

# **Housing Authority of the City of Yakima**

Yakima, Washington

## **Annual Comprehensive Financial Report**

Year Ended

December 31, 2022



# Housing Authority of the City of Yakima

Yakima, Washington

## Annual Comprehensive Financial Report

Year Ended December 31, 2022



Issued by

Finance Department of the Housing Authority of the City of Yakima

Chanelle Murphy, Finance Director

# Housing Authority of the City of Yakima

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December 31, 2022

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# Housing Authority of the City of Yakima

Yakima, Washington

## ***Introductory Section:***

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

Organizational Chart

List of Principal Officials



***Building stronger communities  
through our commitment to safe  
and affordable housing***



*"Committed to Safe and Affordable Housing"*

July 31, 2023

Mr. Robert Ponti, Chairperson of the Board of Commissioners  
Members of the Board of Commissioners of the Housing  
Authority of the City of Yakima:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the Housing Authority of the City of Yakima (YHA) for the year ended December 31, 2022. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year-end, financial statements presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP), YHA's financial statements presented here have been audited by Loveridge Hunt & Co, PLLC. *The auditors issued unmodified opinions on YHA's financial statements for the year ended December 31, 2022.* The data presented in this report is the responsibility of the management of YHA. To the best of our knowledge and belief, the data as presented is accurate in all material aspects; is presented in a manner designed to fairly state the financial position and results of operations of YHA; and all disclosures necessary have been included to enable the reader to gain an understanding of YHA's financial affairs. GAAP requires that management provide a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

YHA is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards; the independent auditors' report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with Uniform Guidance; the Schedule of Federal Awards; Schedule of Findings and Questioned Costs; Corrective Action Plan; and summary schedule of prior audit findings are included in the single audit section of this report.

### **Government Overview**

This report includes all programs of YHA as well as all of its component units. Component units are legally separate entities for which a government is financially accountable. Although YHA maintains close ties with the City in several respects, YHA is not a component unit of the City as defined by the pronouncements of the Governmental Accounting Standards Board. The governing body for YHA is its Board of Commissioners (Board) comprised of five members appointed by the City of Yakima. The Board appoints an Executive Director to administer the affairs of YHA.

The primary source of funding for YHA is the U.S. Department of Housing and Urban Development (HUD). The City is not financially accountable for the operations of YHA, has no responsibility to fund deficits or receive surpluses, and has not guaranteed any of YHA's current debt.

YHA was created in 1977 to provide safe, decent, and sanitary housing for low-income families of Yakima in accordance with the rules and regulations prescribed by HUD and other federal agencies. YHA's goals are accomplished through a variety of housing programs and activities. These activities include several programs developed by the U.S. Department of Housing and Urban Development such as the Housing Choice Voucher program, also known as Section 8. In addition, YHA receives funding from the United States Department of Agriculture's Rural Development (USDA RD) to provide farm labor and rural housing in Yakima County.

### **Economic Condition and Outlook**

Congressional housing legislation and the federal budget affect YHA more than local economic factors. YHA's primary source of funding is HUD. As with most housing authorities, a majority of YHA's operating and capital funding comes from a variety of federal sources in the form of operating subsidies, capital grant funds and Section 8 housing assistance payments. During calendar year 2022, HUD and other federal agencies provided approximately 100% of YHA's total revenues. For the Section 8 program, HUD provides housing authorities with a fixed annual budget for Housing Assistance Payments (HAP) and for administration fees.

In calendar year 2015, YHA completed the conversion of its public housing units through HUD's Rental Assistance Demonstration (RAD) program to Project-Based Vouchers (PBV). Beginning in January 2015, HUD transferred funding from public housing to Section 8 for YHA's units converted under RAD, eliminating YHA's reliance on public housing funding. Funding for the Section 8 program in calendar year 2022 was prorated at 87% and 88% of eligibility for HAP and administration fees, respectively.

### **Long-Term Planning and Major Commitments and Initiatives**

YHA's mission is building stronger communities through YHA's commitment to safe and affordable housing. Every effort has been made by YHA to operate more efficiently and effectively in the coming year by becoming more innovative in its approach to development, maintenance and management of its units.

YHA broke ground on Chuck Austin Place, a new veterans' housing development at the former Yakima Armory site in July of 2020. The project began in 2016 as a result of YHA facing challenges of finding housing that accepts voucher payments from the federal Housing & Urban Development's Veterans Affairs Supportive Housing (VASH) program. The development was completed in July 2021 and has 14 studios, 17 one-bedroom and 10 two-bedroom apartments for formerly homeless veterans. The housing complex also contains approximately 12,000 square feet of service space that includes a dental and medical clinic, and other service providers. The former armory building was donated to YHA in 2017 when it became federal surplus property. The \$17.8 million project was funded with HOME funds from the City of Yakima (\$1.1 million), Washington State Department of Commerce Housing Trust Fund (\$2.0 million), LIHTC Equity (\$9.3 million), the Federal Home Loan Bank (\$750,000) and appropriations from the Washington State Department of Commerce (\$2.9 million). In addition, a rooftop solar panel installation was funded through a grant from Pacific Power's Blue Sky program (\$157,000) and Federal Solar Energy Tax Credits (\$78,500).

YHA started rehabilitation of 142 units of multi-family housing at the Valley 7 properties in March 2021. The total cost of the project is \$5,380,094, financed through United States Department of Agriculture's Multifamily Preservation and Rehabilitation (MPR) funding. The USDA RD MPR program is designed to make projects sustainable over a 20-year period through a combination of debt deferral, loans and grants. Rehabilitation work was completed in December 2021. Upgrades to playgrounds at the Valley 7 properties are to be completed in 2023.



Harmony Park and Mariposa Park rehabilitation began in April 2021 and was completed in July 2021. Rehabilitation was funded with a grant of \$588,720 for Mariposa Park and \$286,564 for Harmony Park from the State of Washington Department of Commerce's Preservation Program.

A second Mariposa Park rehabilitation began in November 2022 funded with a grant of \$250,000 for Mariposa Park from the State of Washington Department of Commerce's Preservation Program.

A second Harmony Park rehabilitation will begin in June 2023 funded with a grant of \$640,565 for Harmony Park from the State of Washington Department of Commerce's Preservation Program.

YHA started predevelopment for 64 beds of seasonal farm work housing at Cosecha Court II Phase III, which is the final of a three-phase project in Granger, WA. The total estimated cost of construction is \$3.5 million, with proposed funding from the Washington Department of Commerce and a private bank lender. The funding application was due to the Department of Commerce by September 2022. The application was successful and allows work to commence in March 2023 with an anticipated end time of March 2024.

YHA is commencing work on Fruitvale Housing, which will include 54 units of housing, community space, and administrative space for YHA staff on a lot owned by YHA and adjacent to their current administrative building. Funding applications for this project were submitted in September 2021 and awards were announced in December 2021. Funding for this project includes the Washington State Department of Commerce Housing Trust Fund (\$6 million) and Low-Income Housing 9% Tax Credits through the Washington State Housing Finance Commission (\$12.7 million), City of Yakima HOME (\$300,000), City of Yakima CHIP (\$720,000) and a grant from the Department of Ecology for \$100,000. Construction began in November 2022.

YHA continues to reaffirm its commitment to the homeless of Yakima County by setting aside one hundred and five of its Section 8 vouchers, or approximately \$380 thousand for HAP payments, to be project based for homeless families. YHA has partnered with local nonprofits, landlords and the Homeless Network of Yakima County in providing vouchers to help families adjust to living in permanent housing.

### **Financial Information**

YHA management is responsible for establishing and maintaining an internal control structure designed to ensure that YHA's assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. YHA has designed its internal control structure to provide reasonable, but not absolute, assurances that those 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, YHA 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. Those internal controls are subject to periodic evaluation by management, and their independent auditors. As part of YHA's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal award programs, as well as to learn whether YHA has complied with applicable laws, regulations, contracts and grants.

### **Other Information – Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to YHA for its Annual Comprehensive Financial Report for the year ended December 31, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgments**

Preparation of the Annual Comprehensive Financial Report on a timely basis was accomplished through the dedicated service of the entire staff of the Accounting department under the leadership of Chanelle Murphy, YHA's Finance Director. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the members of the Board of Commissioners, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lowel Krueger".

Lowel Krueger, CPA, MBA  
Executive Director

A handwritten signature in black ink, appearing to read "Chanelle Murphy".

Chanelle Murphy  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Housing Authority of the City of Yakima  
Washington**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

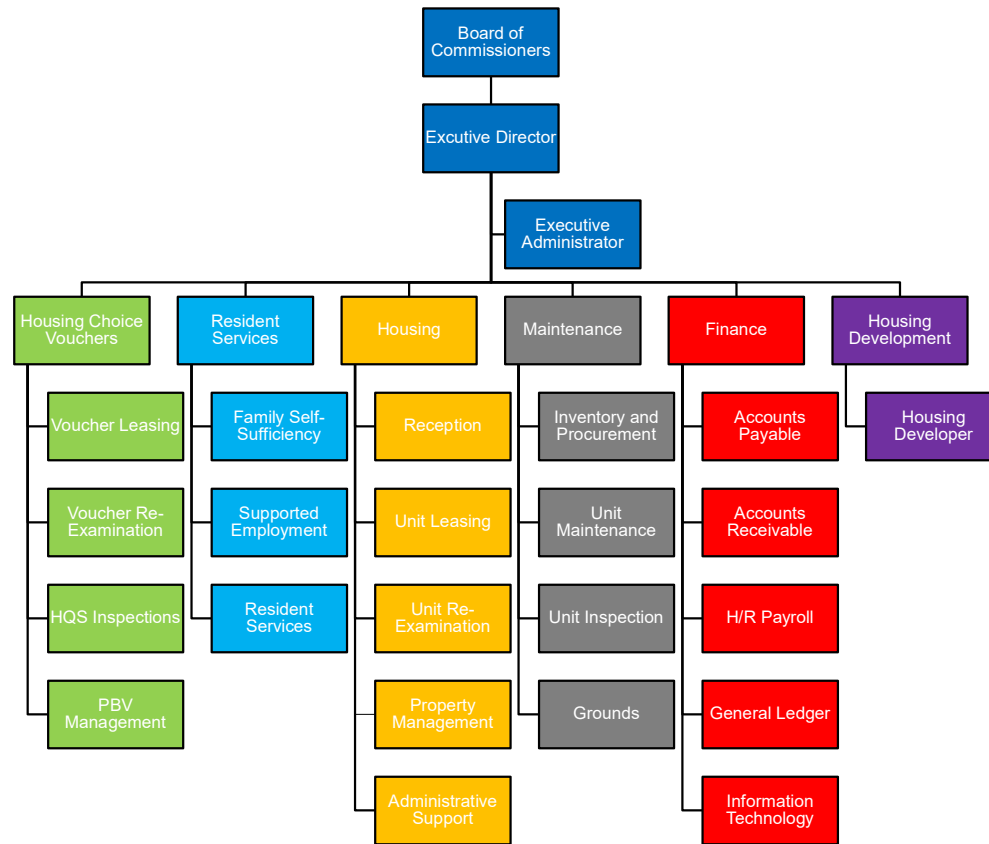
Executive Director/CEO

# Housing Authority of the City of Yakima

## Organizational Chart

December 31, 2022

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# Housing Authority of the City of Yakima

## List of Principal Officials

December 31, 2022

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### ***Board of Commissioners:***

Bob Ponti  
Chairperson

Linda Orozco  
Vice-Chairperson

JC Alvarado  
Commissioner

Nick Marquez  
Commissioner

Abby Bailey Grim  
Commissioner

### ***Management:***

Lowel Krueger, CPA, MBA  
Executive Director

Chanelle Murphy  
Finance Director

Manuel Olivas  
Maintenance Supervisor

Elsa Mendez  
Housing Supervisor

Amanda Delp  
Housing Choice Voucher Supervisor

Carlos Reyes  
Resident Services Program Manager

Susan Wilson  
Housing Development Manager

# Housing Authority of the City of Yakima

Yakima, Washington

## ***Financial Section:***

Independent Auditors' Report  
Management's Discussion and Analysis  
Basic Financial Statements  
Notes to the Basic Financial Statement  
Combining Financial Statement  
Notes to Combining Financial Statement





**Loveridge Hunt & Co., PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Housing Authority of the City of Yakima  
Yakima, Washington

### Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units of the Authority, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Yakima Affordable Housing LLLP, Toppenish Family Housing LLC, YHA Family Housing LLC and Yakima Veterans Housing LLLP, which represent 88 percent, 87 percent, and 100 percent, of the assets, net position, and revenues of the aggregate discretely presented component units, respectively, as of December 31, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Housing Authority of the City of Yakima, based solely on the report of the other auditors. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the aggregate discretely presented component units, except for Fruitvale Housing, LLLP and Yakima Affordable Housing LLLP, were not audited in accordance with *Government Auditing Standards*.

### Basis for Opinion

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

### 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

## INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

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 on pages 5 to 12, 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.

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, combining financial schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Awards Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Financial Data Schedule is presented for the purpose of additional analysis as required by HUD, the Rural Assistance Programs Combining Financial Schedules are presented for the purpose of additional analysis as required by RD, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 Schedule of Expenditures of Federal Awards, the supplemental data and financial schedules of individual programs are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



## INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the year ended December 31, 2022. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Loveridge Hunt & Co., PLLC*

Bellevue, Washington

July 20, 2023

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2022

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This narrative overview and analysis of the Housing Authority of the City of Yakima's (YHA) performance for the year ended December 31, 2022 is provided as supplement to YHA's financial statements. Please read it in conjunction with the transmittal letter at the beginning of this report, the basic financial statements following this section, and the notes to the basic financial statements. The management's discussion and analysis is presented in conformance with the Government Accounting Standards Board (GASB) financial reporting model as set forth in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*.

As required under accounting principles generally accepted in the United States of America, YHA uses the accrual basis of accounting to prepare its basic financial statements. Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses, including depreciation, are recognized in the period in which they are incurred. All assets and liabilities associated with the operations of YHA are included in the statements of net position.

#### FINANCIAL HIGHLIGHTS

- Total net position increased by approximately \$1.25 million from December 31, 2021 to December 31, 2022. This is a result of revenues exceeding expenses, primarily due to increases in tenant rental income, HAP income and administrative fee income.
- As of December 31, 2022, the assets of YHA exceeded liabilities by approximately \$34.5 million (net position). Of this amount, approximately \$20.6 million (unrestricted net position) may be used to meet ongoing obligations, \$12 million is net investment in capital assets and \$1.9 million is restricted as to its allowable usage. As of December 31, 2021, the assets of YHA exceeded liabilities by approximately \$33.3 million (net position). Of this amount, approximately \$20 million (unrestricted net position) may be used to meet ongoing obligations, \$12 million is net investment in capital assets and \$2.4 million is restricted as to its allowable usage.
- Current and noncurrent assets increased by approximately \$2.2 million (4.4%) from December 31, 2021 to December 31, 2022. The increase is due to construction in progress, lease receivables, and an increase in investments.
- Current and noncurrent liabilities decreased by approximately \$132 thousand (0.77%) from December 31, 2021 to December 31, 2022. The decrease is due to decrease in required payments.
- Deferred inflows of resources increased from \$0 as of December 31, 2021 to \$1,088,481 as of December 31, 2022 due to the ground lease between YHA and Yakima Veterans LLLP.
- December 31, 2022 operating revenues increased by approximately \$385 thousand (3%) in comparison to the prior period. The increase relates to an increase in funding for housing assistance payments for housing choice voucher and mainstream.
- December 31, 2022 operating expenses increased by approximately \$1.4 million (10.9%) in comparison to the prior period. The increase relates to an increase in housing assistance payments and other general expenses.
- Nonoperating revenues, net of nonoperating expenses, and income before other revenues, expenses, gains, losses, and transfers decreased by approximately \$3.5 million (60%) from December 31, 2021 to December 31, 2022. This decrease is predominantly due to intergovernmental revenue received in 2021 for grants.

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2022

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#### OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to YHA's basic financial statements. YHA's basic financial statements are comprised of two components: 1) the basic financial statements and 2) notes to the basic financial statements that provide additional disclosure of some of the information in the basic financial statements.

The **Statements of Net Position** include all of YHA's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to YHA creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of YHA and assessing the liquidity and financial flexibility of YHA.

The **Statements of Revenues, Expenses, and Changes in Net Position** present all of the current period's revenues and expenses. These statements can be used to measure the success of YHA's operations over the past year, its financial position and can be used to determine YHA's overall profitability, financial strength and credit worthiness.

The **Statements of Cash Flows** provide information about YHA's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides information regarding where cash came from, what cash was used for, and what the change was in cash balances during the reporting period.

**Notes to the Basic Financial Statements** provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

**Combining Financial Schedules** – present all of the financial information included in the Statements of Net Position and Revenues, Expenses, and Changes in Net Position by individual program with eliminations of interfund transactions.

**Notes to Combining Schedules** – provide a description of the different programs individually presented in the Combining Financial Schedules.

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2022

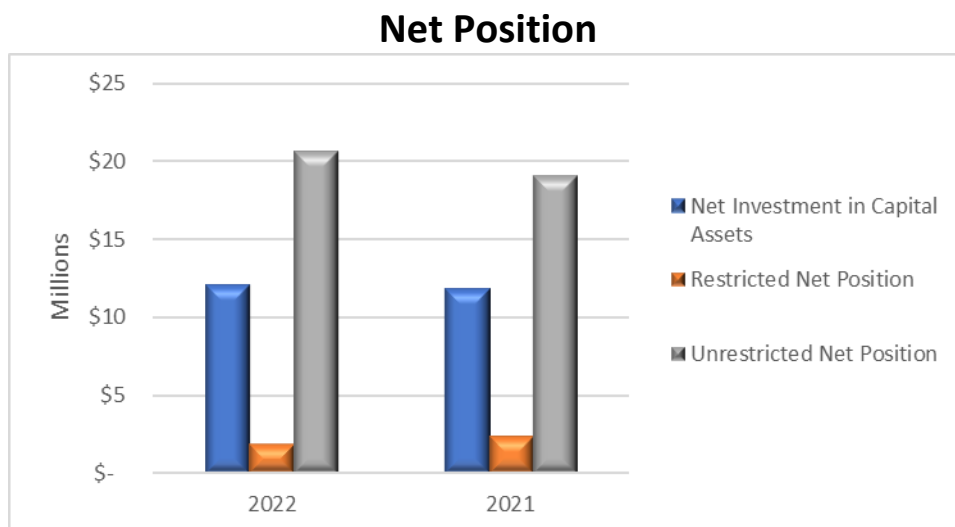
#### FINANCIAL ANALYSIS

##### *Net Position*

The following table represents the condensed Statements of Net Position compared to prior periods:

	December 31, 2022	December 31, 2021
Current assets, unrestricted	7,804,612	7,426,905
Other current assets, restricted	3,166,550	2,991,228
Non-current assets	13,919,281	12,114,255
Capital assets, net	27,851,967	28,003,691
<b>Total Assets</b>	<b>52,742,410</b>	<b>50,536,079</b>
Current and other liabilities	813,999	668,666
Current liabilities payable from restricted assets	396,371	561,527
Long-term liabilities	15,898,114	16,010,145
<b>Total Liabilities</b>	<b>17,108,484</b>	<b>17,240,338</b>
Deferred Inflows of Resources - Lease	1,088,481	-
<b>Net Position</b>		
Net investment in capital assets	12,034,562	11,847,270
Restricted net position	1,875,746	2,434,980
Unrestricted net position	20,635,137	19,013,491
<b>Total net position</b>	<b>34,545,445</b>	<b>33,295,741</b>
<b>Total liabilities and net position</b>	<b>52,742,410</b>	<b>50,536,079</b>

Total assets of YHA at December 31, 2022 and 2021 amounted to \$52.7 and \$50.5 million, respectively. The following presents the **Statements of Net Position** in graphical form:



# **Housing Authority of the City of Yakima**

## **Management's Discussion and Analysis**

### **December 31, 2022**

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Unrestricted current assets are comprised of cash, receivables, investments, prepaid items, due from other funds and inventories. Unrestricted current assets are approximately 5.1% higher at December 31, 2022 than December 31, 2021, which represents an increase by approximately \$378 thousand.

