance	\$148,804					\$24,465	\$156,831	\$20,905	
96120 Liability Insurance	\$16,468					\$2,485	\$1,731	(\$163)	
96130 Workmen's Compensation	\$20,129		\$18			\$3,017	\$33,921	\$8,188	\$55
96140 All Other Insurance	\$3,478					\$795	\$9,091	\$22,783	
96100 Total Insurance Premiums	\$188,879	\$0	\$18	\$0	\$0	\$30,762	\$201,574	\$51,713	\$55
96200 Other General Expenses	\$1,024,908		\$1			(\$202)	\$1,224,793	\$210,316	(\$50)
96210 Compensated Absences	\$32,032					\$5,338	\$90,222	\$32,069	
96300 Payments in Lieu of Taxes	\$107,589								
96400 Bad debt - Tenant Rents	\$165,111					\$41,322	\$69,239		
96500 Bad debt - Mortgages									
96600 Bad debt - Other									
96800 Severance Expense									
96000 Total Other General Expenses	\$1,329,640	\$0	\$1	\$0	\$0	\$46,458	\$1,384,254	\$242,385	(\$50)
96710 Interest of Mortgage (or Bonds) Payable							\$421,358		
96720 Interest on Notes Payable (Short and Long Term)	\$2,766						\$414,734	\$109,437	
96730 Amortization of Bond Issue Costs									
96700 Total Interest Expense and Amortization Cost	\$2,766	\$0	\$0	\$0	\$0	\$0	\$836,092	\$109,437	\$0
96900 Total Operating Expenses	\$3,882,351	\$0	\$10,928	\$4,083	\$0	\$355,533	\$5,010,561	\$1,210,451	\$2,772
97000 Excess of Operating Revenue over Operating Expenses	\$1,642,024	\$0	(\$10,928)	\$37,960	\$9,883	\$395,164	\$8,229,750	\$994,101	(\$2,772)

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,231 Emergency Shelter Grants Program	14,238 Shelter Plus Care	14,235 Supportive Housing Program	14,EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
93100 Water								\$46	\$913	\$301,985		\$301,985
93200 Electricity									\$127,543	\$265,688		\$265,688
93300 Gas									\$5,602	\$23,858		\$23,858
93400 Fuel										\$0		\$0
93500 Labor										\$0		\$0
93600 Sewer								\$48	\$359	\$149,399		\$149,399
93700 Employee Benefit Contributions - Utilities									\$3,759	\$3,759		\$3,759
93800 Other Utilities Expense								\$118		\$346,249		\$346,249
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$212	\$138,176	\$1,090,938	\$0	\$1,090,938
94100 Ordinary Maintenance and Operations - Labor									\$36,711	\$538,370		\$538,370
94200 Ordinary Maintenance and Operations - Materials and Other			\$4,769				\$111		\$11,030	\$332,637		\$332,637
94300 Ordinary Maintenance and Operations Contracts			\$12,542						\$77,283	\$1,154,572		\$1,154,572
94500 Employee Benefit Contributions - Ordinary Maintenance												
94000 Total Maintenance	\$0	\$0	\$17,311	\$0	\$0	\$0	\$111	\$0	\$125,034	\$2,025,579	\$0	\$2,025,579
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs									\$38,410	\$310,840		\$310,840
95300 Protective Services - Other												
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,410	\$310,840	\$0	\$310,840
96110 Property Insurance									\$12,975	\$363,980		\$363,980
96120 Liability Insurance									\$349	\$20,870		\$20,870
96130 Workmen's Compensation		\$616	\$65,730	\$1,417		\$545	\$5,950	\$929	\$84,891	\$225,406		\$225,406
96140 All Other Insurance		\$117	\$20,044	\$1,748		\$202	\$1,748		\$25,441	\$83,699		\$83,699
96100 Total Insurance Premiums	\$0	\$733	\$85,774	\$1,417	\$0	\$747	\$7,698	\$929	\$123,656	\$693,955	\$0	\$693,955
96200 Other General Expenses		\$199,819	\$50,639			\$559	\$213,222	\$869	\$3,705,449	\$6,630,323		\$6,630,323
96210 Compensated Absences		\$2,164	\$294,138	\$4,232		\$3,697	\$21,783	\$147	\$331,668	\$817,490		\$817,490
96300 Payments in Lieu of Taxes										\$107,589		\$107,589
96400 Bad debt - Tenant Rents										\$275,672		\$275,672
96500 Bad debt - Mortgages												
96600 Bad debt - Other												
96800 Severance Expense												
96000 Total Other General Expenses	\$0	\$201,983	\$344,777	\$4,232	\$0	\$4,256	\$235,005	\$1,016	\$4,037,117	\$7,831,074	\$0	\$7,831,074
96710 Interest of Mortgage (or Bonds) Payable									\$80,284	\$501,642		\$501,642
96720 Interest on Notes Payable (Short and Long Term)										\$526,937		\$526,937
96730 Amortization of Bond Issue Costs												
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,284	\$1,028,579	\$0	\$1,028,579
96900 Total Operating Expenses	\$53,768	\$250,252	\$6,650,078	\$80,994	\$0	\$36,252	\$1,142,471	\$155,091	\$11,242,040	\$30,087,625	(\$4,097,524)	\$25,990,101
97000 Excess of Operating Revenue over Operating Expenses	\$731,956	\$17,493	\$86,585,909	\$0	\$0	(\$28,574)	(\$117,816)	\$1,908,200	(\$2,558,796)	\$97,833,554	\$0	\$97,833,554

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	14,892 Choice Neighborhoods Planning Grants	6.2 Component Unit - Blended	14,257 Homelessness Prevention and Rapid Re-Housing Program (RAF)	14,182 N/C S/R Section 8 Programs	1 Business Activities	2 State/Local	21,027 Coronavirus State and Local Fiscal Recovery Funds
97100 Extraordinary Maintenance	\$317,282					\$31,935	\$519,681	\$96,296	
97200 Casualty Losses - Non-capitalized									
97300 Housing Assistance Payments	\$10,828					\$11,085			
97350 HAP Portability-In									
97400 Depreciation Expense	\$120,957					\$4,838	\$572,690	\$152,582	
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payment - Governmental Funds									
97800 Dwelling Units Rent Expense							\$21	\$4,246	\$9,676
90000 Total Expenses	\$4,331,418	\$0	\$10,928	\$4,093	\$0	\$403,391	\$6,102,953	\$1,463,575	\$12,448
10010 Operating Transfer In									
10020 Operating transfer Out									
10030 Operating Transfers from/to Primary Government									
10040 Operating Transfers from/to Component Unit									
10050 Proceeds from Notes, Loans and Bonds									
10060 Proceeds from Property Sales									
10070 Extraordinary Items, Net Gain/Loss									
10080 Special Items (Net Gain/Loss)									
10091 Inter Project Excess Cash Transfer In									
10092 Inter Project Excess Cash Transfer Out									
10093 Transfers between Program and Project - In									
10094 Transfers between Project and Program - Out									
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$1,192,957	\$0	(\$10,928)	\$37,960	\$9,883	\$347,306	\$7,137,358	\$740,977	(\$12,448)
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$22,286,871	\$0	(\$857,009)	\$187,463	(\$233,801)	\$822,412	\$134,772,121	(\$2,964,746)	(\$75,153)
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors							\$0		
11050 Changes in Compensated Absence Balance									
11060 Changes in Contingent Liability Balance									
11070 Changes in Unrecognized Pension Transition Liability									
11080 Changes in Special Term/Severance Benefits Liability									
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents									
11100 Changes in Allowance for Doubtful Accounts - Other									
11170 Administrative Fee Equity									
11180 Housing Assistance Payments Equity									
11190 Unit Months Available	5,412								
11210 Number of Unit Months Leased	5,227								
11270 Excess Cash	\$1,143,166								
11610 Land Purchases	\$0								
11620 Building Purchases	\$0								
11630 Furniture & Equipment - Dwelling Purchases	\$0								
11640 Furniture & Equipment - Administrative Purchases	\$0								
11650 Leasehold Improvements Purchases	\$0								
11660 Infrastructure Purchases	\$0								
13510 CFFP Debt Service Payments	\$0								
13901 Replacement Housing Factor Funds	\$0								