Restricted current assets are comprised of cash and investments that are restricted for repayment of security deposits, and federal funding that was unspent at the end of the year. December 31, 2022 restricted current assets increased by approximately \$175 thousand (5.5%) in comparison to December 31, 2021 primarily due to an increase in restricted investments related to state and local programs.

Other non current assets consist of investments in component units, loan receivables from component units and ground lease receivables. These balances increased from December 31, 2021 to December 31, 2022 by about \$1.8 million mostly due to the ground lease receivable from Yakima Veterans and the additional investment in Fruitvale Housing.

Capital assets include land, buildings, building improvements, furniture, equipment and machinery, and construction in progress and are shown net of accumulated depreciation. Capital assets decreased by approximately \$152 thousand (under 1%) from December 31, 2021 to December 31, 2022, as a result of depreciation expense exceeding purchases.

Total liabilities of YHA, which are segregated between current and noncurrent portions, amounted to approximately \$18.2 million and \$17.2 million at December 31, 2022 and December 31, 2021, respectively.

Current liabilities consist of accounts payable, accrued wages and payroll taxes, compensated absences, accrued interest, unearned revenue, accrued liabilities, short-term note payables, due to other funds and current portion of notes payable. Current liabilities increased from December 31, 2021 to December 31, 2022 by approximately \$145 thousand (17.9%) and was primarily due to an increase in accounts payable and the current portion of notes payable.

Current liabilities payable from restricted assets primarily consist of tenant security deposits and restricted, unspent funds from the federal government. These liabilities decreased by \$165 thousand (29.4%) from December 31, 2021 to December 31, 2022. The decrease is due to a decrease in FSS deposits.

Long-term liabilities consist of notes payable and the long-term portion of compensated absences. The increase in long-term liabilities from December 31, 2021 to December 31, 2022 was approximately \$976 thousand (6.1%) and is attributed to the deferred inflow for the ground lease.

Net position represents the equity of YHA after liabilities are subtracted from assets. Net position is divided into three major categories.

The first category, net investment in capital assets, shows YHA's equity in land, buildings, building improvements, furniture, equipment and machinery, and construction in progress, net of related outstanding debt. The second category, restricted net position, has external limitations on the way in which these assets can be used. The last category, unrestricted net position, is available to be used for any lawful and prudent YHA purpose. Total net position of YHA increased by approximately \$1.25 million from December 31, 2021 to December 31, 2022.

YHA's current ratio reflects the relationship between current assets and current liabilities and is a measure of YHA's ability to pay short-term obligations. At December 31, 2022 and December 31, 2021, YHA's current ratios were 9.1:1 and 8.5:1, respectively.

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

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***Revenues, Expenses and Changes in Net Position***

The following table compares the revenue and expenses for the current and previous periods:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Revenue:		
Intergovernmental revenue - Operating	9,435,841	8,889,027
Tenant and other	3,557,132	3,718,326
Intergovernmental revenue - Nonoperating	1,984,634	5,496,578
Investment revenue - Nonoperating	594,177	561,386
Total revenue	<u>15,571,784</u>	<u>18,665,317</u>
Expenses:		
Administrative	2,039,260	1,987,705
Utilities	512,128	520,219
Ordinary maintenance and operation	1,441,683	1,505,435
General expenses	748,732	243,307
Payments in lieu of taxes	5,454	4,917
Housing assistance payments	8,412,754	7,684,013
Depreciation	948,781	763,066
Interest expense - Nonoperating	222,283	208,983
Total expenses	<u>14,331,075</u>	<u>12,917,645</u>
Income (Loss) before contributions, transfers, extraordinary and special items	1,240,709	5,747,672
Capital grants, contributions, and special items	<u>8,995</u>	<u>-</u>
Increase in net position	1,249,704	5,747,672
Net position, beginning of year	<u>33,295,741</u>	<u>27,548,069</u>
Net position, end of year	<u>34,545,445</u>	<u>33,295,741</u>

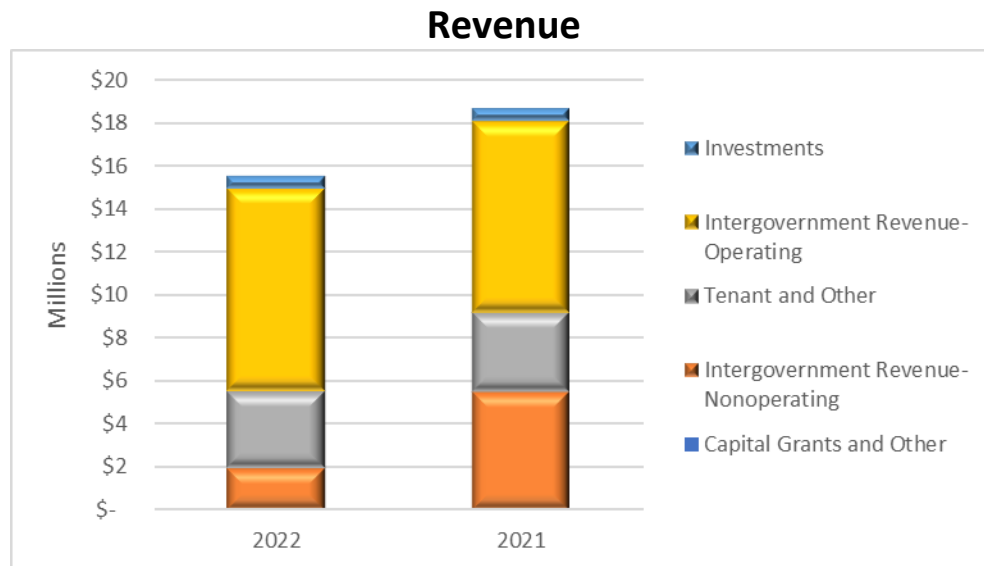
Revenues decreased by approximately \$3.1 million (16.6%) from December 31, 2021 to December 31, 2022. The decrease is primarily due to nonoperating intergovernmental revenue.

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

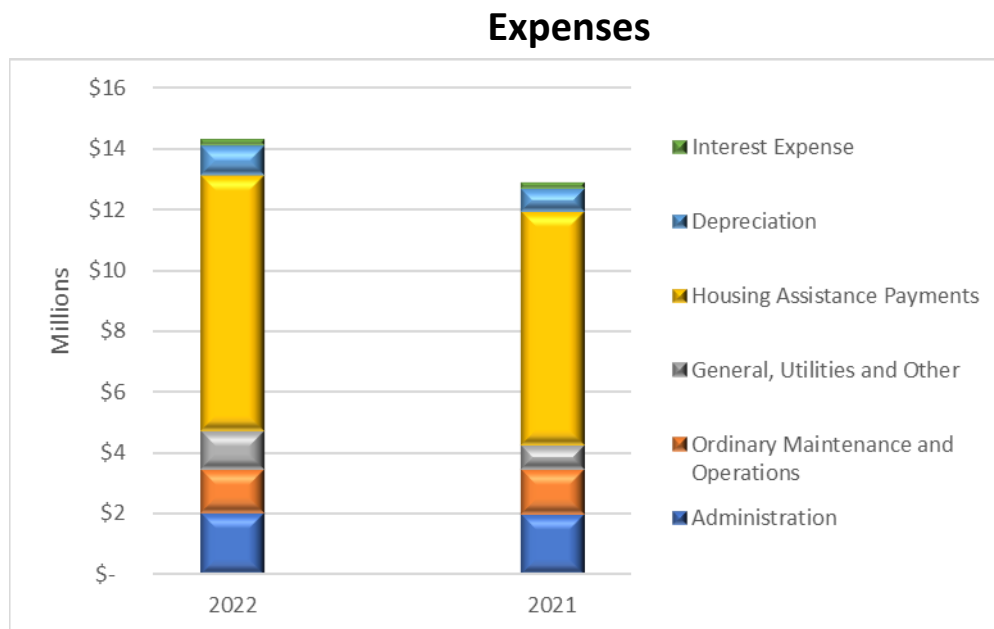
### December 31, 2022

The following compares the revenues for the current and previous fiscal years in graphical format:



Expenses increased by approximately \$1.4 million (10.9%) from December 31, 2021 to December 31, 2022. The most significant changes during the year are primarily due to increased housing assistance payments, and other general expense.

The following compares the expenses for the current and previous periods in graphical format:





# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2022

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#### **Capital Assets and Debt Administration**

YHA's capital assets are summarized in the table below:

	December 31, 2022	December 31, 2021
Land	2,804,896	2,804,896
Buildings	33,700,324	33,646,450
Furniture, equipment & machinery - dwelling	909,622	885,494
Furniture, equipment & machinery - administration	855,855	805,478
Construction in progress	5,381,940	4,713,262
Total capital assets	43,652,637	42,855,580
Less accumulated depreciation	(15,800,670)	(14,851,889)
Net capital assets	27,851,967	28,003,691

Net capital assets decreased by approximately \$152 thousand (under 1%) from December 31, 2021 to December 31, 2022. The most significant capital asset transactions during the year-ended December 31, 2022 were the construction in progress. Additional information on YHA's capital assets can be found in Note 5 to the basic financial statements.

All debt service payments were made in 2022 and 2021 as scheduled. Long-term debt has been incurred by YHA in order to complete multiple construction and rehabilitation projects to provide low-income families with housing. Additional information on YHA's long-term debt can be found in Note 7 to the basic financial statements.

#### **ECONOMIC FACTORS AFFECTING YHA'S FUTURE**

The majority of YHA's funding is from federal agencies in the form of housing choice vouchers, tenant subsidy payments, and other various grants. Due to the conversion of its public housing units (utilizing the HUD RAD program) to Section 8 project-based vouchers, 2022 is the ninth year YHA has not received public housing subsidy and received Section 8 funding only. In 2022, Section 8 HAP was prorated at 96% of eligibility. Based on HUD's funding letters and contracts with HUD, it is anticipated that most HUD programs will continue to receive renewal funding including the housing choice voucher program, which is YHA's largest housing program, serving over 1,000 families.

Congress and the federal government continue to cut federal subsidies due to federal budget priorities. The reduced funding shift continues to have an impact on YHA's economic position because federal housing dollars make up the largest source of revenue for YHA. During 2022, YHA earned \$9.6 million in federal assistance.

In addition, a majority of YHA's \$27.9 million of net capital assets as of December 31, 2022 were acquired and/or developed over the years with financial assistance from HUD and USDA RD. Such assistance has typically come with use restrictions and generally limits YHA's ability to encumber or leverage financing against HUD or USDA RD properties in its portfolio.

# **Housing Authority of the City of Yakima**

## **Management's Discussion and Analysis**

### **December 31, 2022**

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#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide the reader with a general overview of YHA's finances and to demonstrate YHA's financial accountability over its resources. Questions concerning any of the information provided in this report or requests for additional financial information, including the audited financial statements of the component units, should be addressed to:

Lowel Krueger, CPA, MBA  
Executive Director

Chanelle Murphy  
Finance Director

*Phone:*  
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# Housing Authority of the City of Yakima

## Statement of Net Position

December 31, 2022

	Primary Government	Discretely Presented Component Unit
<b>Assets</b>		
<i>Current Assets:</i>		
Cash and cash equivalents - unrestricted	\$ 5,283,447	\$ 220,163
Accounts receivables, net of allowance	2,509,684	1,356,661
Prepaid expenses and other assets	2,078	181,817
Inventories	9,403	-
	<u>7,804,612</u>	<u>1,758,641</u>
<i>Restricted Assets:</i>		
Cash and cash equivalents - other restricted	413,900	350,000
Cash - tenant security deposits	55,579	88,691
Investments - restricted	2,697,071	2,492,249
	<u>3,166,550</u>	<u>2,930,940</u>
Total current assets	<u>10,971,162</u>	<u>4,689,581</u>
<i>Noncurrent Assets:</i>		
Investment in Component Units	1,066,586	-
Loans Receivable from Component Units	11,414,214	-
Ground Lease Receivable	1,088,481	-
Other Assets	350,000	
Right-of-use asset - ground lease	-	1,088,481
<i>Capital assets:</i>		
Land	2,804,896	1,752,064
Buildings	33,700,324	47,183,588
Furniture, equipment and machinery - dwellings	909,622	884,089
Furniture, equipment and machinery - admin	855,855	-
Accumulated depreciation	(15,800,670)	(9,032,097)
Construction in progress	5,381,940	2,118,234
Total noncurrent assets	<u>41,771,248</u>	<u>43,994,359</u>
Total assets	<u>\$ 52,742,410</u>	<u>\$ 48,683,940</u>

# Housing Authority of the City of Yakima

## Statement of Net Position (continued)

December 31, 2022

	Primary Government	Discretely Presented Component Unit
<b>Liabilities and Net Position</b>		
<i>Current Liabilities:</i>		
Accounts payable less than 90 days	\$ 79,218	\$ 164,206
Construction payable less than 90 days	106,923	522,119
Accrued wages and payroll taxes	48,001	11,690
Accrued compensated absences - current	124,237	36,871
Accrued interest payable	-	2,217,133
Accrued liabilities - other	-	230,705
Unearned income	176,047	61,580
Current portion of long term debt	279,573	68,700
	<u>813,999</u>	<u>3,313,004</u>
<i>Payables from Restricted Assets:</i>		
Accounts payable - other government	5,279	-
FSS Escrow deposit	335,513	-
Tenant security deposits	55,579	88,691
	<u>396,371</u>	<u>88,691</u>
Total current liabilities	<u>1,210,370</u>	<u>3,401,695</u>
<i>Noncurrent Liabilities:</i>		
Long-term debt, net of current	15,537,832	17,153,661
Accrued compensated absences, net of current	13,805	4,097
Right-of-use liability - ground lease	-	1,088,481
Other noncurrent liabilities	346,477	2,983,454
Total noncurrent liabilities	<u>15,898,114</u>	<u>21,229,693</u>
Total liabilities	<u>17,108,484</u>	<u>24,631,388</u>
Deferred Inflow of Resources - Lease	<u>1,088,481</u>	<u>-</u>
<i>Net Position:</i>		
Net investment in capital assets	12,034,564	25,683,517
Restricted net position	1,904,875	3,347,774
Unrestricted net position	20,606,006	(4,978,739)
Total net position	<u>34,545,445</u>	<u>24,052,552</u>
Total liabilities and net position	<u>\$ 52,742,410</u>	<u>\$ 48,683,940</u>

# Housing Authority of the City of Yakima

## Statement of Revenues, Expenses and Changes in Net Position for the fiscal period ending December 31, 2022

	Primary Government	Discretely Presented Component Unit
<i>Operating Revenue:</i>		
Intergovernmental revenue	\$ 9,435,841	\$ -
Net tenant rental revenue	2,240,902	1,363,395
Other revenue	1,272,788	34,806
Other tenant revenue	43,442	12,020
Total operating revenue	12,992,973	1,410,221
<i>Operating Expenses:</i>		
Administrative:		
Administrative wages	1,028,623	179,840
Professional fees	76,938	94,303
Employee benefit contributions	386,381	60,419
Other operating - administrative	194,329	425,464
Tenant services	352,989	41,276
	2,039,260	801,302
Utilities:		
Electricity	86,604	64,461
Other utilities expense	13,403	21,287
Sewer	189,306	138,265
Water	222,815	122,221
	512,128	346,234
Ordinary maintenance and operations:		
Contract costs	786,379	607,436
Employee benefit contributions	129,704	105,790
Maintenance and operations wages	437,261	132,965
Materials and other	88,339	84,866
	1,441,683	931,057
General expenses:		
Depreciation expense	948,781	1,426,198
Housing assistance payments	8,412,754	-
Insurance premiums	163,626	189,333
Bad debt - tenant rents	33,180	75,810
Other general expenses	541,062	115,461
Protective services contract costs	10,864	-
Payments in lieu of taxes	5,454	1,591
	10,115,721	1,808,393
Total operating expenses	14,108,792	3,886,986
<i>Operating Income (Loss)</i>	\$ (1,115,819)	\$ (2,476,765)

# Housing Authority of the City of Yakima

## Statement of Revenues, Expenses and Changes in Net Position (continued)

December 31, 2022

	Primary Government	Discretely Presented Component Unit
<i>Operating Income (Loss) (continued)</i>	\$ (1,115,819)	\$ (2,476,765)
<i>Nonoperating Revenue (Expenses):</i>		
Gain on the sale of capital assets	8,995	-
Interest expense	(222,283)	(932,052)
Intergovernmental revenue	1,984,634	1,599,720
Investment revenue - restricted	121	86
Investment revenue - unrestricted	594,056	404
Total nonoperating revenue (expenses)	2,365,523	668,158
<i>Income (Loss) Before Contributions, Transfers, Extraordinary and Special Items</i>	1,249,704	(1,808,607)
<i>Increase (Decrease) in Net Position</i>	1,249,704	(1,808,607)
<i>Net Position, Beginning of Year</i>	33,295,741	14,456,387
<i>Equity Transfer &amp; Capital Contributions</i>	-	11,404,772
<i>Net Position, End of Year</i>	\$ 34,545,445	\$ 24,052,552

# Housing Authority of the City of Yakima

## Statement of Cash Flows

December 31, 2022

	Primary Government
<i>Cash Flows from Operating Activities:</i>	
Cash Received from HUD and Other Governments	\$ 9,454,153
Cash Received from Tenants	2,066,323
Cash Received from Other	1,861,522
Cash Payments for Housing Assistance Payments	(8,412,754)
Cash Payments for Administrative	(2,016,963)
Cash Payments for Other Operating Expenses	(2,796,553)
Net Cash Provided by Operating Activities	155,728
<i>Cash Flows from Noncapital Financing Activities</i>	
Change in loans receivable	(66,618)
Change in construction accounts payable	(34,758)
Change in capital grants	1,984,634
Net Cash Provided by Noncapital Financing Activities	1,883,258
<i>Cash Flows from Capital and Related Financing Activities</i>	
Proceeds from Long-Term Debt	37,593
Principal Payments on Long-Term Debt	(320,670)
Interest Payments	(222,283)
Net Change on Short-Term Borrowings	(55,939)
Acquisition of Capital Assets	(797,057)
Net Cash Used by Capital and Other Related Financing Activities	(1,358,356)
<i>Cash Flows from Investing Activities</i>	
Contribution - Prepaid Deposit	(350,000)
Investment Revenue	539,233
Net Cash Provided by Investing Activities	189,233
<i>Net Increase in Cash, Cash Equivalents and Restricted Cash</i>	869,863
<i>Cash, Cash Equivalents and Restricted Cash Beginning</i>	7,580,134
<i>Cash, Cash Equivalents and Restricted Cash Ending</i>	\$ 8,449,997
<i>Cash and Cash Equivalents consist of:</i>	
Cash and cash equivalents - unrestricted	\$ 5,283,447
Cash and cash equivalents - other restricted	413,900
Cash - tenant security deposits	55,579
Investments - restricted	2,697,071
	\$ 8,449,997



# Housing Authority of the City of Yakima

## Statement of Cash Flows (Continued)

December 31, 2021

	Primary Government
<i>Reconciliation of Operating Loss to Net Cash provided by Operating Activities:</i>	<u>\$ (1,115,819)</u>
Operating loss	
<i>Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:</i>	
Depreciation	948,780
(Increase) decrease in cash due to changes in assets:	
Receivables	386,884
Prepaid expenses and other assets	(37)
Inventories	(6,001)
Increase (decrease) in cash due to changes in liabilities:	
Accounts payable	66,468
Accrued wages and taxes payable	16,734
Accrued liabilities - other	13,312
Compensated absences	10,563
Tenant security deposits	(10,170)
FSS escrow deposits	(154,986)
Total adjustments	<u>1,271,547</u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 155,728</u></u>
<i>Noncash investing, financing and capital activities:</i>	
Construction accounts payable	(106,923)
Investment in Component Unit	300,000
Other Non-Current Liability	(300,000)
Ground Lease Receivable	1,088,481
Deferred Inflow of Resources - Lease	(1,088,481)
	<u>(106,923)</u>