Housing Authority City of Fresno (CA006)
Fresno, CA
Entity Wide Revenue and Expense Summary
Submission Type: Audited/Single Audit
Fiscal Year End: 12/31/2025

	14,879 Mainstream Vouchers	14,239 HOME Investment Partnerships Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,231 Emergency Shelter Grants Program	14,238 Shelter Plus Care	14,235 Supportive Housing Program	14,EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
97100 Extraordinary Maintenance									\$24,741	\$989,935		\$989,935
97200 Casualty Losses - Non-capitalized												
97300 Housing Assistance Payments	\$707,477		\$83,096,286					\$1,727,693		\$85,553,369		\$85,553,369
97350 HAP Portability-In			\$1,859,010							\$1,859,010		\$1,859,010
97400 Depreciation Expense									\$119,242	\$970,309		\$970,309
97500 Fraud Losses												
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												
97800 Dwelling Units Rent Expense		\$2,542					\$833	\$6		\$17,324		\$17,324
90000 Total Expenses	\$781,245	\$252,794	\$91,605,374	\$80,994	\$0	\$38,252	\$1,143,304	\$1,882,790	\$11,386,023	\$119,477,572	(\$4,097,524)	\$115,380,048
10010 Operating Transfer In												
10020 Operating transfer Out												
10030 Operating Transfers from/to Primary Government												
10040 Operating Transfers from/to Component Unit												
10050 Proceeds from Notes, Loans and Bonds												
10060 Proceeds from Property Sales												
10070 Extraordinary Items, Net Gain/Loss												
10080 Special Items (Net Gain/Loss)												
10091 Inter Project Excess Cash Transfer In												
10092 Inter Project Excess Cash Transfer Out												
10093 Transfers between Program and Project - In												
10094 Transfers between Project and Program - Out												
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$24,479	\$14,951	\$1,630,613	\$0	\$0	(\$28,574)	(\$118,649)	\$180,501	(\$2,702,779)	\$8,443,607	\$0	\$8,443,607
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	(\$176,322)	(\$34,712)	(\$4,276,561)	(\$29,904)	(\$48)	(\$525,976)	\$509,878	\$144,725	(\$11,844,576)	\$137,704,662		\$137,704,662
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors									\$0	\$0		\$0
11050 Changes in Compensated Absence Balance												
11060 Changes in Contingent Liability Balance												
11070 Changes in Unrecognized Pension Transition Liability												
11080 Changes in Special Term/Severance Benefits Liability												
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents												
11100 Changes in Allowance for Doubtful Accounts - Other												
11170 Administrative Fee Equity			(\$1,517,595)							(\$1,517,595)		(\$1,517,595)
11180 Housing Assistance Payments Equity			(\$1,128,353)							(\$1,128,353)		(\$1,128,353)
11190 Unit Months Available	1,020		89,364					1,788		94,778		94,778
11210 Number of Unit Months Leased	738		77,579					1,671		82,806		82,806
11270 Excess Cash										\$1,143,166		\$1,143,166
11610 Land Purchases									\$0	\$0		\$0
11620 Bulking Purchases									\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases									\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases									\$0	\$0		\$0
11650 Leasehold Improvements Purchases									\$0	\$0		\$0
11660 Infrastructure Purchases									\$0	\$0		\$0
13510 CFFP Debt Service Payments									\$0	\$0		\$0
13901 Replacement Housing Factor Funds									\$0	\$0		\$0

Housing Authority of

the City of Fresno

Statistical Section:

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic
Information

Operating Information



HOUSING AUTHORITY OF THE CITY OF FRESNO

Statistical Section

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

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

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Financial Trends

Net Position by Component
Last Ten Fiscal Years (Unaudited)

Net Investment in Capital				
Year	Assets	Restricted	Unrestricted	Total
2016	\$ 4,769,521	\$ 619,142	\$ 64,524,416	\$ 69,913,079
2017	3,919,932	2,320,389	68,312,587	74,552,908
2018	3,560,130	1,174,748	69,164,036	73,898,914
2019	2,128,782	471,147	73,202,350	75,802,279
2020	4,180,635	708,261	78,330,222	83,219,118
2021	6,142,861	773,089	103,300,528	110,216,478
2022	4,373,579	746,974	109,675,782	114,796,335
2023	10,639,371	20,407	115,412,383	126,072,161
2024	6,912,120	1,284,412	129,508,130	137,704,662
2025	(603,920)	1,400,524	145,351,671	146,148,275