**Housing Authority of the City of Yakima**  
**Combining Balance Sheet – Discretely Presented Component Units**  
**December 31, 2022**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale Housing, LLC	Yakima Veterans, LLLP	Total
<b>Assets</b>						
<i>Current Assets:</i>						
Cash and cash equivalents - unrestricted	\$ 24,932	\$ 38,406	\$ 111,972	\$ 100	\$ 44,753	\$ 220,163
Accounts receivables, net of allowance	29,856	4,671	6,055	1,310,105	5,974	1,356,661
Prepaid expenses and other assets	-	-	-	181,818	-	181,818
	<u>54,788</u>	<u>43,077</u>	<u>118,027</u>	<u>1,492,023</u>	<u>50,727</u>	<u>1,758,642</u>
<i>Restricted Assets:</i>						
Cash and cash equivalents - other restricted	-	-	-	350,000	-	350,000
Cash - tenant security deposits	41,225	9,300	27,959	-	10,207	88,691
Investments - restricted	1,571,831	428,865	445,984	-	45,569	2,492,249
	<u>1,613,056</u>	<u>438,165</u>	<u>473,943</u>	<u>350,000</u>	<u>55,776</u>	<u>2,930,940</u>
Total current assets	<u>1,667,844</u>	<u>481,242</u>	<u>591,970</u>	<u>1,842,023</u>	<u>106,503</u>	<u>4,689,582</u>
<i>Noncurrent Assets:</i>						
<i>Capital assets:</i>						
Land	1,500,000	188,758	-	-	63,305	1,752,063
Buildings	17,617,393	6,079,135	10,072,281	-	13,414,779	47,183,588
Furniture, equipment and machinery - dwellings	172,413	48,811	168,784	-	494,080	884,088
Right-of-use asset - ground lease	-	-	-	-	1,088,481	1,088,481
Accumulated depreciation	(5,496,840)	(1,149,596)	(1,851,069)	-	(534,592)	(9,032,097)
Construction in progress	-	-	-	2,118,234	-	2,118,234
Total noncurrent assets	<u>13,792,966</u>	<u>5,167,108</u>	<u>8,389,996</u>	<u>2,118,234</u>	<u>14,526,053</u>	<u>43,994,357</u>
Total assets	<u>\$ 15,460,810</u>	<u>\$ 5,648,350</u>	<u>\$ 8,981,966</u>	<u>\$ 3,960,257</u>	<u>\$ 14,632,556</u>	<u>\$ 48,683,939</u>

# Housing Authority of the City of Yakima

## Combining Balance Sheet – Discretely Presented Component Units (continued)

December 31, 2022

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale Housing, LLC	Yakima Veterans, LLLP	Total
<b>Liabilities and Net Position</b>						
<i>Current Liabilities:</i>						
Accounts payable less than 90 days	\$ 11,244	\$ 5,006	\$ 11,769	\$ -	\$ 6,322	\$ 34,341
Construction payable less than 90 days	-	-	-	522,119	-	522,119
Accrued wages and payroll taxes	7,000	679	1,920	-	2,091	11,690
Accrued compensated absences - current portion	15,949	2,050	8,377	-	10,495	36,871
Accrued interest payable	1,215,587	148,268	796,098	-	57,180	2,217,133
Accrued liabilities - other	-	-	-	25,000	205,705	230,705
Unearned income	32,412	13,459	12,273	-	3,436	61,580
Current portion of long term debt	-	-	68,700	-	-	68,700
Due to related party	(250)	7,736	15,844	100	106,439	129,869
	1,281,942	177,198	914,981	547,219	391,668	3,313,008
<i>Payables from Restricted Assets:</i>						
Tenant security deposits	41,225	9,300	27,959	-	10,207	88,691
	41,225	9,300	27,959	-	10,207	88,691
Total current liabilities	1,323,167	186,498	942,940	547,219	401,875	3,401,699
<i>Noncurrent Liabilities:</i>						
Long-term debt, net of current	5,873,120	2,100,000	4,266,784	11,700	4,902,057	17,153,661
Accrued compensated absences, net of current	1,772	228	931	-	1,166	4,097
Right-of-use liability - ground lease	-	-	-	-	1,088,481	1,088,481
Other noncurrent liabilities	-	-	2,350,000	-	283,454	2,633,454
Total noncurrent liabilities	5,874,892	2,100,228	6,617,715	11,700	6,275,158	20,879,693
Total liabilities	7,198,059	2,286,726	7,560,655	558,919	6,677,033	24,281,392
<i>Net Position:</i>						
Net investment in capital assets	7,919,846	3,067,108	4,054,512	1,584,415	8,535,515	25,161,396
Restricted net position	1,570,880	428,865	445,984	-	902,045	3,347,774
Unrestricted net position	(1,227,975)	(134,349)	(3,079,185)	1,466,923	(1,482,037)	(4,456,623)
Total net position	8,262,751	3,361,624	1,421,311	3,051,338	7,955,523	24,052,547
Total liabilities, deferred inflow of resources and net position	\$ 15,460,810	\$ 5,648,350	\$ 8,981,966	\$ 3,610,257	\$ 14,632,556	\$ 48,333,939

**Housing Authority of the City of Yakima**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**December 31, 2022**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale Housing, LLC	Yakima Veterans, LLLP	Total
<i>Operating Revenue:</i>						
Net tenant rental revenue	\$ 704,890	\$ 221,332	\$ 315,390	-	\$ 121,783	\$ 1,363,395
Other revenue	20,316	6,496	6,407	-	1,587	34,806
Other tenant revenue	9,100	1,850	1,070	-	-	12,020
Total operating revenue	734,306	229,678	322,867	-	123,370	1,410,221
<i>Operating Expenses:</i>						
Administrative:						
Administrative wages	86,945	11,944	71,218	-	9,732	179,839
Professional fees	28,761	14,746	26,606	-	24,190	94,303
Employee benefit contributions	24,698	4,143	22,800	-	8,778	60,419
Other operating - administrative	211,142	34,808	116,838	-	62,676	425,464
Tenant services	-	17,911	-	-	23,365	41,276
	351,546	83,552	237,462	-	128,741	801,301
Utilities:						
Electricity	15,873	1,711	39,647	-	7,230	64,461
Other utilities expense	488	186	13,911	-	6,702	21,287
Sewer	79,966	28,445	20,390	-	9,464	138,265
Water	79,459	22,564	10,415	-	9,783	122,221
	175,786	52,906	84,363	-	33,179	346,234
Ordinary maintenance and operations:						
Contract costs	327,002	64,169	118,944	-	97,321	607,436
Employee benefit contributions	58,419	12,376	13,518	-	21,477	105,790
Maintenance and operations wages	67,831	11,480	12,268	-	41,386	132,965
Materials and other	54,032	13,864	11,653	-	5,317	84,866
	507,284	101,889	156,383	-	165,501	931,057
General expenses:						
Depreciation expense	621,476	162,283	275,667	-	366,772	1,426,198
Insurance premiums	81,727	16,847	56,283	-	34,476	189,333
Bad debt - tenant rents	42,155	-	19,679	-	13,976	75,810
Other general expenses	39,512	2,251	7,642	-	66,061	115,466
Payments in lieu of taxes	-	-	-	-	1,591	1,591
	784,870	181,381	359,271	-	482,876	1,808,398
Total operating expenses	1,819,486	419,728	837,479	-	810,297	3,886,990
<i>Operating Income (Loss)</i>	\$ (1,085,180)	\$ (190,050)	\$ (514,612)	\$ -	\$ (686,927)	\$ (2,476,769)

# Housing Authority of the City of Yakima

## Statement of Revenues, Expenses and Changes in Net Position (continued)

December 31, 2022

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale Housing, LLC	Yakima Veterans, LLLP	Total
<i>Operating Income (Loss) (continued)</i>	\$ (1,085,180)	\$ (190,050)	\$ (514,612)	\$ -	\$ (686,927)	\$ (2,476,769)
<i>Nonoperating Revenue (Expenses):</i>						
Interest expense	(376,552)	(22,050)	(388,306)	-	(145,144)	(932,052)
Intergovernmental revenue	742,101	-	594,747	-	262,872	1,599,720
Investment revenue - restricted	-	-	86	-	-	86
Investment revenue - unrestricted	318	73	12	-	-	403
Total nonoperating revenue (expenses)	365,867	(21,977)	206,539	-	117,728	668,157
<i>Loss Before Contributions, Transfers, Extraordinary and Special Items</i>	(719,313)	(212,027)	(308,073)	-	(569,199)	(1,808,612)
<i>Capital contribution</i>	-	-	-	3,051,338	8,353,434	11,404,772
<i>Increase (Decrease) in Net Position</i>	(719,313)	(212,027)	(308,073)	3,051,338	7,784,235	9,596,160
<i>Net Position, Beginning of Year</i>	8,982,066	3,573,651	1,729,384	-	171,286	14,456,387
<i>Net Position, End of Year</i>	\$ 8,262,753	\$ 3,361,624	\$ 1,421,311	\$ 3,051,338	\$ 7,955,521	\$ 24,052,547

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

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### **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

#### *Organization:*

The Housing Authority of the City of Yakima (YHA) is a corporate body created by Resolution No. D-1575 in 1977 by the City of Yakima. The City of Yakima created YHA per Washington State Revised Code Chapter 35.82. YHA was created to provide safe, decent, and sanitary housing for low- and moderate-income residents of the City of Yakima, Washington. YHA administers multiple U.S. Department of Housing and Urban Development (HUD) programs and U.S. Department of Agriculture Rural Development (USDA RD) programs, the funding from which consists of approximately 90% of total revenue, and funds many of the key services provided by YHA.

#### *Reporting entity:*

YHA is a public corporation. YHA's five-member Board of Commissioners is appointed by the Yakima City Council and is a legally separate agency from the City of Yakima. The City does not have the ability to affect the operations of YHA, nor does YHA provide a financial benefit to, or impose a financial burden on the City.

As defined by accounting principles generally accepted in the United States of America (GAAP), the reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component units' board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government, or (c) the component unit is financially dependent on the primary government.

In determining how to define the reporting entity, management has considered all potential component units. The determination to include a component unit in the reporting entity was made by applying the criteria set forth in Governmental accounting and Financial Reporting Standards and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and no. 34*. These criteria include: financial accountability; appointment of a voting majority; imposition of will; financial benefit to or burden on a primary organization; financial accountability as a result of fiscal dependency; potential for dual inclusion; and organizations included in the reporting entity although the primary organization is not financially accountable. It was determined that YHA Family Housing, LLC, Toppenish Family housing LLC, Yakima Affordable Housing, LLLP, Yakima Veterans Housing, LLLP, and Fruitvale, LLLP are appropriately treated as component units due to them being separate legal entities, but YHA is still able to impose their will, and there is a financial benefit/burden between the organizations. The entities are reported as discretely presented component units, as they did not meet the criteria for blending.

#### Discretely Presented Component Units:

YHA's discretely presented component units include the limited liability partnerships/companies below. These entities follow all applicable FASB standards. Since they do not follow governmental accounting, for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued discretely presented component unit financial statements in order for them to conform to the presentation of the primary government.

YHA Family Housing, LLC, Toppenish Family Housing, LLC, Yakima Affordable Housing, LLLP, Yakima Veterans Housing, LLLP, Fruitvale, LLLP are the five component units. YHA is the 0.01% owner and the general partner/managing member in these real estate partnerships as of December 31, 2022. The limited

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

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### NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *Reporting entity (continued):*

partnership interests are held by third parties unrelated to YHA. Under GASB No. 61, these limited partnerships are considered discretely presented component units of YHA since none of these component units meet the blending criteria.

YHA Family Housing, LLC (YHA Family) was formed in November 2013 as a separate legal entity. YHA Family was formed to purchase 150 units from YHA under the HUD Rental Assistance Demonstration program, and then utilize their \$14.6 million low-income housing tax credit award, which was awarded in 2013 to rehabilitate the units. YHA also has an outstanding capital lease with YHA Family amounting to approximately \$5.9 million at December 31, 2022.

Toppenish Family Housing, LLC (TFH) was formed in May 2014 as a separate legal entity to take advantage of low-income housing tax credits to finance the construction of a 30-unit residential rental housing project.

Yakima Affordable Housing, LLLP (YAH) was formed in April 2016 as a separate legal entity to take advantage of low-income housing tax credits needed to finance the rehabilitation of 89-units of rental housing projects for persons of low and moderate income. YHA also has an outstanding capital lease amounting to approximately \$2.3 million at December 31, 2022.

Yakima Veterans Housing, LLLP (YVH) was formed in June 2020 as a separate legal entity to take advantage of low-income housing tax credits needed to finance both the adaptive reuse of a former Marine armory building into a 14-unit residential building and the construction of 5 new, 27-unit total, 2-story buildings for homeless veterans tenants. YHA also has an outstanding capital lease amounting to approximately \$2.9 million at December 31, 2022.

Fruitvale Housing, LLLP (FVH) was formed in April 2022 as a separate legal entity to take advantage of low-income housing tax credits needed to finance the purchase of a 54-unit special needs low-income housing project. YHA also has an outstanding capital lease amounting to \$300,000 at December 31, 2022.

Allocations of low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) regulate the use of the projects to occupant eligibility and unit gross rent, among other requirements. Each building of the projects must meet the provisions of these regulations during each of 15 consecutive years in order to remain qualified to receive the credits.

There are a variety of transactions that occur between the General Partner (YHA) and the Partnerships, including the payment of a management fee by the Partnership to the General Partner. In addition, there are a variety of receivables and payables between the General Partner and the Partnerships.

#### *Basis of Accounting:*

The accounts of YHA are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, liabilities, net position, revenues and expenses.

YHA accounts for its operations in one fund type, the enterprise fund. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operations of YHA are included on the statements of net position.



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

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### **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### *Summary of Significant Accounting Policies:*

The basic financial statements of YHA have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. Following is a summary of the more significant accounting policies of YHA.

**Budgeting** – The Housing Authority follows guidelines set forth in the Low Rent Housing Financial Management Handbook (RHA 7475.1) issued by HUD. The budgets are adopted on a basis consistent with GAAP.

**Cash and cash equivalents** – YHA's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. As required by HUD, all of the bank balance amounts are fully insured by the Federal Government or covered by collateral under the terms of a Depository Agreement executed between YHA and the financial institution.

**Restricted Funds** – YHA receives security deposits when tenants move into their units. These deposits are segregated in a depository account and are considered a liability of YHA. In addition, YHA is required to maintain reserves required by long-term financing agreements, which are classified as restricted. Restricted funds also include required reserves and funds received in advance that are restricted for a specific or future purpose. Reserves are also required under the partnership agreements for the component units. YHA's Family Self Sufficiency program provides for an escrowed savings account for tenants participating in the program. Deposits are equal to increased rents participants pay as a result of their increased earnings and are paid to the tenant upon completion of the contract.

**Investments** – Federal statutes authorize investment of excess federal funds in instruments issued by or guaranteed by the Federal government. YHA has adopted this policy for all invested funds, whether or not they are federal funds. Investments are carried at fair value based on the most recent market quotations.

**Inventories** – Inventories consist of expendable supplies held for consumption. All inventories are valued at cost.

**Capital Assets** – Capital assets are stated at historical cost. Outlays for capital assets and improvements in excess of \$5,000 are capitalized. Maintenance and repairs are charged to operations as incurred. Replacements that improve or extend the lives of property are capitalized. Donated assets are valued at their fair value on the date donated.

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, establishes accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its future service utility has declined significantly and unexpectedly. YHA is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. No such events or circumstances were encountered as of December 31, 2022.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in income.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

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### **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

The reporting entity's policy is to capitalize interest on construction projects until substantial completion of the project. Capitalized interest is amortized over the estimated useful life of the asset on the same basis as the asset. The estimated useful lives are as follows:

Dwelling structures	15 - 40 years
Furniture/equipment	3 - 7 years
Vehicles	5 years

*Long-term Debt* — Debt issuance costs represent expenses incurred in the process of obtaining long-term financing and are expensed as incurred.

*Unearned Revenues* — Unearned grant revenues are grant funds that have been drawn down or funds advanced and have not yet been expended. At the time those funds are expended revenue will be recognized.

*Accrued Compensated Absences* — The Housing Authority recognizes an expense for all earned but unused leave. Employees earn between 120 and 240 hours of paid time off, depending on the individual employee's years of employment. Unused paid time off pay may be "banked" up to a maximum of 240 hours, any unused paid time off in excess of this amount is forfeited. Accrued but unused paid time off, up to 120 hours, is payable upon resignation, retirement or death.

*Revenue and expenses* — YHA's statements of net position distinguish between operating and nonoperating revenue and expenses. Operating revenue results from exchange transactions associated with providing housing and related services, and federal operating subsidies and housing assistance payments that are directly related to YHA's mission. Operating revenues also include operating subsidies and grants provided by HUD. The use of this classification is based on guidance from HUD, the primary user of the financial statements. This presentation results in an operating income that is higher than a non-operating revenue presentation by the amount of the subsidies and grants. Overall, it does not affect presentation of net income or the change in net position in the statement of revenues, expenses and changes in net position, or the presentation of cash and cash equivalents in the statement of cash flows. Nonoperating revenue includes capital and noncapital federal grants, interest revenue, and other revenue not meeting the definition of operating. Operating expenses consist of all expenses incurred to provide housing services. Nonoperating expenses include interest expense and other expenses not meeting the definition of operating.

*Subsequent events* — Subsequent events have been evaluated through July 20, 2023, which is the date the financial statements were available to be issued.

*Tax status* — YHA, as a governmental entity, is not subject to federal or state income taxes. YHA Family Housing, LLC, Toppenish Family Housing, LLC, Yakima Affordable Housing, LLLP, Yakima Veterans Housing, LLLP, and Fruitvale, LLLP do not report taxable income or losses; rather it is allocated to the respective partners in accordance with their respective percentage ownership. Management of the partnerships have evaluated the Partnerships' tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements.

*Use of estimates* — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Results could differ from those estimates.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

### NOTE 2 — DEPOSITS:

Deposits, including those in restricted assets, are defined as cash or cash equivalents on deposit with financial institutions. At December 31, 2022, the carrying amount of YHA's cash accounts deposited with financial institutions was \$5,882,794 and the bank balance was \$6,065,020. The bank deposits are held with financial institutions and are entirely insured or collateralized.

At December 31, 2022, the carrying amount of the discretely presented component units deposited with financial institutions was \$528,986 and the bank balance was \$560,712. The bank deposits are held with financial institutions and are entirely insured or collateralized.

For the primary government, cash and cash equivalents consist of the following at December 31, 2022:

Cash and cash equivalents - unrestricted	\$	5,283,447
Cash and cash equivalents - current restricted		469,479
Total cash and cash equivalents		5,752,926
Less: cash on hand		(295)
Total deposits	\$	5,752,631

For the discretely presented component units, cash and cash equivalents consist of the following at December 31, 2022:

Cash and cash equivalents - unrestricted	\$	220,163
Cash and cash equivalents - current restricted		438,691
Total cash and cash equivalents		658,854
Less: cash on hand		(200)
Total deposits	\$	658,654

### NOTE 3 — INVESTMENTS:

YHA's investment practice is to follow all HUD guidelines with regard to depository accounts. As a result, YHA restricts its investments to direct obligations of the U.S. Government, fully insured or collateralized investments at commercial banks and savings and loan associations, collateralized repurchase agreements, state-approved investment pools, or money market funds consisting entirely of U.S. Government securities (rated AAA). All investments are reported at fair value, which is obtained from quoted market prices of the exact same investments trading in public markets.

Investments held are as follows:

	Primary Government	Discretely Presented Component Unit	Total
Money Market Account	\$ 2,697,071	\$ 2,492,249	\$ 5,189,320

**Custodial Credit Risk** – Custodial credit risk is the risk that in the event of bank failure, YHA's deposits may not be returned. YHA follows HUD policies, which requires collateral for all deposits not covered by federal depository insurance. As of December 31, 2022, none of YHA's deposits and investments were exposed to custodial credit risk.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2022

### NOTE 3 — INVESTMENTS (continued):

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 100% of YHA’s investments have a maturity of less than one year, and the government does not have a formal policy with regards to interest rate risk.

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government). Since YHA follows HUD policies, and all held investments are in investments issued or guaranteed by the U.S. government, there is no concentration of credit risk.

**Credit Risk of Investments** – Credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality rating of investments in debt securities as rated by a nationally recognized rating agency. The government does not have a formal policy related to credit risk of investments.

### NOTE 4 — RECEIVABLES:

For the primary government, receivables consist of the following at December 31, 2022:

Tenants	\$	93,306
HUD - Other Projects		92,657
Receivables from component units		<u>2,382,141</u>
Total receivables		2,568,104
Less: Allowance for doubtful accounts		<u>(58,420)</u>
	\$	<u>2,509,684</u>

For the discretely presented component units, receivables consist of the following at December 31, 2022:

Tenants	\$	139,055
HUD - Other Projects		14,017
Other - Equity Deposit		<u>1,310,105</u>
Total receivables		1,463,177
Less: Allowance for doubtful accounts		<u>(106,516)</u>
	\$	<u>1,356,661</u>

**Housing Authority of the City of Yakima**  
**Notes to Basic Financial Statements**  
**December 31, 2022**

**NOTE 5 — CAPITAL ASSETS:**

Changes in capital assets for the primary government during the year ended December 31, 2022 were as follows:

	January 1, 2022	Additions	Transfers/ retirements	December 31, 2022
Capital assets not depreciated:				
Land	\$ 2,804,896	\$ -	\$ -	\$ 2,804,896
Construction in progress	4,713,262	668,678	-	5,381,940
Total capital assets not depreciated	7,518,158	668,678	-	8,186,836
Capital assets being depreciated:				
Buildings and improvements	33,646,450	53,874	-	33,700,324
Furniture and equipment	1,690,972	74,505	-	1,765,477
Total capital assets being depreciated	35,337,422	128,379	-	35,465,801
Accumulated depreciation:				
Buildings and improvements	13,645,297	824,049		14,469,346
Furniture and equipment	1,206,592	124,732		1,331,324
Total accumulated depreciation	14,851,889	948,781	-	15,800,670
Total capital assets	\$ 28,003,691	\$ (151,724)	\$ -	\$ 27,851,967

Changes in capital assets for the discretely presented component units during the year ended December 31, 2022 were as follows:

	January 1, 2022	Additions	Transfers/ retirements	December 31, 2022
Capital assets not depreciated:				
Land	\$ 1,752,063	\$ -	\$ -	\$ 1,752,063
Construction in progress	-	2,118,234	-	2,118,234
Total capital assets not depreciated	1,752,063	2,118,234	-	3,870,297
Capital assets being depreciated:				
Buildings and improvements	46,992,008	191,580		47,183,588
Furniture and equipment	884,088	-	-	884,088
Total capital assets being depreciated	47,876,096	191,580	-	48,067,676
Accumulated depreciation:				
Buildings and improvements	7,192,266	1,361,720	-	8,553,986
Furniture and equipment	413,803	64,308	-	478,111
Total accumulated depreciation	7,606,069	1,426,028	-	9,032,097
Total capital assets	\$ 42,022,090	\$ 883,786	\$ -	\$ 42,905,876

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

#### **NOTE 6 — SHORT-TERM NOTES PAYABLE:**

YHA has no short-term notes payable due as of December 31, 2022 or December 31, 2021 outside of the current portion of long-term debt.

#### **NOTE 7 — LONG-TERM DEBT:**

For all long-term debt agreements, similar terms apply stating that if YHA defaults in keeping any term, representation or covenant of this agreement, the entire outstanding principal shall become immediately due and payable. In the event of default, YHA shall pay all collection expenses incurred. Any acceleration of outstanding principle balance, YHA shall pay any and all fees penalties or other costs incurred.

A summary of changes in YHA's long-term debt for the year ended December 31, 2022 is presented below:

	Balance at January 1, 2022	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
Unsecured Note Payable					
Banner Bank:					
Unrestricted	\$ 105,438	\$ -	\$ (58,680)	\$ 46,758	\$ -
Revenue Bonds:					
Banner Bank - Nueva	1,797,335	-	(43,559)	1,753,776	44,437
Real Estate Mortgages:					
Banner Bank:					
Admin. Office - Nueva	282,046	-	(16,933)	265,113	17,303
Banner Bank:					
Cosecha Court II	733,945	-	(14,605)	719,340	14,353
Impact Capital					
Unrestricted	81,245	-	(81,245)	-	-
Cosecha Court II Phase III	4,683	5,000	-	9,683	-
Yakima Federal					
Cosecha Court II Phase II	1,172,424	-	(37,978)	1,134,446	21,317
Board Reserves - Unrestricted	7,873	-	(7,873)	-	-
Office of Rural and Farmworker Housing -					
Unrestricted	35,576	-	(35,576)	-	-
Preservation Revolving Loan - Valley 7	187,171	-	(11,224)	175,947	11,423
U.S. Dept. of Agriculture - Valley 7	4,959,150	-	(55,991)	4,903,159	80,088
U.S. Dept. of Agriculture - Cosecha Court	157,307	-	(5,945)	151,362	5,976
U.S. Dept. of Agriculture - Harmony Park	662,017	-	(7,012)	655,005	7,116
Department of Commerce:					
Unrestricted	526,713	2,633		529,346	8,800
Cosecha Court II Phase II - HTF	2,997,200	29,972		3,027,172	61,010
Valley 7	594,182	-	-	594,182	-
Nueva Primavera	972,260	-	-	972,260	3,750
Mariposa Park	776,800	-	-	776,800	4,000
Mariposa Park	103,056	-	-	103,056	-
Total long-term debt	<u>\$ 16,156,421</u>	<u>\$ 37,605</u>	<u>\$ (376,621)</u>	<u>\$ 15,817,405</u>	<u>\$ 279,573</u>

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

#### **NOTE 7 — LONG-TERM DEBT (CONTINUED):**

Unsecured Note Payable:

*Banner Bank – Unrestricted* – Long-term note payable for \$250,000. The loan requires 432 monthly payments of \$855, including interest at 4.25%. Final payment of all outstanding interest and principal is due in September of 2023. The loan balance was \$46,757 as of December 31, 2022.

#### **Revenue Bond:**

*Banner Bank - Nueva* – A private placement revenue bond for \$2,025,000, which refinanced Nueva Primavera's existing revenue bond, \$1,753,776 all of which was outstanding at December 31, 2022. The initial loan required payments of interest only through November 1, 2015. Subsequently the outstanding balance is payable in monthly payments of approximately \$10,000, including interest at 4.375%, which is fixed for 10 years, and is due April 30, 2029. The mortgage is collateralized by the property.

The annual requirements to amortize outstanding debt including interest, for the revenue bond is as follows:

	Principal	Interest	Total
2023	\$ 44,440	\$ 76,800	\$ 121,240
2024	46,600	74,800	121,400
2025	46,600	74,800	121,400
2026-2029	1,616,136	298,600	1,914,736
	<u>\$ 1,753,776</u>	<u>\$ 525,000</u>	<u>\$ 2,278,776</u>

#### **Real Estate Mortgages:**

*Banner Bank - Nueva* – Long-term note payable for \$390,000, collateralized by YHA's administrative offices. The loan requires 60 monthly payments of \$2,495, including interest at 4.25%, commencing July 1, 2014. This if followed, calls for 59 monthly principal and interest payments of \$2,415, with interest at the five-year federal home loan Bank of Seattle Bullet Advance rate plus 2.11%. Final payment of all outstanding interest and principal is due in June 2024. The loan balance was \$265,113 as of December 31, 2022.

*Banner Bank - Cosecha Court 2* – Long-term note payable for \$775,000, collateralized by the property. The loan requires 360 monthly payments of \$3,829, including interest at 4.25%. Final payment of all outstanding interest and principal is due in February of 2049. The loan balance was \$719,340 as of December 31, 2022.

*Impact Capital – Cosecha Court II Phase III* - In 2022 is using board reserves for predevelopment financing until permanent financing is secured. The mortgage is collateralized by this property and the amount loaned at December 31, 2022 was \$9,683 which consists of \$5,000 draw from board reserves and \$4,683 to pay off first loan. This loan will be repaid when permanent financing is secured and interest will only be charged on any unpaid principle at the time of repayment. Permanent financing should be secured in September 2023.

*Yakima Federal – Cosecha Court II Phase II* - The Yakima Federal loan totals \$1,172,424 with an interest rate of 4.125% and matures on August 1, 2050. Monthly payments of \$5,682 began in April 2021. As of December 31, 2022, the Yakima Federal loan balance was \$1,134,446.

*Office of Rural and Farmworker Housing – Valley 7* – Long-term note payable for \$250,000 for rehabilitation construction at Valley 7. The loan is collateralized by the property. The loan requires 240 monthly payments of \$1,500, including interest at 3.5%, commencing June 2015. Final payment of all outstanding interest and principal is due June 2035. The loan balance was \$175,947 as of December 31, 2022.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

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#### **NOTE 7 — LONG-TERM DEBT (CONTINUED):**

##### **Real Estate Mortgages (continued):**

*United States Department of Agriculture Rural Development – Valley Seven*— In 2021, a long-term note payable was used to consolidate the debt for the rehabilitation of 142 units of multi-family housing at Valley 7. There was an amendment that increased the total loan by \$3,360,577. The loan is collateralized by the property. The interest rate is 1% per year, and the repayment period is over 33 years. This loan balance was \$3,360,567 at December 31, 2021.

*United States Department of Agriculture Rural Development – Valley Seven* - In 2002 YHA consolidated \$1,760,690 of debt that had originally been utilized for the construction of Valley Seven, a 142 - unit housing development. Monthly installments of \$5,269, including 1% interest are due monthly. The final payment is due in 2027. The mortgage is collateralized by the property. This loan balance was \$1,542,592 at December 31, 2022.

*United States Department of Agriculture Rural Development – Cosecha Court*— In 2010 YHA was awarded a USDA loan for the construction costs of Cosecha Court. The loan is payable in monthly installments of \$7,490 over a period of 33 years, bearing an interest rate not to exceed 1%. The mortgage is collateralized by the property. The loan balance was \$151,362 as of December 31, 2022.

*United States Department of Agriculture Rural Development – Harmony Park*— In July 2015, YHA was awarded a USDA loan for the acquisition and rehabilitation costs of Harmony Park for \$701,977. The loan is payable in monthly installments of \$2,369 over a period of 30 years, bearing an interest rate of 3.375%. YHA receives an interest subsidy that resulted in an effective interest rate of 3.250% for the year ended December 31, 2022. The mortgage is collateralized by the property. The loan balance was \$655,005 as of December 31, 2022.

*Washington Department of Commerce – YHA for Glenn Acres - Unrestricted* - In 2000 YHA borrowed \$565,100 to purchase Glenn Acres, a 38-unit apartment building. Installments of \$2,000 are due annually until November 30, 2028. Subsequent to November 30, 2028 1% interest will be charged. The final payment is due in 2040. The mortgage is collateralized by the property. The loan balance was \$529,341 as of December 31, 2022. During the year ended December 31, 2018, Glenn Acres was sold to a tax credit project. The Department of Commerce debt is the responsibility of YHA.

*Department of Commerce HTF – Cosecha Court II Phase II* - During 2020, permanent financing was obtained from the Housing Trust Fund (HTF) loan of \$2,997,200 with an interest rate of 1% and term of 40 years. Payments are only required from cash flow. As of December 31, 2022, the HTF loan balance was \$3,027,172.

*Department of Commerce – Valley Seven* – In 1993 YHA consolidated \$594,182 of debt with the Department of Commerce. The loan is at 0% and is payable upon the sale or change of use of the property. At the conclusion of fifty years YHA and the Department of Commerce can initiate close-out procedures, which provided all criteria are met, and there is no further state interest in keeping the contract open the loan will be closed. The loan balance was \$594,182 as of December 31, 2022.

*Department of Commerce - Mariposa*— In 1999 YHA borrowed \$840,800 interest free to construct Mariposa Park, a 26-unit housing development. Installments of \$4,000 are due annually and the final payment is due 2048. The mortgage is collateralized by property, and the balance was \$776,800 at December 31, 2022.

*Department of Commerce - Mariposa*— In 1998 YHA borrowed \$103,060 to construct Mariposa Park, a 26-unit housing development. The principal is due in full in 2049. No interest shall accrue. The mortgage is collateralized by the property. The loan balances were \$103,056 as of December 31, 2022.



**Housing Authority of the City of Yakima**  
**Notes to Basic Financial Statements**  
**December 31, 2022**

**NOTE 7 — LONG-TERM DEBT (CONTINUED):**

**Real Estate Mortgages (continued):**

The annual requirements to amortize outstanding debt, including interest, for the real estate mortgages are as follows:

	Principal	Interest	Total
2023	\$ 235,135	\$ 148,240	\$ 383,375
2024	378,249	169,839	548,088
2025	591,453	156,944	748,397
2026	360,946	144,407	505,353
2027-2031	1,774,359	669,145	2,443,504
2032-2036	1,548,023	366,377	1,914,400
2037-2041	1,615,593	235,489	1,851,082
2042-2046	1,362,150	130,135	1,492,285
2047-2051	2,109,158	36,421	2,145,579
2052 +	4,301,865	-	4,301,865
	<u>\$ 14,276,931</u>	<u>\$ 2,056,997</u>	<u>\$ 16,333,928</u>

A summary of changes in YHA's discretely presented component units' long-term debt for the year ended December 31, 2022, is presented below:

	Balance at January 1, 2022	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
Revenue Bonds:					
Banner Bank - YHA Affordable Housing	\$ 4,402,584	\$ -	\$ (67,100)	\$ 4,335,484	\$ 68,700
Due to Yakima Housing Authority:					
Capital Lease Loan - YHA Family	5,873,120	-	-	5,873,120	-
Due from Yakima Veterans	2,900,000	-	-	2,900,000	-
Due from Fruitvale Housing - Re-Loan	-	11,700	-	11,700	-
Real Estate Mortgages:					
Heritage Bank - Yakima Veterans	6,624,056	-	(6,624,056)	-	-
Housing Trust Fund - Yakima Veterans	887,386	-	(887,386)	-	-
Housing Trust Fund - Yakima Veterans	2,002,057	-	-	2,002,057	-
Department of Community Trade and Economic Development:					
Toppenish Family	2,100,000	-	-	2,100,000	-
Total long-term debt	<u>\$ 24,789,203</u>	<u>\$ 11,700</u>	<u>\$ (7,578,542)</u>	<u>\$ 17,222,361</u>	<u>\$ 68,700</u>

**Revenue Bonds:**

*Banner Bank – Yakima Affordable Housing* – In 2016 the Partnership borrowed \$7,000,000 for construction, with a conversion to permanent financing required by November 1, 2018. Conversion occurred on March 9, 2018, when the loan was paid down to \$4,625,000. The loan requires monthly payments of principal and interest of \$21,525 with the remaining balance due on May 1, 2035. The loan balance was \$4,335,484 as of December 31, 2022.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

#### **NOTE 7 — LONG-TERM DEBT (CONTINUED):**

##### **Revenue Bonds (continued):**

The annual requirements to amortize outstanding debt including interest, for the revenue bonds are as follows:

	Principal	Interest	Total
2023	\$ 68,400	\$ 189,900	\$ 258,300
2024	71,100	187,200	258,300
2025	73,900	184,400	258,300
2026	76,800	181,500	258,300
2027-2030	338,200	695,000	1,033,200
2031-2034	392,600	640,600	1,033,200
2034-2039	<u>3,314,484</u>	<u>32,030</u>	<u>3,346,514</u>
	<u>\$ 4,335,484</u>	<u>\$ 2,110,630</u>	<u>\$ 6,446,114</u>

Debt owed to YHA by YHA's Discretely Presented Component Units:

*Due to Yakima Housing Authority – Yakima Veterans Housing, LLLP (YVH) and Fruitvale Housing LLLP* received financing for rehabilitation and construction of buildings through Yakima Housing Authority acting as a pass-through with the following funding sources listed below. These were recorded as grant income on the housing authority and due to YHA on YVH:

*Yakima Housing Authority - Federal Home Loan Bank* – In 2020 YHA obtained financing from FHLB for Yakima Veterans Housing, LLLP. The mortgage is collateralized by this property. The interest rate is 0% and payment is due 15 years after completion of the project. The balance of this loan at December 31, 2022 was \$750,000.

*Yakima Housing Authority - Department of Commerce* – In 2020 YHA signed a promissory note for \$1,050,000 for construction of Yakima Veterans Housing, LLLP. The loan requires all outstanding principal and interest to be paid in full on or before December 31, 2061. The interest rate is 0%. The loan balance was \$1,050,000 as of December 31, 2022.

*Yakima Housing Authority - City of Yakima* – Long-term note payable for \$1,100,000 for construction at Yakima Veterans Housing, LLLP. The loan is collateralized by the property. The loan requires all outstanding principal and interest to be paid in full on or before December 31, 2061. The interest rate is 0%. The loan balance was \$1,100,000 as of December 31, 2022.

*Yakima Housing Authority – Department of Ecology* – Long-term note payable for \$114,700 for site remediation at Fruitvale Housing, LLLP. The loan requires all outstanding principal and interest to be paid in full on or before December 31, 2062. The interest rate is 0%. The loan balance was \$11,700 as of December 31, 2022.

**Capital Leases** – *Yakima Affordable Housing, LLLP* and *YHA Family Housing, LLC* have obtained long-term financing from YHA, which are payable in accordance with their respective operating agreements and based on cash flow. Financing terms are disclosed in Note 14.

*Banner Bank – Fruitvale Housing* – In 2022 the Partnership entered into an agreement with Banner Bank to loan funds for construction. The loan balance was \$522,119 as of December 31, 2022.

**Housing Authority of the City of Yakima**  
**Notes to Basic Financial Statements**  
**December 31, 2022**

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**NOTE 7 — LONG-TERM DEBT (CONTINUED):**

***Real Estate Mortgages (continued):***

*Department of Commerce – Toppenish Family* - In 2015, YHA was granted a loan of \$2,100,000 to construct Toppenish Family Housing, a 24-unit housing development, all of which was drawn down at December 31, 2019. The principal is due in full in 2056. No interest shall accrue, and payment is based on cash flow. The mortgage is collateralized by the property. The loan balance was \$2,100,000 as of December 31, 2022.

*Department of Commerce HTF – Yakima Veterans Housing, LLLP* - In 2020 YHA signed a promissory note for \$2,002,057 for construction of YVH. The interest rate is 1%, to begin accruing July 31, 2021 and payment is based on cash flow. And the full balance of the note is due June 30, 2061. The loan balance was \$2,002,057 as of December 31, 2022.