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

Table 2

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Financial Trends

Change in Net Position
Last Ten Fiscal Years (Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OPERATING REVENUES:										
Rents	\$ 3,196,411	\$ 3,258,298	\$ 3,487,986	\$ 3,343,854	\$ 3,589,612	\$ 3,852,316	\$ 4,042,706	\$ 4,437,554	\$ 5,590,268	\$ 7,103,311
Fee revenue	601,303	552,747	729,316	777,139	656,836	830,161	1,004,383	897,968	1,311,769	1,162,441
Other revenue	2,156,993	2,447,587	2,644,984	2,052,322	1,882,065	1,822,851	3,170,752	8,292,796	4,506,009	5,846,731
Developer fee revenue	-	-	2,031,199	2,451,486	1,790,761	2,157,973	753,756	2,013,042	1,369,001	1,157,691
Total operating revenues	5,954,707	6,258,632	8,893,485	8,624,801	7,919,274	8,663,301	8,971,597	15,641,360	12,777,047	15,270,174
OPERATING EXPENSES:										
Administrative expense	9,927,066	12,577,813	11,634,740	13,643,112	12,634,820	15,912,382	14,362,907	16,251,513	15,377,988	15,834,752
Tenant services expense	109,582	1,472,123	1,699,098	1,579,335	1,743,436	1,815,269	1,663,736	2,273,450	1,623,809	576,844
Utilities expense	579,424	820,658	840,479	851,992	931,390	900,327	1,024,660	1,066,017	1,127,008	1,090,937
Maintenance and operations expense	1,923,354	2,058,131	2,146,495	2,177,493	2,194,738	2,559,212	3,118,655	3,460,569	3,525,445	3,909,344
Protective services expense	96,255	107,902	327,490	281,516	319,291	328,705	261,774	528,198	493,866	310,898
Insurance expense	370,853	427,511	395,381	321,644	290,287	476,891	375,061	592,256	573,367	693,954
General expense	1,972,644	1,819,057	1,654,261	1,463,321	1,998,590	1,721,496	2,011,057	2,576,664	2,383,726	3,198,245
Housing assistance payments	42,719,636	42,737,248	44,262,551	50,778,548	50,591,829	50,890,902	55,453,089	68,938,043	80,886,250	87,428,363
Depreciation	1,461,231	1,562,745	1,304,881	1,559,889	1,486,636	1,220,496	1,561,850	2,229,473	1,892,289	1,562,868
Total operating expenses	59,160,045	63,583,188	64,265,376	72,656,850	72,191,017	75,825,680	79,832,789	97,916,183	107,883,748	114,606,205
Operating income (loss)	(53,205,338)	(57,324,556)	(55,371,891)	(64,032,049)	(64,271,743)	(67,162,379)	(70,861,192)	(82,274,823)	(95,106,701)	(99,336,031)
NON-OPERATING REVENUES (EXPENSES):										
HUD operating grants	50,398,482	54,637,261	52,580,052	60,539,026	64,119,949	61,539,512	66,291,552	81,951,605	91,953,703	97,646,674
Other governmental grants	351,782	2,085,524	1,010,723	1,228,617	2,881,639	7,752,811	6,498,960	6,666,199	2,714,054	4,065,967
Interest revenue, unrestricted	91,547	3,292	6,081	36,549	33,051	13,679	46,061	106,904	142,320	111,369
Interest revenue, restricted	9,557	3,253	4,154	3,733	2,697	4,170	1,217	25,739	41,498	33,907
Interest revenue, notes receivable	1,092,438	1,308,920	1,462,442	1,416,294	1,477,406	1,651,474	2,004,301	2,439,684	2,743,642	2,872,873
Interest expense	(366,199)	(389,987)	(354,980)	(304,346)	(354,772)	(330,675)	(401,691)	(469,685)	(463,334)	(602,733)
Fraud recovery	24,733	37,470	49,727	41,023	7,348	1,174	-	-	-	-
Share of joint venture net income (loss)	836,301	392,363	1,075,432	537,242	676,893	1,564,210	(985,928)	361,276	5,947,462	3,006,657
Gain (loss) from insurance claim	-	-	-	(5,500)	-	7,231	(890)	(10,275)	(10,050)	-
Developer fees	1,192,393	1,674,870	-	-	-	-	-	-	-	-
Transfer from (to) other related entities	50,813	(600)	(59,504)	849,799	-	-	-	-	-	-
Gain (loss) on sale/disposition of capital assets	2,216	2,141,912	(97,988)	1,578,959	(3,313)	97,845	5,152	1,473,508	2,498,057	(11,969)
Other income	-	-	-	-	-	-	-	-	1,000,000	-
Write off of related party receivable	-	-	(1,035,979)	-	-	-	-	-	-	-
Total nonoperating revenues (expenses)	53,684,063	61,894,278	54,640,160	65,921,396	68,840,898	72,301,431	73,458,734	92,544,955	106,567,352	107,122,745
Income (loss) before contributions and transfers	478,725	4,569,722	(731,731)	1,889,347	4,569,155	5,139,052	2,597,542	10,270,132	11,460,651	7,786,714
Capital contributions-cash capital fund grants	-	77,328	50,826	-	2,847,684	643,556	1,982,315	1,005,694	171,850	656,899
Increase (decrease) in net position	478,725	4,647,051	(680,905)	1,889,347	7,416,839	5,782,608	4,579,857	11,275,826	11,632,501	8,443,613
Net position, beginning of year	69,883,027	69,913,079	74,552,907	73,898,914	75,802,279	83,219,118	110,216,478	114,796,335	126,072,161	137,704,662
Prior period adjustment	(448,673)	(7,222)	26,912	14,018	-	-	-	-	-	-
Change in reporting entity	-	-	-	-	-	21,214,752	-	-	-	-
Net position, end of year	\$ 69,913,079	\$ 74,552,908	\$ 73,898,914	\$ 75,802,279	\$ 83,219,118	\$ 110,216,478	\$ 114,796,335	\$ 126,072,161	\$ 137,704,662	\$ 146,148,275