The annual requirements to amortize outstanding debt, including interest, for the real estate mortgages are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 20,100	\$ 20,100
2024	-	20,100	20,100
2025	-	20,100	20,100
2026	-	20,100	20,100
2027-2031	-	100,105	100,105
2032-2036	-	100,105	100,105
2037-2041	-	100,105	100,105
2042-2046	-	100,105	100,105
2057+	<u>4,102,057</u>	<u>301,500</u>	<u>4,403,557</u>
	<u>\$ 4,102,057</u>	<u>\$ 782,320</u>	<u>\$ 4,884,377</u>

***Compensated Absences:***

The compensated absence balances for the primary government as of December 31, 2022 is as follows:

Compensated absence balances as of January 1, 2022	\$ 127,479
Compensated absences earned by employees	140,933
Compensated absences utilized by employees	<u>(130,370)</u>
Compensated absence balances as of December 31, 2022	<u>\$ 138,042</u>

The compensated absence balances for the discretely presented components as of December 31, 2022 is as follows:

Compensated absence balances as of January 1, 2022	\$ 36,772
Compensated absences earned by employees	42,185
Compensated absences utilized by employees	<u>(37,990)</u>
Compensated absence balances as of December 31, 2022	<u>\$ 40,967</u>

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### **NOTE 8 — RESTRICTED NET POSITION:**

Restricted net position consists of funds that are restricted for the following purposes:

*Housing Assistance* – Funds received from governmental agencies, which are restricted for providing housing assistance to qualifying individuals and families.

*Future Capital Improvements* – Funds received from a governmental agency, which is restricted for future capital improvements, and requires the approval from the governmental agency prior to expenditure of the funds.

*Required Reserves* – Funds held by YHA in compliance with legal, regulatory, or lending requirements.

#### **NOTE 9 — LEASES:**

Yakima Housing Authority has building and ground leases under non-cancelable leases.

##### ***Yakima Affordable Housing, LLLP***

On April 1, 2016, the Partnership entered into a promissory note in connection with a finance lease agreement with the General Partner in the original amount of \$4,490,000. The Finance Lease accrues interest at a rate of 6% annually and matures April, 2066. Upon closing of the Projects, \$2,140,000 was paid to Yakima Housing Authority from the Banner Bank Loan previously described. Annual payments of principal and interest are to be made solely from distributions of net cash flow in accordance with the terms and conditions of the Amended and Restated Partnership agreement. The Finance Lease is secured by the Projects. Assuming sufficient cash flow to amortize the lease over 50 years, monthly payments of \$12,900 will be paid.

##### ***Yakima Veterans Housing, LLLP***

On June 15, 2020, the Partnership entered into a financing lease agreement with the General Partner for the Partnership to own, rehabilitate, and operate the Project on land owned by the General Partner. The term of the lease is seventy-five years. The rent includes a base ground rent of \$45,235 per year and any operating expenses associated with maintaining the property. Commencing from June 15, 2020 to June 15, 2075, annual Base Rent shall be payable to the extent of available cash flow, as defined in the partnership agreement, and any unpaid rent shall accrue 5% interest per annum, compounded annually, until paid. Any unpaid Base Rent, plus accrued interest shall be paid on June 15, 2075. Beginning on June 15, 2076 and continuing throughout the remainder of the term of the agreement, the Base Rent shall be payable annually without regard to the availability of cash flow. Pursuant to the Ground Lease, the Partnership owns the Project at all times during the term of the Ground Lease.

##### ***YHA Family Housing, LLC***

In November of 2013, the Company entered into a promissory note in connection with a finance lease agreement with the Managing Member in the original amount of \$6,333,120. Together with an additional prepaid rent in the amount of \$703,680, they make up the capitalized rent. The Note accrues compounding interest at a rate of 5.2% and matures in December of 2068. Annual payments of principal and interest are to be made solely from distributions of net cash flow in accordance with the terms and conditions of the Operating Agreement.

##### ***Fruitvale Housing, LLLP***

On November 10, 2022, the Partnership entered into a ground lease agreement with the General Partner to construct and improve property for a low-income housing project. Base rent shall be \$1 per year until 2122, but capitalized rent of \$300,000 was paid in 2022.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### ***NOTE 10 — DEFERRED COMPENSATION PLAN:***

YHA, in conjunction with the State, offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Washington State Department of Retirement Systems manages the plan. In June 1998, the State Deferred Compensation Program plan assets were placed into trust for the exclusive benefit of participants and their beneficiaries. Pursuant to GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, since the Housing Authority is not the owner of these assets, the plan assets and liabilities are not reported as part of the Housing Authority.

#### ***NOTE 11 — DEFINED CONTRIBUTION PLAN:***

All YHA full-time employees participate in the Housing Authority of the City of Yakima Retirement Plan, which provides funds at retirement for employees of YHA and in the event of death, provides funds for their beneficiaries, through contributions by YHA of 8% of employee payroll after an employee reaches 1,000 hours of employment.

As of December 31, 2022, there were 39 eligible participants in the Defined Contribution Plan. The covered payroll for employees in the plan was \$2,333,381 at December 31, 2022. Full time employees are eligible after one year.

Employer contributions were \$163,150 for the year ended December 31, 2022. Employees are vested in their account by years of service, 43% (year 1), 54% (year 2), 66% (year 3), 77% (year 4), 89% (year 5), and 100% (year 6).

The Defined Contribution Plan uses the accrual basis of accounting. Investments are directed by individual plan participants, and holdings are reported at fair value, based on quoted market prices. YHA reserves the right to amend or terminate the plan. However, no amendment will change the employee's right of vested benefit, and should the plan be terminated, all employees would automatically become 100% vested in the normal value of their account.

The plan is not subject to ERISA reporting requirements, and separate financial statements have not been prepared for the plan. The plan is administered by Cuna Mutual Retirement Solutions.

#### ***NOTE 12 — PARTICIPATION IN HOUSING AUTHORITY RISK RETENTION POOL:***

The Yakima Housing Authority is not facing any type of risk and has no settlements that exceeded the insurance coverage traditionally insured with property and casualty insurance. We are unaware of any loss exposures that may need specialized coverage traditionally excluded in property and casualty insurance.

The Yakima Housing Authority is a member of Housing Authorities Risk Retention Pool (HARRP). Utilizing Chapter 190.080 ORS and 48.62 RCW (self-insurance regulations) and Chapter 39.34 (Interlocal Cooperation Act), fifty-five public housing authorities in the states of Washington, Oregon and California originally formed HARRP in March 1987. HARRP was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. HARRP is a U.S. Department of Housing and Urban Development (HUD) approved self-insurance entity for utilization by public housing authorities. HARRP has a total of eighty member/owner housing authorities in the states of Washington, Oregon, California and Nevada. Thirty of the eighty members are Washington State public housing entities.

New members are underwritten at their original membership and thereafter automatically renew on an annual basis. Members may quit upon giving notice to HARRP prior to their renewal date. Members terminating membership are not eligible to rejoin HARRP for three years. HARRP can terminate the members after giving a sixty (60) day notice prior to the renewal date. Termination does not relieve a former member from its unresolved losses incurred during membership.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### ***NOTE 12 — PARTICIPATION IN HOUSING AUTHORITY RISK RETENTION POOL (CONTINUED):***

General and Automobile Liability Coverage is written on an occurrence basis, without member deductibles. Errors and Omissions coverage (which includes Employment Practices Liability) is written on claims made basis, and the members are responsible for 10% of the incurred costs of the claims. (Due to special underwriting circumstances, some members may be subject to greater deductibles and E & O co-payments). Coverage limits for General Liability, Automobile Liability, as well as Errors and Omissions, are \$2,000,000 per occurrence with a \$2,000,000 aggregate.

The Property coverage offered by HARRP is on a replacement cost basis, with deductibles ranging from \$2,500 to \$25,000. Our property coverages include Equipment Breakdown, as well as Fidelity coverage with limits of \$100,000 (with options up to \$1,000,000) for employee dishonesty, forgery or alteration and \$50,000 for theft, with a \$1,000 deductible.

HARRP self-insures coverage for liability lines. HARRP self-insures the first \$2,000,000 for property, then purchases \$45 million of excess insurance from Munich Reinsurance for a combined total of \$47,000,000. The HARRP Board of Directors determines the limits and coverage terms, at its sole discretion.

#### ***NOTE 12 — PARTICIPATION IN HOUSING AUTHORITY RISK RETENTION POOL (CONTINUED):***

HARRP provides loss control and claim services with in-house staff and retained third party contractors.

HARRP is fully funded by member contributions that are adjusted by the HARRP Board on the basis of independent actuarial studies. These assessments cover loss, loss adjustment expenses, excess insurance, reinsurance, and other administrative expenses. HARRP does not have the right to assess the membership for any shortfall in its funding. Such shortfalls are made up through future rate adjustments.

#### ***NOTE 13 — CONTINGENCIES:***

YHA has recorded in its financial statements all material liabilities.

YHA participates in a number of federal and state assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in request for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. Housing Authority management believes that such disallowances, if any, will be immaterial.

The Housing Authority has a \$296,000 recoverable grant from the Washington State Housing Trust Fund for the construction of low-income temporary housing for farmworkers at Cosecha Court. This grant is conditional on the Housing Authority provided low-income individual with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Housing Trust Fund within 30 days of such event. The term of the commitment expires January 31, 2054.

The Housing Authority has a \$1,065,000 recoverable grant from Washington Housing Trust Fund for the rehabilitation of fifty-one-unit apartment complex (Naches House), which currently provides low-income housing.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

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#### **NOTE 13 — CONTINGENCIES (CONTINUED):**

This grant is conditional on the Housing Authority provided low-income individual with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Housing Trust Fund within 30 days of such event. The term of the commitment expires January 31, 2054.

The Housing Authority has a \$286,564 recoverable grant from Washington Department of Commerce for the rehabilitation of twenty-four-unit apartment complex (Harmony Park), which currently provides low-income housing. This grant is conditional on the Housing Authority provided low-income individual with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Department of Commerce within 30 days of such event. The term of the commitment expires December 31, 2053.

The Housing Authority has a \$557,877 recoverable grant from Washington Department of Commerce for the construction of twenty-six-unit apartment complex (Mariposa Park Apartments), which currently provides low-income housing. This grant is conditional on the Housing Authority provided low-income individual with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Department of Commerce within 30 days of such event. The term of the commitment expires December 31, 2054.

The Housing Authority was awarded a \$3,000,000 recoverable grant from the Washington Housing Trust Fund for the construction of low-income temporary housing for farmworkers at Cosecha Court II Phase I. This grant is conditional on the Housing Authority providing low-income individuals with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Housing Trust Fund within 30 days of such event. The term of the commitment expires May 31, 2058.

The Housing Authority was awarded a \$1,050,000 CCFU ReLoan grant from the Washington State Department of Commerce for construction of low-income housing for **YVH**. YHA was awarded this grant and then reloaned this grant to YVH with 0% interest and is payable based on cash flows.

The Housing Authority was awarded a \$1,100,000 HOME ReLoan grant from the City of Yakima for construction of low-income housing for **YVH**. This grant is conditional on the Housing Authority providing low-income individuals with housing for a commitment period of forty (40) years. If the project is sold, refinanced, transferred, the use changes during the 40-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Housing Trust Fund within 30 days of such event. The city of Yakima has the right to audit the records. As of December 31, 2022, the Housing Authority had drawn \$1,100,000 on the total amount available.

The Housing Authority was awarded a \$1,400,000 CCFUA grant from the State of Washington Department of Commerce for tenant improvements to low-income housing for **YVH**. This grant is conditional on the Housing Authority providing low-income individuals with housing for a commitment period of forty (40) years. If the award is not used as required by YHA for a period of ten (10) years, YHA must repay the funds with an annual interest rate of 5%. As of December 31, 2022, the Housing Authority had drawn \$1,400,000 on the total amount available.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### ***NOTE 13 — CONTINGENCIES (CONTINUED):***

The Housing Authority was awarded a \$750,000 grant from Federal Home Loan Bank Affordable Housing Program (FHLB AHP) and Banner Bank for construction of low-income housing for **YVH**. The grant is only repayable plus interest, in the event of non compliance with the terms of the FHLB AHP application. As of December 31, 2022, the Housing Authority had drawn \$750,000 on the total amount available.

The Housing Authority has a \$250,000 recoverable grant from Washington Department of Commerce for the rehabilitation and preservation of seven affordable housing units (Mariposa Park Apartments), which currently provides low-income housing. This grant is conditional on the Housing Authority providing low-income individuals with housing for a commitment period of thirty-two (32) years. If the project is sold, refinanced, transferred, the use changes during the 32-year term of the commitment, or is out of compliance with the conditions of the contract, the award amount plus a proportional share of the appreciated value of the property will be due and payable to the Department of Commerce within 30 days of such event. The term of the commitment expires December 31, 2054 and as of December 31, 2022, \$213,302 has been received.

#### ***NOTE 14 — RELATED PARTY TRANSACTIONS:***

##### ***YHA Family Housing, LLC:***

In 2012 YHA's application to participate in the HUD Rental Assistance Demonstration Program (HUD RAD) was approved. The HUD RAD program allows housing authorities to convert their public housing stock to project-based Section 8, which allowed YHA to seek funding sources for rehabilitation that were previously not allowed, due to the restrictions surrounding public housing. In connection with closing on the 150 units, YHA sold the 150 units to YHA Family Housing, LLC.

The units, which prior to the sale had a net book value of \$5,618,924 (cost of \$15,022,084 net of accumulated depreciation of \$8,826,555), were sold to the LLC for \$7,036,800, and capitalized on the LLC's books at \$5,536,800 (building) and \$1,500,000 (land) during the year-ended December 31, 2015. The purchase price was financed on a long-term lease with an initial principal balance of \$6,333,120, \$5,873,120 of which was outstanding at December 31, 2022. As of December 31, 2022, accrued interest of \$1,215,587 was outstanding. Principal and interest payments at 5.2% are payable out of distributions of cash flow in accordance with the Amended and Restated Operating Agreement and is due in full on December 31, 2068.

For the year ended December 31, 2022, there were no contributions of equity from YHA to the LLC.

In June of 2013 YHA Family Housing, LLC signed a credit reservation and carryover allocation contract with the Washington State Housing Finance Commission for the reservation and award of \$1,464,418 of credit awarded under Section 42 of the Internal Revenue Code. Pursuant to the terms of the Operating Agreement, the Investor Member is required to make capital contributions totaling \$13,324,871 subject to potential adjustments based on the amount of low-income housing tax credits ultimately allocated to the Project in addition to other potential occurrences. As of December 31, 2022, the Investor Member has made all required capital contributions.

*Property management fee* – YHA owns a 0.01% interest in YHA Family Housing, LLC (the LLC), which was formed in December of 2012. YHA is the Managing Member, and manages the Partnership under a property management agreement, which provides for a maximum management fee of 8% of the annual gross effective income, payment of which will be limited to 4% if adequate cash flows are not available. For the period ended December 31, 2022, \$151,479 was recorded as a management fee expense, \$0 of which was outstanding at December 31, 2022.



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

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#### **NOTE 14 — RELATED PARTY TRANSACTIONS (CONTINUED):**

##### ***YHA Family Housing, LLC (continued):***

*Asset management fee* – YHA Family Housing, LLC pays an annual asset management fee to the Limited Partner in the amount of \$7,500 per annum. The payment is due on December 1 of the year that the first building in the Project is placed in service, and on June 1st of each year thereafter, increased by 3% per annum. For the period ended December 31, 2022, \$9,224 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2022.

##### ***Toppenish Family Housing LLC***

In July of 2015, Toppenish Family Housing, LLC signed a credit reservation and carryover allocation contract with the Washington State Housing Finance Commission for the reservation and award of \$547,109 of credit awarded under Section 42 of the Internal Revenue Code. This award is provided \$4.9 million dollars of equity contributions from the LLC's limited partner, of which \$4,764,904 had been received as of December 31, 2022.

*Property management fee* – YHA owns a 0.01% interest in Toppenish Family Housing, LLC (the LLC), which was formed in May of 2015. YHA is the Managing Member, and manages the Partnership under a property management agreement, which provides for a maximum management fee of 8% of the annual gross effective income, payment of which will be limited to 4% if adequate cash flows are not available. For the period ended December 31, 2022, \$8,853 was recorded as a management fee expense, \$0 of which was outstanding at December 31, 2022.

*Company management fee* – Toppenish Family Housing, LLC pays an annual asset management fee to the Limited Partner in the amount of \$15,000 per annum. The payment is due on December 1 of the year that the first building in the Project is placed in service, and on June 1st of each year thereafter, increased by 3% per annum. For the period ended December 31, 2022, \$17,911 was recorded as management fee expense, \$7,736 of which was outstanding at December 31, 2022.

*Asset management fee* – Toppenish Family Housing, LLC pays an annual asset management fee to the Investor Members in the amount of \$5,000 per annum. The payment is due on December 1 of the year that the first building in the Project is placed in service, and on December 1st of each year thereafter, increased by 3% per annum. For the period ended December 31, 2022, \$5,970 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2022.

##### ***Yakima Affordable Housing, LLLP***

In April of 2016, Yakima Affordable Housing, LLLP, signed a credit reservation and carryover allocation contract with the Washington State Housing Finance Commission for the reservation and award of \$7,000,000 of credit awarded under Section 42 of the Internal Revenue Code. This award provided \$3.7 million dollars of equity contributions from the LLLP's limited partner, of which \$3,690,831 had been received as of December 31, 2022. In addition, the Partnership obtained a capital lease from YHA in the original amount of \$4,490,000. The capital lease accrues interest at a rate of 4.38% annually. As of December 31, 2022, the outstanding balance was \$2,350,000 and the interest payable was \$777,161. For the year ended December 31, 2022 interest expense was \$197,181.

*Property management fee* – YHA owns a 0.01% interest in Yakima Affordable Housing, LLLP (the LLLP), which was formed in April of 2016. YHA is the Managing Member, and manages the Partnership under a property management agreement, which provides for a management fee that does not exceed 6% of gross rental collections. For the period ended December 31, 2022, \$54,608 was recorded as a management fee expense, \$0 of which was outstanding at December 31, 2022.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2022

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#### **NOTE 14 — RELATED PARTY TRANSACTIONS (CONTINUED):**

##### ***Yakima Affordable Housing, LLLP (continued):***

*Asset management fee* – Yakima Affordable Housing, LLLP pays an annual asset management fee to the Limited Partner in the amount of \$4,500 per annum. The payment is due on December 1 of the year that the first building in the Project is placed in service, and on June 1st of each year thereafter, increased by 3% per annum. For the period ended December 31, 2022, \$5,373 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2022.

##### ***Yakima Veterans Housing, LLLP***

In June of 2020, YVH signed four promissory notes with Yakima Housing Authority to provide financing for the rehabilitation and construction of buildings to house veterans and the homeless. Funding provided to Yakima Housing Authority is then passed on to YVH from the following four grantors: CCFU grants a total of \$1,050,000, City of Yakima grants a total of \$1,100,000, FHLB grants a total of \$750,000, and Pacific Power Solar grant totals \$156,623. Both the FHLB and Solar grants are secured by a deed of trust on the Partnership, and the Solar Loan has interest of 8%. As of December 31, 2022, all available credit was drawn down for the construction and YVH owes that amount back to YHA. In addition, the Partnership obtained a ground lease from YVH in the original amount of \$67,853. As of December 31, 2022, the outstanding balance was \$113,088 and the interest receivable was \$6,955.

*Property management fee* – YHA owns a 0.01% interest in YVH which was formed in 2020. YHA is the General Partner, and manages the Partnership under a property management agreement, which provides for a management fee that does not exceed 7% of gross rental collections. The management fee payment may be reduced no lower than 5% by the amount of any operating deficit, and any unpaid amounts shall be deferred and paid in the following month in which there is no operating deficit, payable out of the next available cash flow. For the period ended December 31, 2021, \$26,635 was recorded as a management fee expense, \$0 of which was outstanding at December 31, 2022.

*Investor Service fee* – The Partnership pays an annual investor services fee to the Limited Partner in the amount of \$5,000, beginning in the later of 2021 or the first calendar year the Partnership receives rental income, increased by 3% per annum. The Investor Services Fee for the initial year shall be prorated for the number of months the Partnership has rental income. The Investor Services Fee is payable from available cash flows. In the case that cash flows are insufficient to pay the Investor Services Fee, any unpaid fees shall accrue without interest and shall be payable out of the next available cash flow. For the year ended December 31, 2022, the Limited Partner earned and was paid an Investor Services Fee of \$5,151.

*Development fee* – Pursuant to the Development Services Agreement dated June 19, 2020 (the “Development Agreement”), the YVH agreed to pay the General Partner a total fee of \$1,096,260 for services relating to the development of the Property. The remaining unpaid portion after the fourth installment of the Limited Partner’s capital contribution will be the Deferred Development Fee, which shall accrue interest at 8% and is payable out of the next available cash flow. The development fee receivable as of December 31, 2022 was \$205,705 and accrued interest was \$4,114.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### **NOTE 14 — RELATED PARTY TRANSACTIONS (CONTINUED):**

##### ***Yakima Veterans Housing, LLLP (continued):***

*Partnership administration fee* – Pursuant to the Partnership Administration Agreement, the Partnership pays an annual partnership administration fee of \$9,500 to the General Partner, beginning in the later of 2021 or the first calendar year the Partnership receives rental income, increased by 3% per annum. The Partnership Administration Fee for the initial year shall be prorated for the number of months the Partnership has rental income. The Partnership Administration Fee is payable from available cash flows. In the case that cash flows are insufficient to pay the Partnership Administration Fee, any unpaid fees shall accrue without interest and shall be payable out of the next available cash flow. As of December 31, 2022, the General Partner earned a Partnership Administration Fee of \$9,785 and the Partnership Administration Fee owed was \$13,743.

##### ***Fruitvale Housing, LLLP***

In November of 2022, Fruitvale Housing, LLP signed a promissory notes with Yakima Housing Authority to provide financing for the construction of buildings to house low-income and formerly homeless households. Funding provided to Yakima Housing Authority is then passed on to Fruitvale Housing from the following grantors: Department of Ecology grant totals \$114,700. The partnership also received \$350,000 in the form of a deposit from YHA in order for YHA to purchase the condo once all construction is complete. In addition, the Partnership obtained a ground lease from YHA in the amount of \$300,000.

#### **NOTE 15 — RESERVES:**

##### ***YHA Family Housing, LLC:***

###### ***Operating reserve:***

The YHA Family Housing, LLC operating agreement requires an initial funding of \$431,425, to be deposited upon the LLC attaining stabilization.

At December 31, 2022, the balance in the reserve was \$433,190, and was overfunded by \$1,765.

Withdrawals in excess of \$10,000 in any one fiscal year require the consent of the Limited Partner. Should the balance in the operating reserve fall below the operating reserve minimum (\$215,623), distributions shall be made from Net Cash Flows on each payment date to maintain a minimum balance equal to the operating reserve minimum. Subsequent to the end of the compliance period the operating reserve may be related and distributed as net cash flow.

###### ***Replacement reserves:***

The YHA Family Housing, LLC operating agreement requires an initial funding of \$825,000, to be deposited upon the LLC attaining stabilization. Additional contributions of \$52,500 annually are required to be made to the replacement reserve commencing the earlier of six months after completion of construction or the first month of stabilized operations. Payments are increased annually by 3% per annum. Any interest earned on the Replacement Reserve shall become a part of the Replacement Reserve.

Draws from the Replacement Reserve are restricted for capital costs that result in a depreciable asset with a useful life exceeding two years. Draws from the Replacement Reserve are limited to \$25,000 in any one fiscal year except for emergency expenditures. At December 31, 2022, the balance in the reserve was \$1,137,689, and was under funded by \$11,550.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### **NOTE 15 — RESERVES (CONTINUED):**

##### *Working capital reserve:*

YHA Family Housing, LLC has a working capital reserve that was funded upon the closing of their Project. The use of these funds is limited to funding operating deficits and is to be maintained throughout the duration of the compliance period. At December 31, 2022, YHA Family Housing, LLC maintained operating cash in excess of the required reserve amount of \$50,000.

##### **Toppenish Family Housing, LLC:**

##### *Operating reserve:*

The Toppenish Family Housing, LLC operating agreement requires an initial funding of \$75,708, to be deposited upon the LLC attaining stabilization. The reserve is to be used to pay any operating deficits. As of December 31, 2022, the reserve balance was \$75,708.

Withdrawals in excess of \$10,000 in any one fiscal year require to consent of the Limited Partner. Should the balance in the operating reserve fall below the operating reserve minimum (\$37,854), additional deposits shall be made for the Net Cash Flows as outlined in the partnership agreement.

##### *Replacement reserves:*

The Toppenish Family Housing, LLC operating agreement requires an initial funding of \$130,000, which is not required to be funded until October 1, 2021. A second replacement reserve capital contribution of \$230,000 is required on October 1, 2026. Any interest earned on the Replacement Reserve shall become a part of the Replacement Reserve. As of December 31, 2022, the reserve balance was \$353,157.

##### **Yakima Affordable Housing, LLLP**

##### *Operating reserve:*

The Yakima Affordable Housing, LLLP operating agreement requires an initial funding of \$175,000, to be deposited upon the LLLP attaining stabilization. The reserve is to be used to pay any operating deficits of Yakima Affordable Housing, LLLP.

As of December 31, 2022, the reserve balance was \$182,124, as the stabilization capital contribution has not yet occurred.

Withdrawals in excess of \$10,000 in any one fiscal year require the consent of the Limited Partner. Should the balance in the operating reserve fall below the operating reserve minimum (\$175,000), additional deposits shall be made from Net Cash Flows on each payment date to maintain a minimum balance equal to the operating reserve minimum. Subsequent to the end of the compliance period, the operating reserve may be related and distributed as net cash flow.

##### *Replacement reserves:*

The Yakima Affordable Housing, LLLP partnership agreement required the establishment of a replacement reserve account in the initial amount of \$75,000. The Partnership is required to fund the replacement reserve in the annual amount of \$375 per unit increasing by 3% per annum. As of December 31, 2022, the reserve balance was \$263,860, and was in compliance with the reserve requirement.

# **Housing Authority of the City of Yakima**

## **Notes to Basic Financial Statements**

### **December 31, 2022**

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#### **NOTE 15 — RESERVES (CONTINUED):**

##### ***Yakima Veterans Housing, LLLP:***

###### ***Operating reserve:***

The Yakima Veterans Housing, LLLP operating agreement requires an initial funding of \$25,000 into an operating reserve account, and another \$123,535 upon the payment of the fifth installment of the Limited Partner's capital contribution. The reserve is to be used to pay any operating deficits of Yakima Affordable Housing, LLLP only after the stabilization date, or loan conversion.

As of December 31, 2022, the reserve balance was \$25,043, as the stabilization capital contribution has not yet occurred.

Should the balance in the operating reserve fall below \$25,000, or if after the fifth installment, below the Operating Reserve Amount of \$148,535, additional deposits shall be made from net cash flows

###### ***Replacement reserves:***

The Yakima Veterans Housing, LLLP partnership agreement required the establishment of a replacement reserve account in the initial amount of \$16,400. Additional annual contributions of \$16,400 are required to be made to the replacement reserve commencing the second month after completion of construction. Any interest earned on the replacement reserve shall become a part of the replacement reserve. Withdrawals in excess of \$10,000 in any one fiscal year require the consent of the Limited Partner. Draws from the replacement reserve are restricted for funding of major repair, capital expenditures and replacement of capital item. As of December 31, 2022, the reserve balance was \$20,526.

#### **NOTE 16 — COMMITMENTS:**

YHA was approved for Multifamily Preservation and Rehabilitation (MPR) funding to rehabilitate its 142 farm labor housing units located throughout Yakima County in 2020. The USDA RD MPR program is designed to make projects sustainable over a 20-year period through a combination of debt deferral, loans and grants. Contracts were signed in October 2020 for a total budget of \$5,380,094, and construction completed in June 2022.

There are construction projects in process as of December 31, 2022 including Fruitvale Housing, which was given Notice to Proceed on October 27, 2022, \$5,309,332 was spent as of December 31, 2022.

#### **NOTE 17 — SUBSEQUENT EVENTS:**

Subsequent to the end of the year, YHA continued construction work on Fruitvale Housing and has drawn down \$4.2 million as of May 30, 2023.

YHA also was awarded \$3.7 million in funding from the Washington State Housing Trust Fund for the future construction of Cosecha Court II Phase III seasonal farmworker housing in Granger, WA. An architectural agreement was entered into for \$241,000 on February 23, 2023. Construction is expected to begin in March 2024. A Phase II loan from Impact Capital was signed on April 3, 2023 for \$150,000. This loan matures on April 30, 2024.

**Housing Authority of the City of Yakima**  
**Notes to Basic Financial Statements**  
**December 31, 2022**

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**NOTE 18 — ADOPTION OF NEW ACCOUNTING STANDARDS:**

During the year ended December 31, 2022 and beyond, YHA has and will implement several new Governmental Accounting Standards Board (GASB) pronouncements. These pronouncements are as follows:

GASB No. 87, *Leases* - The objective of this statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This Statement is effective for fiscal years beginning after June 15, 2021. During the year end December 31, 2022, YHA has adopted GASB 87 into the financial reporting.

GASB No. 96, *Subscription-Based Information Technology Arrangements*- The primary objective of this statement will improve financial reporting by requiring the disclosure of a subscription asset and subscription liability on the financial statement. This Statement is effective for fiscal years beginning after June 15, 2022. YHA has not yet evaluated the impact from this statement on future financial reporting.

GASB No. 94, *Public-private and public-public partnership arrangements*- The primary objective of this statement will improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements and availability payment arrangements and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That statement will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This statement will enhance the decision usefulness of a financial statement by requiring reporting assets and liabilities related to public-private and public-public partnership arrangements consistently and disclose important information about the transactions. This Statement is effective for fiscal years beginning after June 15, 2022. YHA has not yet evaluated the impact from this statement on future financial reporting.

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**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Primary Government**  
**December 31, 2022**

	YHA	YHA	Housing	FSS	FSS	Mainstream	EHV	State & Local	Rural	HCV	Mainstream	COCC		Eliminating	Primary
	Business Activities	COCC	Choice	Forfeitures					Assistance	CARES	CARES	CARES	Subtotal	Entries	Government
<i>Current Assets:</i>			Vouchers						Programs						
Cash and cash equivalents - unrestricted	\$ 4,215,045	\$ 123,018	\$ 239,718	\$ -	\$ 42,494	\$ 75,926	\$ 178,616	\$ 182,601	\$ 226,029	\$ -	\$ -	\$ -	\$ 5,283,447	\$ -	\$ 5,283,447
Accounts receivables, net of allowance	2,597,272	-	-	-	39,073	2,606	20,978	12,110	22,776	-	-	-	2,694,815	(315,000)	2,379,815
Investments - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	-	-	-	-	-	-	-	2,078	-	-	-	2,078	-	2,078
Inventories	9,403	-	-	-	-	-	-	-	-	-	-	-	9,403	-	9,403
Due from other funds	166,886	108,423	-	-	-	3,765	-	-	-	-	-	-	279,074	(149,205)	129,869
	6,988,606	231,441	239,718	-	81,567	82,297	199,594	194,711	250,883	-	-	-	8,268,817	(464,205)	7,804,612
<i>Restricted Assets:</i>															
Cash and cash equivalents - other restricted	664	-	384,108	29,128	-	-	-	-	-	-	-	-	413,900	-	413,900
Cash - tenant security deposits	-	-	-	-	-	-	-	18,280	37,299	-	-	-	55,579	-	55,579
Investments - restricted	168,082	6,024	-	-	-	-	-	1,489,414	1,033,551	-	-	-	2,697,071	-	2,697,071
	168,746	6,024	384,108	29,128	-	-	-	1,507,694	1,070,850	-	-	-	3,166,550	-	3,166,550
Total current assets	7,157,352	237,465	623,826	29,128	81,567	82,297	199,594	1,702,405	1,321,733	-	-	-	11,435,367	(464,205)	10,971,162
<i>Noncurrent Assets:</i>															
Investment in Component Units	1,066,586	-	-	-	-	-	-	-	-	-	-	-	1,066,586	-	1,066,586
Loan Receivable from Component Units	11,414,214	-	-	-	-	-	-	-	-	-	-	-	11,414,214	-	11,414,214
Ground Lease Receivable	1,088,481												1,088,481	-	1,088,481
Other Assets - long term	350,000												350,000	-	350,000
Capital assets:													-		
Land	1,056,183	-	-	-	-	-	-	787,021	961,692	-	-	-	2,804,896	-	2,804,896
Buildings	6,529,578	-	-	-	-	-	-	10,491,016	16,679,730	-	-	-	33,700,324	-	33,700,324
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture, equipment and machinery - dwellings	1,170	-	35,128	-	-	-	-	457,532	415,792	-	-	-	909,622	-	909,622
Furniture, equipment and machinery - admin	816,823	20,367	-	-	-	-	-	18,665	-	-	-	-	855,855	-	855,855
Accumulated depreciation	(1,108,113)	(2,037)	(35,086)	-	-	-	-	(4,598,214)	(10,057,220)	-	-	-	(15,800,670)	-	(15,800,670)
Construction in progress	266,238	-	-	-	-	-	-	213,302	4,902,400	-	-	-	5,381,940	-	5,381,940
Total noncurrent assets	21,481,160	18,330	42	-	-	-	-	7,369,322	12,902,394	-	-	-	41,771,248	-	41,771,248
Total assets	\$ 28,638,512	\$ 255,795	\$ 623,868	\$ 29,128	\$ 81,567	\$ 82,297	\$ 199,594	\$ 9,071,727	\$ 14,224,127	\$ -	\$ -	\$ -	\$ 53,206,615	\$ (464,205)	\$ 52,742,410

	YHA	YHA	Housing	Housing	FSS	Mainstream	EHV	State & Local	Rural	HCV	Mainstream	COCC		Eliminating	Primary
	Business Activities	COCC	Choice	Choice					Assistance	CARES	CARES	CARES	Subtotal	Entries	Government
			Vouchers	Vouchers					Programs						
<i>Current Liabilities:</i>															
Accounts payable less than 90 days	\$ 17,383	\$ 5,609	\$ 6,889	\$ -	\$ 1,743	\$ 26	\$ 18	\$ 116,224	\$ 38,249	\$ -	\$ -	\$ -	186,141	\$ -	\$ 186,141
Accrued wages and payroll taxes	6,052	14,357	9,911	-	4,234	3,622	278	4,234	9,338	-	-	-	48,001	-	48,001
Accrued compensated absences - current	9,666	42,683	38,562	-	5,935	-	-	9,244	18,147	-	-	-	124,237	-	124,237
Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued liabilities - other	-	-	-	-	-	-	-	315,000	-	-	-	-	315,000	(315,000)	-
Unearned income	-	-	-	-	-	-	131,250	12,634	32,163	-	-	-	176,047	-	176,047
Short-term note payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of long term debt	91,126	-	-	-	-	-	-	83,843	104,604	-	-	-	279,573	-	279,573
Due to other funds	-	-	4,369	-	69,608	-	245	67,807	7,176	-	-	-	149,205	(149,205)	-
	124,227	62,649	59,731	-	80,908	304	131,722	608,986	209,677	-	-	-	1,278,204	(464,205)	813,999
<i>Payables from Restricted Assets:</i>															
Accounts payable - other government	-	-	-	-	-	-	-	-	5,279	-	-	-	5,279	-	5,279
FSS Escrow deposit	-	-	335,513	-	-	-	-	-	-	-	-	-	335,513	-	335,513
Tenant security deposits	-	-	-	-	-	-	-	18,280	37,299	-	-	-	55,579	-	55,579
	-	-	335,513	-	-	-	-	18,280	42,578	-	-	-	396,371	-	396,371
Total current liabilities	124,227	62,649	395,244	-	80,908	304	131,722	627,266	252,255	-	-	-	1,674,575	(464,205)	1,210,370
<i>Noncurrent Liabilities:</i>															
Long-term debt, net of current	4,656,279	-	-	-	-	-	-	4,506,501	6,375,052	-	-	-	15,537,832	-	15,537,832
Accrued compensated absences, net of current	1,074	4,743	4,285	-	659	-	-	1,028	2,016	-	-	-	13,805	-	13,805
Deferred Inflow of Resources - Lease	788,481												788,481		788,481
Other noncurrent liabilities	646,477	-	-	-	-	-	-	-	-	-	-	-	646,477	-	646,477
Total noncurrent liabilities	6,092,311	4,743	4,285	-	659	-	-	4,507,529	6,377,068	-	-	-	16,986,595	-	16,986,595
Total liabilities	6,216,538	67,392	399,529	-	81,567	304	131,722	5,134,795	6,629,323	-	-	-	18,661,170	(464,205)	18,196,965
<i>Net Position:</i>															
Net investment in capital assets	2,814,474	18,330	42	-	-	-	-	2,778,978	6,422,738	-	-	-	12,034,562	-	12,034,562
Restricted for:													-		
Required reserves	17,583	6,024	48,595	-	-	-	-	1,489,414	314,130	-	-	-	1,875,746	-	1,875,746
Transfer for eliminations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted net position	19,589,917	164,049	175,702	29,128	-	81,993	67,872	(331,460)	857,936	-	-	-	20,635,137	-	20,635,137
Total net position	22,421,974	188,403	224,339	29,128	-	81,993	67,872	3,936,932	7,594,804	-	-	-	34,545,445	-	34,545,445
Total liabilities and net position	\$ 28,638,512	\$ 255,795	\$ 623,868	\$ 29,128	\$ 81,567	\$ 82,297	\$ 199,594	\$ 9,071,727	\$ 14,224,127	\$ -	\$ -	\$ -	\$ 53,206,615	\$ (464,205)	\$ 52,742,410