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

Table 3

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

Operating Revenues by Source
Last Ten Fiscal Years (Unaudited)

Year	Tenant Rentals		Fee Revenue		Other Revenue		Developer Fee Revenue		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2016	\$ 3,196,411	5.64	\$ 601,303	1.06	\$ 2,156,993	3.80	\$ -	-	\$ 56,704,971	100
2017	3,258,298	5.17	552,747	0.88	2,447,587	3.89	-	-	62,981,417	100
2018	3,487,986	5.58	729,316	1.17	2,644,984	4.23	2,031,199	3.25	62,484,260	100
2019	3,343,854	4.75	777,139	1.10	2,052,322	2.92	2,451,486	3.48	70,392,444	100
2020	3,589,612	5.10	656,836	0.88	1,882,065	2.51	1,790,761	2.39	74,920,862	100
2021	3,852,316	4.94	830,161	1.06	1,822,851	2.34	2,157,973	2.77	77,955,624	100
2022	4,042,706	4.94	1,004,383	1.23	3,170,752	3.88	753,756	0.92	81,762,109	100
2023	4,437,554	4.26	897,968	0.86	8,282,796	7.95	2,013,042	1.93	104,259,164	100
2024	5,590,268	5.20	1,311,769	1.22	4,506,009	4.19	1,369,001	1.27	107,444,804	100
2025	7,103,311	46.52	1,162,441	7.61	5,846,731	38.29	1,157,691	7.58	15,270,174	100