**Housing Authority of the City of Yakima**

**Combining Schedule of Revenue, Expenses and Changes in Net Position - Primary Government**

**December 31, 2022**

	YHA Business Activities	YHA COCC	Housing Choice Vouchers	FSS Fofeitures	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	HCV CARES	Mainstream CARES	COCC CARES	Subtotal	Eliminating Entries	Primary Government
<i>Operating Revenue:</i>															
Intergovernmental revenue	\$ -	\$ -	\$ 8,724,913	\$ -	\$ -	\$ 512,688	\$ 198,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,435,841	\$ -	\$ 9,435,841
Net tenant rental revenue	182,304	-	-	-	-	-	-	1,057,104	1,001,494	-	-	-	2,240,902	-	2,240,902
Other revenue	778,666	907,314	89,174	29,128	-	-	-	9,456	22,520	-	-	-	1,836,258	(563,470)	1,272,788
Other tenant revenue	34,667	-	-	-	-	-	-	4,335	4,440	-	-	-	43,442	-	43,442
Total operating revenue	995,637	907,314	8,814,087	29,128	-	512,688	198,240	1,070,895	1,028,454	-	-	-	13,556,443	(563,470)	12,992,973
<i>Operating Expenses:</i>															
<i>Administrative:</i>															
Administrative wages	49,026	490,712	347,059	-	-	8,755	6,031	50,843	76,197	-	-	-	1,028,623	-	1,028,623
Professional fees	2,725	10,561	28,313	-	-	-	-	10,093	25,246	-	-	-	76,938	-	76,938
Employee benefit contributions	61,051	152,185	125,712	-	-	2,562	1,765	15,578	27,528	-	-	-	386,381	-	386,381
Other operating - administrative	60,689	20,541	273,277	-	-	15,534	9,438	99,139	247,801	-	-	-	726,419	(532,090)	194,329
Tenant services	166,196	-	-	-	187,273	-	-	8,400	22,500	-	-	-	384,369	(31,380)	352,989
	339,687	673,999	774,361	-	187,273	26,851	17,234	184,053	399,272	-	-	-	2,602,730	(563,470)	2,039,260
<i>Utilities:</i>															
Electricity	13,437	8,574	-	-	-	-	-	31,954	32,639	-	-	-	86,604	-	86,604
Other utilities expense	7,480	4,500	-	-	-	-	-	-	1,423	-	-	-	13,403	-	13,403
Sewer	9,906	1,080	-	-	-	-	-	43,823	134,497	-	-	-	189,306	-	189,306
Water	8,639	2,187	-	-	-	-	-	50,691	161,298	-	-	-	222,815	-	222,815
	39,462	16,341	-	-	-	-	-	126,468	329,857	-	-	-	512,128	-	512,128
<i>Ordinary maintenance and operations:</i>															
Contract costs	138,751	94,591	180,658	-	-	2,299	2,779	85,685	281,616	-	-	-	786,379	-	786,379
Employee benefit contributions	6,062	696	4,173	-	-	-	-	27,183	91,590	-	-	-	129,704	-	129,704
Maintenance and operations wages	14,016	2,021	12,126	-	-	-	-	85,400	323,698	-	-	-	437,261	-	437,261
Materials and other	2,711	11	1,621	-	-	-	-	26,246	57,750	-	-	-	88,339	-	88,339
	161,540	97,319	198,578	-	-	2,299	2,779	224,514	754,654	-	-	-	1,441,683	-	1,441,683
	YHA Business Activities	YHA COCC	Housing Choice Vouchers	Housing Choice Vouchers	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	HCV CARES	Mainstream CARES	COCC CARES	Subtotal	Eliminating Entries	Primary Government
<i>General expenses:</i>															
Depreciation expense	333,862	2,037	43	-	-	-	-	297,685	315,154	-	-	-	948,781	-	948,781
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing assistance payments	-	-	7,618,041	-	-	454,240	340,473	-	-	-	-	-	8,412,754	-	8,412,754
Insurance premiums	20,351	14,523	17,380	-	-	1,252	679	31,462	77,979	-	-	-	163,626	-	163,626
Bad debt - tenant rents	-	-	-	-	-	-	-	10,774	22,406	-	-	-	33,180	-	33,180
Bad debt - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other general expenses	390,020	57,731	26,787	-	2,035	-	-	10,670	53,819	-	-	-	541,062	-	541,062
Protective services contract costs	4,374	1,545	1,942	-	-	-	-	1,106	1,897	-	-	-	10,864	-	10,864
Payments in lieu of taxes	-	-	-	-	-	-	-	-	5,454	-	-	-	5,454	-	5,454
	748,607	75,836	7,664,193	-	2,035	455,492	341,152	351,697	476,709	-	-	-	10,115,721	-	10,115,721
Total operating expenses	1,289,296	863,495	8,637,132	-	189,308	484,642	361,165	886,732	1,960,492	-	-	-	14,672,262	(563,470)	14,108,792
<i>Operating Income (Loss)</i>	\$ (293,659)	\$ 43,819	\$ 176,955	\$ 29,128	\$ (189,308)	\$ 28,046	\$ (162,925)	\$ 184,163	\$ (932,038)	\$ -	\$ -	\$ -	\$ (1,115,819)	\$ -	\$ (1,115,819)
<i>Nonoperating Revenue (Expenses):</i>															
Gain on the sale of capital assets	8,995	-	-	-	-	-	-	-	-	-	-	-	8,995	-	8,995
Interest expense	(71,944)	-	-	-	-	-	-	(122,138)	(28,201)	-	-	-	(222,283)	-	(222,283)
Intergovernmental revenue	74,615	-	-	-	189,308	-	-	213,302	1,507,409	-	-	-	1,984,634	-	1,984,634
Investment revenue - restricted	-	-	-	-	-	-	-	-	121	-	-	-	121	-	121
Investment revenue - unrestricted	593,958	-	-	-	-	-	-	64	34	-	-	-	594,056	-	594,056
Total nonoperating revenue (expenses)	605,624	-	-	-	189,308	-	-	91,228	1,479,363	-	-	-	2,365,523	-	2,365,523
<i>Income (Loss) Before Other Revenues, Expenses, Gains, Losses, and Transfers</i>	311,965	43,819	176,955	29,128	-	28,046	(162,925)	275,391	547,325	-	-	-	1,249,704	-	1,249,704
Operating transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership net income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Increase (Decrease) in Net Position</i>	311,965	43,819	176,955	29,128	-	28,046	(162,925)	275,391	547,325	-	-	-	1,249,704	-	1,249,704
<i>Net Position, Beginning of Year</i>	22,110,009	144,584	47,384	-	-	53,947	230,797	3,661,541	7,047,479	-	-	-	33,295,741	-	33,295,741
<i>Equity Transfer</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Prior period adjustment</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital contribution</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Net Position, End of Year</i>	\$ 22,421,974	\$ 188,403	\$ 224,339	\$ 29,128	\$ -	\$ 81,993	\$ 67,872	\$ 3,936,932	\$ 7,594,804	\$ -	\$ -	\$ -	\$ 34,545,445	\$ -	\$ 34,545,445

# Housing Authority of the City of Yakima

## Notes to Combining Financial Schedules

December 31, 2022

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**YHA Business Activities** – Consists of the Unrestricted Fund, and Cosecha Court II Phase II. Used to account for the general administration and operations of the Housing Authority of the City of Yakima, as well as unrestricted receipts unrelated to other funds.

**Central Office Cost Center** – Used to account for housing authority fee income from the management of the other programs and expenses incurred by the housing authority are recovered by these fees.

**Housing Choice Vouchers** – Used to account for Housing Assistance Payments made to landlords on behalf of eligible low-income clients, Veterans Affairs Supportive Housing (VASH), and Non-Elderly Disabled Housing (NED). VASH payments are made on behalf of Veterans that have been previously approved with supportive services. NED payments are made on behalf of individuals who are under the age of 62, and disabled, that have been previously approved with supportive services.

**Family Self-Sufficiency** – Used to account for HUD-assisted families involved in the program who are trying to increase their earned income and reduce dependency on welfare assistance and rental subsidies.

**Mainstream Vouchers** – Used to account for Housing Assistance Payments made to landlords on behalf of eligible low-income clients, specifically non-elderly persons with disabilities, in the same manner as housing choice vouchers, however the funding and reporting is separate from regular tenant-based vouchers.

**State & Local** – Consists of Mariposa Park, Nueva Primavera, and Cosecha Court II properties. Used to account for the administration, operating, maintenance, improvement and construction of an apartment complex for YHA's multi-family housing.

**Rural Assistance Programs** – Consists of Harmony Park, Valley Seven, and Cosecha Court properties. Used to account for administration, operation, maintenance, improvement and construction of Rural Housing units with USDA RD and Farm Labor Housing Loans and Grants.

## Housing Authority of the City of Yakima

### Net Position – Last Ten Fiscal Years

(Unaudited)

**Table 1**

Fiscal Year	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position	Total
12/31/2013	14,778,559	1,424,515	993,267	17,196,341
12/31/2014	12,467,861	1,904,635	2,348,573	16,721,069
12/31/2015	6,461,102	1,764,624	9,676,852	17,902,578
12/31/2016	5,966,020	1,295,618	14,602,032	21,863,670
12/31/2017	6,669,537	1,565,793	14,067,959	22,303,289
12/31/2018	9,015,253	1,476,781	14,354,939	24,846,973
12/31/2019	8,478,605	1,749,890	14,802,626	25,031,121
12/31/2020	8,596,881	2,473,430	16,477,758	27,548,069
12/31/2021	11,847,270	2,434,980	19,013,491	33,295,741
12/31/2022	12,034,562	1,875,746	20,635,137	34,545,445

Source: Previous years' audits and current year financial statements

**Housing Authority of the City of Yakima**  
**Changes in Net Position – Last Ten Fiscal Years**  
**(Unaudited)**

	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016
<i>Operating Revenue:</i>				
Intergovernmental revenues	\$ 2,584,579	\$ 3,812,160	\$ 4,465,763	\$ 5,108,871
Net tenant revenue	1,092,641	1,347,657	1,555,931	1,544,233
Other revenues	321,960	1,040,913	638,583	1,969,497
	<u>3,999,180</u>	<u>6,200,730</u>	<u>6,660,277</u>	<u>8,622,601</u>
<i>Operating Expenses:</i>				
Administrative	962,910	880,236	1,303,055	1,423,049
Utilities	362,941	494,291	492,280	525,481
Ordinary maintenance and operating	651,002	868,013	806,893	792,754
General expenses	161,977	199,852	118,336	157,717
Depreciation	732,592	944,793	949,616	819,063
Housing assistance payments	2,301,902	3,631,338	3,983,015	4,375,261
	<u>5,173,324</u>	<u>7,018,523</u>	<u>7,653,195</u>	<u>8,093,325</u>
<i>Operating Loss</i>	<u>(1,174,144)</u>	<u>(817,793)</u>	<u>(992,918)</u>	<u>529,276</u>
<i>Nonoperating Revenue (Expenses):</i>				
Intergovernmental	695,678	920,683	919,704	739,836
Investment revenue	8,651	1,107	357,882	451,374
Interest expense	(128,620)	(582,944)	(240,573)	(211,319)
Debt issuance costs	-	(109,126)	(310,750)	(5,096)
Gain (loss) on disposition of assets	1,029,116	310,480	-	1,529,195
	<u>1,604,825</u>	<u>540,200</u>	<u>726,263</u>	<u>2,503,990</u>
<i>Income (Loss) before Capital Contributions</i>	430,681	(277,593)	(266,655)	3,033,266
<i>Pass-through funds</i>	(171,327)	-	-	-
<i>Partnership net income</i>			(41,782)	(76)
<i>Capital grants</i>	909,481	1,065,000	654,570	927,902
Change in net position	1,168,835	787,407	346,133	3,961,092
<i>Net Position, Beginning of Year</i>	14,978,012	17,196,847	17,984,254	17,903,088
Capital contributions	1,050,000	-	(427,299)	-
Prior Period Adjustments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Position, End of Year</i>	<u>\$ 17,196,847</u>	<u>\$ 17,984,254</u>	<u>\$ 17,903,088</u>	<u>\$ 21,864,180</u>

Note: The December 31, 2013 row is for a nine-month period, the remaining columns are for a 12-month period.

Source: Previous years' audits and current year financial statements

Table 2

December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
\$ 5,236,400	\$ 5,853,773	\$ 5,963,064	\$ 8,134,603	\$ 8,889,027	\$ 9,435,841
1,461,204	1,637,226	1,722,149	1,926,741	2,126,992	2,284,344
701,576	732,753	919,773	1,199,284	1,591,334	1,272,788
7,399,180	8,223,752	8,604,986	11,260,628	12,607,353	12,992,973
1,456,614	1,654,048	1,941,884	1,834,732	1,987,705	2,039,260
539,788	483,310	530,426	464,907	520,219	512,128
901,460	804,225	940,660	1,070,745	1,505,435	1,441,683
120,549	187,698	243,578	357,400	248,224	754,186
938,984	962,676	840,698	944,765	763,066	948,781
4,568,069	5,195,877	5,249,567	6,902,117	7,684,013	8,412,754
8,525,464	9,287,834	9,746,813	11,574,666	12,708,662	14,108,792
(1,126,284)	(1,064,082)	(1,141,827)	(314,038)	(101,309)	(1,115,819)
770,556	711,689	824,868	2,454,651	5,496,578	1,984,634
432,859	413,518	679,037	542,770	561,386	594,177
(137,205)	(163,153)	(177,930)	(165,530)	(208,983)	(222,283)
-	-	-	-	-	-
3,317	350	-	-	-	8,995
1,069,527	962,404	1,325,975	2,831,891	5,848,981	2,365,523
(56,757)	(101,678)	184,148	2,517,853	5,747,672	1,249,704
-	-	-	-	-	-
-	-	-	-	-	-
495,867	2,645,362	-	-	-	-
439,110	2,543,684	184,148	2,517,853	5,747,672	1,249,704
21,864,180	22,303,290	24,846,974	25,031,121	27,548,069	33,295,741
-	-	-	(905)	-	-
-	-	-	-	-	-
\$ 22,303,290	\$ 24,846,974	\$ 25,031,122	\$ 27,548,069	\$ 33,295,741	\$ 34,545,445

**Housing Authority of the City of Yakima**  
**Operating Revenues by Source - Last Ten Fiscal Years**  
(Unaudited)

**Table 3**

Fiscal Year	Net Tenant Rental		Intergovernmental		Other		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
12/31/2013	1,092,641	27.32%	2,584,579	64.63%	321,960	8.05%	3,999,180	100.00%
12/31/2014	1,347,657	21.73%	3,812,160	61.48%	1,040,913	16.79%	6,200,730	100.00%
12/31/2015	1,555,931	23.36%	4,465,763	67.05%	638,583	9.59%	6,660,277	100.00%
12/31/2016	1,544,233	17.91%	5,108,871	59.25%	1,969,497	22.84%	8,622,601	100.00%
12/31/2017	1,461,204	19.75%	5,236,400	70.77%	701,576	9.48%	7,399,180	100.00%
12/31/2018	1,637,226	19.91%	5,853,773	71.18%	732,753	8.91%	8,223,752	100.00%
12/31/2019	1,722,149	20.01%	5,963,064	69.30%	919,773	10.69%	8,604,986	100.00%
12/31/2020	1,926,741	17.11%	8,134,603	72.24%	1,199,284	10.65%	11,260,628	100.00%
12/31/2021	2,126,992	16.87%	8,889,027	70.51%	1,591,334	12.62%	12,607,353	100.00%
12/31/2022	2,284,344	17.58%	9,435,841	72.62%	1,272,788	9.80%	12,992,973	100.00%

Note: The December 31, 2013 row is for a nine-month period, the remaining columns are for a 12-month period.

Source: Previous years' audits and current year financial statements

**Housing Authority of the City of Yakima**  
**Non-Operating Revenues by Source - Last Ten Fiscal Years**  
**(Unaudited)**

**Table 4**

Fiscal Year	Intergovernmental		Investment		Gain (Loss) on Assets		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
12/31/2013	695,678	40.13%	8,651	0.50%	1,029,116	59.37%	1,733,445	100.00%
12/31/2014	920,683	74.71%	1,107	0.09%	310,480	25.20%	1,232,270	100.00%
12/31/2015	919,704	71.99%	357,882	28.01%	-	0.00%	1,277,586	100.00%
12/31/2016	739,836	27.20%	451,374	16.59%	1,529,195	56.21%	2,720,405	100.00%
12/31/2017	770,556	63.85%	432,859	35.87%	3,317	0.28%	1,206,732	100.00%
12/31/2018	711,689	63.23%	413,518	36.74%	350	0.03%	1,125,557	100.00%
12/31/2019	824,868	54.85%	679,037	45.15%	-	0.00%	1,503,905	100.00%
12/31/2020	712,699	56.77%	542,770	43.23%	-	0.00%	1,255,469	100.00%
12/31/2021	5,496,578	90.73%	561,386	9.27%	-	0.00%	6,057,964	100.00%
12/31/2022	1,984,634	76.69%	594,177	22.96%	8,995	0.35%	2,587,806	100.00%

Note: The December 31, 2013 row is for a nine-month period, the remaining columns are for a 12-month period.

Source: Previous years' audits and current year financial statements

Housing Authority of the City of Yakima

Debt Service Coverage - Last Ten Fiscal Years

(Unaudited)

	Table 5									
	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Revenue (excluding HAP subsidy)	\$ 3,981,124	\$ 5,694,917	\$ 4,897,868	\$ 6,670,985	\$ 3,909,219	\$ 3,977,389	\$ 4,627,428	\$ 5,453,529	\$ 10,003,648	\$ 6,144,938
Expenses (excluding depreciation, HAP)	2,052,471	3,212,057	3,126,261	2,899,001	3,018,411	3,129,281	3,656,548	4,838,079	5,233,631	4,969,540
Revenue available for debt service	<u>\$ 1,928,653</u>	<u>\$ 2,482,860</u>	<u>\$ 1,771,607</u>	<u>\$ 3,771,984</u>	<u>\$ 890,808</u>	<u>\$ 848,108</u>	<u>\$ 970,880</u>	<u>\$ 615,450</u>	<u>\$ 4,770,017</u>	<u>\$ 1,175,398</u>
Debt Service Requirements:										
Principal	\$ 180,030	\$ 145,248	\$ 249,160	\$ 182,162	\$ 212,600	\$ 230,200	\$ 188,248	\$ 138,200	\$ 262,781	\$ 279,573
Interest	146,900	212,336	241,000	142,970	169,400	158,700	171,500	166,000	209,000	222,300
Total	<u>\$ 326,930</u>	<u>\$ 357,584</u>	<u>\$ 490,160</u>	<u>\$ 325,132</u>	<u>\$ 382,000</u>	<u>\$ 388,900</u>	<u>\$ 359,748</u>	<u>\$ 304,200</u>	<u>\$ 471,781</u>	<u>\$ 501,873</u>
Debt service coverage	5.9	6.94	3.61	11.6	2.33	2.18	2.7	2.0	10.1	2.3

Note: The December 31, 2013 column is for a nine-month period, the remaining columns are for a 12-month period.

Source: Previous years’ audits and current year financial statements



**Housing Authority of the City of Yakima**  
**Ratio of Debt to Capital Assets - Last Ten Fiscal Years**  
**(Unaudited)**

**Table 6**

Fiscal Year	Notes Payable	Bonds Payable	Total Debt	Capital Assets	Ratio of Total Debt to Capital Assets
12/31/2013	4,236,944	1,795,000	6,031,944	29,409,779	20.51%
12/31/2014	4,597,430	3,554,062	8,151,492	23,605,663	34.53%
12/31/2015	5,644,301	2,022,272	7,666,573	27,841,171	18.95%
12/31/2016	6,113,889	1,988,754	8,102,643	24,909,095	30.78%
12/31/2017	6,426,833	1,955,504	8,382,337	26,578,300	30.49%
12/31/2018	7,075,887	1,917,161	8,993,048	30,664,198	29.33%
12/31/2019	7,141,351	1,878,950	9,020,301	31,702,836	28.45%
12/31/2020	11,265,035	1,839,034	13,104,069	35,789,772	36.61%
12/31/2021	14,359,086	1,797,335	16,156,421	42,855,580	37.70%
12/31/2022	14,063,629	1,753,776	15,817,405	43,652,637	36.23%

Source: Previous years' audits and current year financial statements

Note: Total debt amount includes short-term portion due within one year

# Housing Authority of the City of Yakima

## Service Area Demographics

(Unaudited)

**Table 7**

Fiscal Year	Yakima County Population	Residents of YHA	Yakima Unemployment Rate
3/31/2013	247,250	2,725	10.10%
12/31/2013	247,044	2,581	8.80%
12/31/2014	247,944	2,681	8.80%
12/31/2015	245,452	3,003	8.30%
12/31/2016	249,502	2,855	7.70%
12/31/2017	251,398	2,893	7.00%
12/31/2018	250,193	2,870	6.60%
12/31/2019	250,873	2,943	7.10%
12/31/2020	251,184	2,932	7.90%
12/31/2021	256,035	2,939	6.50%
12/31/2022	257,001	2,868	8.80%

Note: This table includes all YHA housing programs.

Sources: State of Washington – Office of Financial Management Workforce Explorer Washington and previous years’ audits, current year financial statements, and YHA tenant records.