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

Table 4

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Revenue Capacity

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

Year	Housing Assistance Payment Subsidies		Other Governmental Grants		Interest Income, net		Fraud Recovery		Share of Joint Venture Income (Loss)		Developer Fees		Transfer from (to) Other Related Entities		Gain (Loss) from Insurance Claim		Gain on Assets		Other		Total	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
2016	\$ 50,398,482	47.05	\$ 351,782	0.65	\$ 778,467	1.43	\$ 11,173	2.51	\$ 470,216	0.86	\$ 1,399,766	314.00	\$ (50,815)	(11.40)	\$ -	-	\$ 1,139,654	2.09	\$ -	-	\$ 54,498,725	100
2017	54,637,261	51.00	2,085,524	3.26	839,942	1.31	26,946	0.26	283,126	0.44	2,220,176	21.75	600	0.01	-	-	3,960,971	6.18	-	-	64,054,546	100
2018	52,580,052	49.08	1,010,723	1.72	1,085,338	1.85	26,639	5.36	1,854,502	3.16	-	-	59,504	11.98	-	-	2,129,490	3.62	-	-	58,746,248	100
2019	60,539,026	56.51	1,228,617	1.88	1,118,816	1.71	63,039	3.74	175,980	0.27	-	-	(849,799)	(50.47)	-	-	3,084,549	4.72	-	-	65,360,228	100
2020	64,119,949	59.86	2,881,639	4.19	1,320,642	1.92	2,137	0.00	385,365	0.56	-	-	-	-	-	-	71	0.00	-	-	68,709,803	100
2021	61,539,512	57.45	7,752,811	10.72	1,338,648	1.85	1,174	0.00	1,564,210	2.16	-	-	-	-	7,231	0.01	97,845	0.14	-	-	72,301,431	100
2022	66,291,552	61.88	6,498,960	8.85	1,649,888	2.25	-	-	(985,928)	(1.34)	-	-	-	-	(890)	(0.00)	5,152	0.01	-	-	73,458,734	100
2023	81,951,605	76.50	6,666,199	7.20	2,102,642	2.27	-	-	361,276	0.39	-	-	-	-	(10,275)	(0.01)	1,473,508	1.59	-	-	92,544,955	100
2024	91,953,703	85.84	2,714,054	2.55	2,464,126	2.31	-	-	5,947,462	5.58	-	-	-	-	(10,050)	(0.01)	2,498,057	2.34	1,000,000	0.94	106,567,352	100
2025	97,646,674	91.15	4,065,967	3.80	2,415,416	2.25	-	-	3,006,657	2.81	-	-	-	-	-	-	(11,969)	(0.01)	-	-	107,122,745	100

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

Table 5

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Debt Capacity

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

Year	Long - Term Debt			Capital Assets, Net	Ratio of Total Debt to Capital Assets
	Current Portion	Noncurrent Portion	Total		
2016	\$ 1,546,246	\$ 12,502,409	\$ 14,048,655	\$ 18,818,174	74.65%
2017	2,073,801	12,216,897	14,290,698	18,210,630	78.47%
2018	2,156,683	11,989,372	14,146,055	16,867,346	83.87%
2019	3,542,102	11,523,390	15,065,492	17,194,274	87.62%
2020	4,021,070	11,431,968	15,453,038	18,264,641	84.61%
2021	7,624,142	7,019,024	14,643,166	19,538,215	74.95%
2022	4,027,262	13,940,648	17,967,910	22,226,856	80.84%
2023	5,274,001	12,899,931	18,173,932	28,879,173	62.93%
2024	3,761,989	16,216,878	19,978,867	25,712,666	77.70%
2025	10,680,631	13,319,104	23,999,735	23,148,983	103.68%

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

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

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

Housing Choice Voucher						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	9,342	1,233	8,313	10,941	7,947	18,888
2017	7,273	928	5,688	8,259	5,630	13,889
2018	9,453	1,239	7,376	10,653	7,415	18,068
2019	8,895	1,338	7,275	10,286	7,222	17,508
2020	9,193	1,707	8,565	11,561	7,904	19,465
2021	7,321	1,679	7,215	9,569	6,646	16,215
2022	7,370	1,744	7,143	9,570	6,687	16,257
2023	7,949	1,856	7,992	10,441	7,356	17,797
2024	7,936	1,989	7,883	10,475	7,333	17,808
2025	7,990	2,047	7,507	10,267	7,277	17,544

Public Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	447	77	444	569	399	968
2017	555	65	463	659	424	1,083
2018	565	60	459	661	423	1,084
2019	566	60	479	670	435	1,105
2020	473	56	424	569	384	953
2021	463	58	471	616	376	992
2022	453	52	457	594	368	962
2023	441	51	476	592	376	968
2024	457	53	470	599	381	980
2025	442	53	420	563	352	915

Affordable Housing						
Year	Adults	Elderly	Minors	Females	Males	Total
2016	77	22	62	105	56	161
2017	71	8	74	89	64	153
2018	69	10	63	91	51	142
2019	63	8	69	88	52	140
2020	57	9	66	81	51	132
2021	58	11	54	75	48	123
2022	65	10	52	74	53	127
2023	52	10	62	74	50	124
2024	64	11	52	74	53	127
2025	64	11	52	76	51	127

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

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

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

Table 7

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

Principal Employers
Current Year and Nine Years Ago (Unaudited)

Employer	2025			2016		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Fresno Unified School District	15,748	1	3.66%	11,162	1	2.70%
Community Regional Medical Center	10,780	2	2.50%	4,789	4	1.16%
County of Fresno	9,156	3	2.13%	6,400	2	1.55%
Clovis Unified School District	8,470	4	1.94%	-	-	0.00%
Amazon.com, Inc	6,500	5	1.51%	-	-	0.00%
City of Fresno	5,596	6	1.30%	3,321	5	0.80%
California State University, Fresno	5,297	7	1.23%	2,310	7	0.56%
State Center Community College District	5,187	8	1.20%	1,630	9	0.39%
Internal Revenue Services	4,477	9	1.04%	5,600	3	1.35%
Saint Agnes Medical Center	3,382	10	0.79%	2,812	6	0.68%
Kaiser Permanente Medical Center	-	-	-	2,300	8	0.56%
Alorica, Inc.	-	-	-	1,300	10	0.31%
Total	74,593		17.30%	41,624		10.06%
Fresno City Employment	430,500			413,900		

Source: Employer Information- Fresno County Economic Development Corporation (EDD)

City of Fresno Employment Information - Employment Development Department (EDD) - Labor Market Information, State of California.

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Demographics and Economic Statistics

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

Year	Population	Personal Income*	Per Capita Personal Income	Unemployment Rate
2016	520,453	39,295	40,101	9.50%
2017	525,832	41,024	41,470	8.48%
2018	538,330	42,843	43,084	7.50%
2019	536,683	45,446	45,487	7.30%
2020	545,769	48,539	48,495	12.12%
2021	546,770	52,120	51,422	12.13%
2022	545,564	51,316	50,549	5.60%
2023	545,716	53,633	52,728	7.00%
2024	550,105	58,972	57,584	8.10%
2025	557,032	Not Available	Not Available	8.60%

Source:

Population: California State Department of Finance, Demographic Research Unit

Personal Income: City of Fresno Annual Comprehensive Financial Report

Per Capita Personal Income: City of Fresno Annual Comprehensive Financial Report

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

* Amount in thousands

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Operating Information

Property Characteristics and Dwelling Unit Composition
December 31, 2025 (Unaudited)

Public Housing			
Name of development	Address	Number of units	Year built or acquired
Sequoia Courts	515 S. Modoc	60	1942
Sierra Plaza	838 Tulare Street	70	1942
Fairview Heights Terrace	2195 S. Maud Street	64	1952
Sequoia Courts Terrace	549 S. Thorne Street	78	1942
Sierra Terrace	631 Kern Street	26	1952
DeSoto Gardens II	640 E. California Avenue	28	1995
HOP Homes	Scattered Sites	2	1965
Parc Grove Commons II	2660 East Clinton Avenue	31	2011
Total units - Public Housing		359	
Affordable Housing			
Name of development	Address	Number of units	Year built or acquired
El Cortez Apts	4949 N. Gearhart Ave.	48	2004
Woodside Apts	3212 E. Ashcroft Ave.	76	2004
Dayton Square	3050 E. Daton	66	2004
San Ramon	1328 E. San Ramon	32	2013
Garland Gardens	3726 N. Pleasant, #101	51	1980
Total units - Affordable Housing		273	
Total Units		632	

Table 10

HOUSING AUTHORITY OF THE CITY OF THE FRESNO

Operating Information

Employee Demographics
Last Ten Fiscal Years (Unaudited)

Calendar Year	Black	Asian/ Pacific Islander	White	Hispanic	Others	Total
2016	21	19	68	93	5	206
2017	24	19	65	102	6	216
2018	23	23	61	111	9	227
2019	15	24	56	108	12	215
2020	17	26	53	110	15	221
2021	22	22	54	131	15	244
2022	16	22	45	132	23	238
2023	13	17	32	118	49	229
2024	18	24	35	141	16	234
2025	13	21	35	127	16	212

Source: Human Resource Department

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

SINGLE AUDIT REPORTS AND RELATED SCHEDULES

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

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

We have audited, in accordance with 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 (*Government Auditing Standards*), the financial statements of the business-type activities of the Housing Authority of the City of Fresno (the "Agency") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated (Report Date). Our report includes a reference to another auditor who audited the financial statements of Housing Relinquished Fund Corporation, joint venture of the Agency, as described in our report on the Agency's financial statements. The financial statements of Housing Relinquished Fund Corporation was not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Housing Relinquished Fund Corporation.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sacramento, California
(Report Date)

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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Housing Authority of the City of Fresno's (the "Agency") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Agency's major federal program for the year ended December 31, 2025. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Fresno complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2025.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Sacramento, California
(Report Date)

**HOUSING AUTHORITY OF THE CITY OF FRESNO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Program/Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
Department of Housing and Urban Development:				
Direct Assistance:				
Section 8 New Construction and Substantial Rehabilitation	14.182		\$ 580,177	\$ -
Supportive Housing Program	14.235		852,489	-
Home Investment Partnerships Program	14.239		255,891	-
Public Housing Operating Fund	14.850		2,624,666	-
Resident Opportunity and Supportive Services	14.870		80,994	-
Public Housing Capital Funds	14.872		656,899	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers - Contract # SF-472	14.871		90,972,071	-
Emergency Housing Vouchers	14.871		2,061,601	-
Mainstream Voucher Program	14.879		785,724	-
Subtotal - Housing Voucher Cluster			93,819,396	-
Subtotal - HUD Direct Assistance			98,870,512	-
Passed through the City of Fresno:				
CDGB - Entitlement/ Special Purpose Grants Cluster				
Journey Home/ Welcome Inn	14.218		2,315,150	2,315,150
Golden State Triage/Parkside Inn	14.218		483,347	483,347
Subtotal - CDGB - Entitlement/ Special Purpose Grants Cluster			2,798,497	2,798,497
Subtotal - U.S. Department of Housing and Urban Development			101,669,009	2,798,497
U.S. Department of the Treasury				
Passed through the City of Fresno				
Coronavirus State and Local Fiscal Recovery Funds	21.027		300,000	300,000
Total - U.S. Department of the Treasury			300,000	300,000
Total Expenditures of Federal Awards			\$ 101,969,009	\$ 3,098,497

See accompanying notes to schedule of expenditures of federal awards

HOUSING AUTHORITY OF CITY OF FRESNO

Notes to Schedule of Expenditures of Federal Awards December 31, 2025

Note 1 - Reporting Entity

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

Note 2 – Indirect Cost Rate

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

Note 3 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the federal awards activity of the Agency under programs of the federal government for the year ended December 31, 2025. Federal awards received directly from federal agencies, as well as federal awards passed through from nonfederal agencies or other organizations are included in the Schedule. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). As the Schedule presents only the federal awards activity of the Agency, it is not intended to and does not present the financial position, change in net position or cash flows of the Agency as a whole.

Summary of Significant Accounting Policies

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

HOUSING AUTHORITY OF CITY OF FRESNO

Schedule of Findings and Questioned Costs
Year Ended December 31, 2025

A. Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified opinion
2. Internal control over financial reporting:
- a. Material weakness(es) identified? Yes x No
- b. Significant deficiency(ies) identified? Yes x None reported
3. Noncompliance material to financial statements noted? Yes x No

Federal Awards

4. Internal control over major federal programs:
- a. Material weakness(es) identified? Yes x No
- b. Significant deficiency(ies) identified? Yes x None reported
5. Type of auditor's report issued on compliance for major federal programs: Unmodified opinion
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? Yes x No
7. Identification of major federal programs:

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

8. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000
9. Auditee qualified as low-risk auditee x Yes No

HOUSING AUTHORITY OF CITY OF FRESNO

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2025**

B. Findings - Financial Statements Audit

None reported.

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

None reported.

PRELIMINARY DRAFT -
SUBJECT TO CHANGE