# Housing Authority of the City of Yakima

## Principal Employers for the County of Yakima – Current year and nine years ago

(Unaudited)

Table 8

	2022		
	Employees	Rank	Percentage of Total County Employment
Yakima Valley Memorial Hospital	2,500	1	1.92%
Walmart - Yakima/Sunnyside/Grandview	1,700	2	1.31%
Zirkle Fruit	1,500	3	1.15%
Washington Fruit & Produce	1,500	4	1.15%
Yakama Nation Government Operations	1,289	5	0.99%
Astria Health	1,200	6	0.92%
Borton Fruit	1,212	7	0.93%
Yakima Nation Enterprises	1,170	8	0.90%
Monson Fruit	1,023	9	0.79%
Yakima Valley Farm Workers Clinic	1,006	10	0.77%

	2013		
	Employees	Rank	Percentage of Total County Employment
Yakima Valley Memorial Hospital	2,200	1	1.76%
Walmart	1,700	2	1.36%
Yakima School District, No. 7	1,594	3	1.27%
Zirkle Fruit	1,502	4	1.20%
Washington Fruit & Produce	1,501	5	1.20%
Borton Fruit	1,212	6	0.97%
Yakima County	1,078	7	0.86%
Monson Fruit	1,023	8	0.82%
Yakima Valley Farm Workers Clinic	1,006	9	0.80%
Yakima Regional Medical Center	985	10	0.79%

Source:

(1) Washington State Employment Securities Department

(2) Yakima County CAFR 2013

(3) Yakima County Development Association

# Housing Authority of the City of Yakima

## Resident Demographics / Population Statistics - Last Ten Fiscal Years

(Unaudited)

Table 9

Public Housing and Non-HUD Housing Programs				
Fiscal Year	Number of minors (ages 0-18)	Number of adults ages 19-61)	Number of elderly (ages 62+)	Total number of residents
12/31/2013	588	455	88	1,131
12/31/2014	357	327	69	753
12/31/2015	669	585	143	1,397
12/31/2016	445	339	35	819
12/31/2017	433	315	38	786
12/31/2018	805	575	150	1,530
12/31/2019	804	585	159	1,548
12/31/2020	737	564	155	1,456
12/31/2021	775	607	179	1,561
12/31/2022	734	610	182	1,526

Housing Choice Voucher Program				
Fiscal Year	Number of minors (ages 0-18)	Number of adults ages 19-61)	Number of elderly (ages 62+)	Total number of residents
12/31/2013	655	616	179	1,450
12/31/2014	597	604	173	1,374
12/31/2015	949	462	195	1,606
12/31/2016	539	577	196	1,312
12/31/2017	574	607	210	1,391
12/31/2018	546	595	215	1,356
12/31/2019	578	605	212	1,395
12/31/2020	611	642	223	1,476
12/31/2021	554	607	217	1,378
12/31/2022	518	598	226	1,342

Source: Housing Authority of the City of Yakima's tenant records

# Housing Authority of the City of Yakima

## Resident Demographics / Ethnicity Statistics - Last Ten Fiscal Years

(Unaudited)

Table 10

Public Housing and Non-HUD Housing Programs						
Fiscal Year	Caucasian	Latino	African American	Native American	Other	Total
12/31/2013	135	926	18	35	17	1,131
12/31/2014	100	624	19	6	4	753
12/31/2015	104	1,248	19	26	-	1,397
12/31/2016	82	688	20	28	1	819
12/31/2017	72	680	14	19	1	786
12/31/2018	171	1,250	30	72	7	1,530
12/31/2019	165	1,299	23	54	7	1,548
12/31/2020	169	1,212	26	40	9	1,456
12/31/2021	184	1,298	30	35	14	1,561
12/31/2022	183	1,271	27	35	10	1,526

Housing Choice Voucher Program						
Fiscal Year	Caucasian	Latino	African American	Native American	Other	Total
12/31/2013	739	488	132	77	14	1,450
12/31/2014	628	577	97	56	16	1,374
12/31/2015	929	546	61	56	14	1,606
12/31/2016	716	429	89	56	22	1,312
12/31/2017	763	448	89	69	22	1,391
12/31/2018	740	426	86	78	26	1,356
12/31/2019	722	463	93	82	35	1,395
12/31/2020	785	437	99	97	58	1,476
12/31/2021	732	451	107	61	27	1,378
12/31/2022	707	450	65	58	62	1,342

Source: Housing Authority of the City of Yakima's tenant records

**Housing Authority of the City of Yakima**  
**Number of YHA Dwelling Units - Last Ten Fiscal Years**  
(Unaudited)

**Table 11**

Fiscal Year	Farm Labor Units	Housing Choice Vouchers	Emergency Housing Choice Vouchers	VASH	NED	Mainstream	Cosecha Court *	Nueva Primavera **	Mariposa Park LP	Harmony Park	Glenn Acres	Naches House	YHA Family Housing **	Toppenish Family Housing **	Yakima Veterans **	Total
12/31/2013	146	660	-	70	15	-	10	39	26	-	38	-	150	-	-	1,154
12/31/2014	142	810	-	70	15	-	10	38	26	-	38	51	150	-	-	1,350
12/31/2015	142	818	-	70	15	-	10	38	26	24	38	51	150	-	-	1,382
12/31/2016	142	919	-	78	15	-	10	38	26	24	38	51	150	30	-	1,521
12/31/2017	142	919	-	78	15	-	10	38	26	24	38	51	150	30	-	1,521
12/31/2018	142	934	-	78	15	-	16	38	26	24	38	51	150	30	-	1,548
12/31/2019	142	934	-	83	15	-	16	38	26	24	38	51	150	30	-	1,553
12/31/2020	142	1,040	-	93	15	65	16	38	26	24	38	51	150	30	-	1,728
12/31/2021	142	1,041	75	93	15	115	20	38	26	24	38	51	150	30	41	1,899
12/31/2022	142	1,055	75	113	15	115	20	38	26	24	38	51	150	30	41	1,933

\* Seasonal Farmworker Housing - 16 units, includes phase 1 and 2.

\*\* Including HCV's that are project based.

Source: YHA financial statements and audits

**Housing Authority of the City of Yakima**  
**Property Characteristics and Unit Comparison**  
**(Unaudited)**

**Table 12**

Name of Development	Address	Number of Units	Year built or acquired
Valley Seven (Farm Labor Units):	301-309 S 1st St	10	1980
Harvest Plaza - Granger	208-212 S 2nd St	6	1980
Horizon Apartments- Toppenish	712 Washington Ave	9	1982
	501 & 502 E 1st Ave	12	1982
	115 & 117 S 'G' St	2	1982
Linda Vista - Toppenish	1106 Washington Ave	4	1993
	810 Monroe Ave	2	1993
	822 Rentschler Ave	3	1993
	701-709 Guyette	12	1993
	708 Rentschler Ave	4	1993
	712 Rentschler Ave	3	1993
	308 W 3rd	2	1993
Valley West - Tieton/Cowiche	16901-16907 Summitview	4	1992
	16941-16947 Summitview	4	1992
	1002-1006 Naches Ave	3	1992
	400/402 Newland Pl	2	1992
	815/817 Franklin	2	1992
	1215/1217 Tieton Ave	2	1992
	261/263 S Tieton Rd	2	1992
	19861-19867 Summitview	4	1992
Pioneer Plaza - Yakima	408-412 E Spruce St	3	1983
	902-906 E Beech St	3	1983
	115-1121 Pleasant Ave	4	1983
	1314-1316 S 12th Ave	2	1983
	1408-1414 Willow St	4	1983
	507/509 N 6th Ave	2	1983
	510/512 Cherry Ave	2	1983
Sage Court - Toppenish	614 Washington	7	1986
	110 S Beech St	3	1986

Sunset Terrace - Yakima	417/419/503/505 N 6th Ave	4	1986
	1004-1010 Buwalda	4	1986
	202 N 9th St	2	1986
	1707 Pleasant Ave	2	1986
	1611-1617 S 1st St	4	1986
	603/605 S 4th St	2	1986
	1112/1114 S 18th Ave	2	1986

Total Valley Seven (Farm Labor Units)	142
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**YHA Family Housing, LLC: - Yakima WA**

Fair Avenue Apartments	110 S Fair Ave	14	1979
Pacific Apartments	504/508 Pacific	15	1979
Evergreen Apartments	1322 S 18th Ave	6	1979
Cascade Apartments	615 N 15th Ave	15	1979
Eastwood Apartments	610 E Arlington St	10	1979
Spruce Lane Apartments	914 E Spruce St	20	1980
Edgewood Apartments	621 N 16th Ave	10	1980
Willow Lane Apartments	1214 Willow St	10	1980
Sierra Apartments	603 Central Ave	14	1980
Parkview Apartments	801 Central Ave	10	1980
9th Street Apartments	1212 S 9th St	4	1982
Yakima Terrace	1307/1309/1311 A & B S 18th Ave	6	1987
Nueva Primavera	810 N 6th Ave	16	1999

Total YHA Family Housing Units	150
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**Other housing developments:**

Harmony Park- Toppenish	711 Rentschler Lane	24	1988
Nueva Primavera - Yakima	1118 Fruitvale Ave & 810 N 6th Ave	38	1999
Mariposa Apartments - Yakima	314 Cherry Ave/918 & 919 Fenton	26	1999
Glenn Acres - Yakima	15 N 37th Ave	38	1999
Cosecha Court (76 beds) - Granger	416 5th Street	10	2013
Cosecha Court II Phase I - (96 beds) Granger	250 Cherry Hill Road	6	2018
Cosecha Court II Phase II (80 beds) - Granger	250 Cherry Hill Road	4	2021
Naches House - Yakima	314 N Naches Ave	51	2014
Toppenish Family Housing - Toppenish	800 Guyette Lane	30	2016
Chuck Austin Place - Yakima	1630 S. 16th Ave.	41	2021

Total other housing developments:	268
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Total Units	560
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Source: YHA's development & deed files



**Housing Authority of the City of Yakima**  
**Number of YHA Staff - Last Ten Fiscal Years**  
**(Unaudited)**

**Table 13**

Fiscal Year	Administration	Finance	Housing Choice Vouchers	Asset Management	Development	Total
12/31/2013	2	4	6	12	-	24
12/31/2014	2	4	6	14	-	26
12/31/2015	2	4	6	20	-	32
12/31/2016	3	5	6	17	-	31
12/31/2017	3	5	8	17	1	34
12/31/2018	3	5	8	18	3	37
12/31/2019	3	4	9	22	3	41
12/31/2020	3	5	9	21	2	40
12/31/2021	2	6	9	24	2	43
12/31/2022	2	6	10	27	3	48



**Loveridge Hunt & Co., PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Commissioners  
Housing Authority of the City of Yakima  
Yakima, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Yakima (the Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated July 20, 2023. Our report includes a reference to other auditors who audited the financial statements of the Yakima Affordable Housing LLLP, Toppenish Family Housing LLC, YHA Family Housing LLC and Yakima Veterans Housing LLLP as described in our report on the Authority's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. The financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for Fruitvale Housing, LLLP and Yakima Affordable Housing LLLP, and accordingly. This report does not include the results of other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected

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 - (CONTINUED)

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified deficiency in internal control, described in the accompanying schedule of findings and questioned costs items 2022-001 and 2022-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

The Authority's Response to Findings

The Authority's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Loveridge Hunt & Co., PLLC*

Bellevue, Washington

July 20, 2023



**Loveridge Hunt & Co., PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE

Board of Commissioners  
Housing Authority of the City of Yakima  
Yakima, Washington

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE - (CONTINUED)

Responsibilities of Management for Compliance

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

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE - (CONTINUED)

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.

*Loveridge Hunt & Co., PLLC*  
Bellevue, Washington  
July 20, 2023

Housing Authority of the City of Yakima  
Schedule of Expenditures of Federal Awards  
12/31/2022

<b>Federal Agency/Pass-through Agency/Program Title</b>	<b>Assistance Listing Number</b>	<b>Federal Expenditures</b>
<b>U. S. Department of Housing and Urban Development</b>		
Housing Voucher Cluster:		
Section 8 Housing Choice Voucher Program	14.871	\$ 8,724,913
Mainstream Voucher Program	14.879	512,688
Section 8 Emergency Housing Choice Voucher Program	14.EHV	198,240
Total Housing Voucher Cluster		<u>9,435,841</u>
PIH Family Self-Sufficiency Program	14.896	<u>189,308</u>
<i>Total U.S. Department of Housing and Urban Development</i>		<u>9,625,149</u>
<b>U. S. Department of Agriculture and U.S. Department of Commerce</b>		
Farm Labor Housing Loan and Grants	10.405	157,307
Farm Labor Housing Loan and Grants	10.405	258,211
<i>Total 10.405</i>		<u>415,518</u>
Rural Rental Housing Loans	10.415	662,017
<i>Passed through Office of Rural and Farmwork Housing:</i>		
515 Multi-Family Housing Preservation Revolving Loan		
Fund Demonstration Project	10.415	187,171
<i>Total 10.415</i>		<u>849,188</u>
Rural Rental Assistance Payments	10.427	169,804
Rural Rental Assistance Payments	10.427	99,749
Rural Rental Assistance Payments	10.427	563,345
<i>Total 10.427</i>		<u>832,898</u>
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Grant	10.447	674,511
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Loan	10.447	1,340,372
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Loan	10.447	3,360,567
<i>Total 10.447</i>		<u>5,375,450</u>
<i>Total U.S. Department of Agriculture and U.S. Department of Commerce</i>		<u>7,473,054</u>
<b>Total Expenditures of Federal Awards</b>		<u><u>\$ 17,098,203</u></u>

# **Housing Authority of the City of Yakima**

## **Notes to Schedule of Expenditures of Federal Awards**

### **December 31, 2022**

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*General* – The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of City of Yakima (YHA). YHA’s reporting entity is defined in note 1 to the basic financial statements.

YHA’s basic financial statements include the operations of Yakima Affordable Housing, LLLP, discretely presented component units, which received \$857,619 in federal awards which are not included in YHA’s schedule of expenditures of federal awards for the year ended December 31, 2022.

*Basis of Accounting* – The schedule of expenditures of federal awards is prepared on the accrual basis of accounting. Revenues are recognized when program costs have been incurred or when revenues have otherwise been earned.

*Indirect cost rate* – YHA has elected not to use the de-minimis indirect cost rate.

*Farm Labor Housing Loan* – The expenditures shown consist of loan funds received and expended in the Cosecha Court development. The total balance of the loan outstanding at December 31, 2022 was \$151,362.

*Farm Labor Housing Loan* – The expenditures shown consist of loan funds received and expended in the Valley Seven development. The total balance of the loan outstanding at December 31, 2021 was \$3,360,567.

*Rural Rental Housing* – The expenditures shown consist of loan funds received and expended in the Harmony Park development. The total balance of the loan outstanding at December 31, 2022 was \$655,005.

*Multi-Family Housing Preservation Revolving Loan Fund Demonstration Program* – The expenditures shown consist of loan funds received as a pass through from the Office of Rural and Farmworker Housing and expended in the Valley Seven development. The total balance of the loan outstanding at December 31, 2022 was \$175,947.

*Multi-Family Housing Preservation Revolving Loan Fund Demonstration Program and Farm Housing Loan and Grants* – The expenditures shown consist of loan funds received and expended in the Valley Seven development. The total balance of the loan outstanding at December 31, 2021 was \$1,542,592.

*Subrecipients* - Yakima Housing Authority does not have any subrecipients.



Housing Authority of the City of Yakima  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No

- Significant deficiency(ies) identified that  
are not considered to be material weaknesses        Yes   X   No

Noncompliance material to financial statements  
noted:        Yes   X   No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness(es) identified?        Yes   X   No

- Significant deficiency(ies) identified that  
are not considered to be material weaknesses        Yes   X   No

Type of auditor's report issued on compliance  
for major programs: Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with the  
Uniform Guidance?        Yes   X   No

Identification of major programs:

Assistance Listing

numbers

10.405

10.415

10.427

10.447

Name of Federal Program or Cluster

Farm Labor Housing Loans and Grants

Rural Rental Housing Loans

Rural Rental Assistance Payments

Rural Development Multi-Family Housing Revitalization  
Demonstration Program (MPR)

Housing Authority of the City of Yakima

Schedule of Findings and Questioned Costs - (Continued)

For the Year Ended December 31, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS - (Continued)

Dollar threshold used to distinguish between  
Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee:

\_\_\_\_\_ Yes      X   No

SECTION II - FINANCIAL STATEMENT FINDINGS

Financial statement findings 2022-001 and 2022-002 are described below. No other findings were noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No federal award findings and questioned costs were noted.

Housing Authority of the City of Yakima  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

Finding Reference Number:  
2022-001

Perspective:

During our review of the financial records prepared by management, we performed procedures to audit the financial statements and to underlying financial records, grant agreements, loan documents and other support.

Criteria:

The Authority must properly design, implement, and maintain effective internal controls to ensure that financial information is reliable and properly reported in conformity with U.S. generally accepted accounting principles

Condition:

The assets were understated by \$650,000, liabilities understated by \$300,000, and expenses understated by \$350,000. This was due to understatement of investment in tax credit entities of \$300,000, a \$350,000 deposit to purchase office space from a related party, deferred revenue of \$300,000 related to a lease, and overstatement of contribution expense of \$350,000.

Cause:

Management's internal review process did not detect these items in a timely manner.

Effect or potential effect:

The assets, liabilities and net income were understated by \$650,000, \$300,000 and \$350,000, respectively. Potential effects of the condition noted could result in materially misstated financial statements.

Recommendation:

We recommend the Authority develop a process to develop expectations of key account balances based upon current year development activities and to ensure timely review of adjustments that typically are recorded as part of the financial statement drafting process.

Views of Responsible Officials:

See Corrective Action Plan.

Housing Authority of the City of Yakima  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

Finding Reference Number:  
2022-002

Perspective:

During our review of the financial records prepared by management, we performed procedures to reconcile the Schedule of Expenditures of Federal Awards ("SEFA") and HUD FDS to underlying financial records, grant agreements and loan documents.

Criteria:

In accordance with 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements For Federal Awards*, §200.510(b), the Authority must prepare a SEFA which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended.

Condition:

The initial SEFA was understated by approximately \$170,000. This was due to the exclusion of a portion of rental subsidy received during 2022.

Cause:

Management's internal review process did not provide for adequate preparation and review of the SEFA and the FDS.

Effect or potential effect:

The SEFA was understated by approximately \$170,000. Potential effects of the conditions noted could result in errors in the determination of major federal programs for compliance testing and misstatement of the audited FDS submission to HUD.

Recommendation:

We recommend the Authority develop a process to review and verify the amounts on the FDS and SEFA to ensure accuracy and completeness of the reports.

Views of Responsible Officials:

See Corrective Action Plan.



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*"Committed to Safe and Affordable Housing"*

**Corrective Action Plan**

**For the year ended December 31, 2022**

**U.S. Department of Housing and Urban Development:**

Yakima Housing Authority respectfully submits the following corrective action plan for the year ended December 31, 2022.

**Auditor:**

Loveridge Hunt & Co., PLLC  
14725 SE 36<sup>th</sup> Street, Suite 401  
Bellevue, WA 98006

The findings from the December 31, 2022 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**Findings – Financial Statement Audit**

**Finding Reference Number:**

2022-001

**Perspective:**

During our review of the financial records prepared by management, we performed procedures to audit the financial statements and to underlying financial records, grant agreements, loan documents and other support.

**Criteria:**

The Authority must properly design, implement, and maintain effective internal controls to ensure that financial information is reliable and properly reported in conformity with U.S. generally accepted accounting principles.

**Condition:**

The assets were understated by \$650,000, liabilities understated by \$300,000, and expenses understated by \$350,000. This was due to understatement of investment in tax credit entities of \$300,000, a \$350,000 deposit to purchase office space from a related party, deferred revenue of \$300,000 related to a lease, and overstatement of contribution expense of \$350,000.

**Cause:**

Management's internal review process did not detect these items in a timely manner.

**Effect or potential effect:**

The assets, liabilities and net income were understated by \$650,000, \$300,000 and \$350,000, respectively. Potential effects of the condition noted could result in materially misstated financial statements.



*"Committed to Safe and Affordable Housing"*

**Recommendation:**

We recommend the Authority develop a process to develop expectations of key account balances based upon current year development activities and to ensure timely review of adjustments that typically are recorded as part of the financial statement drafting process.

**Views of responsible officials and planned corrective action:**

The Authority relies on an outsourced fee accountant for proper recording of all development activities, financial statement preparation and reporting. The Authority will establish a review process of the financial statements by an employee who understands generally accepted accounting principles (GAAP) reporting requirements to ensure accurate preparation and reporting of the financial statements.

**Responsible Party:**

The Authority's accounting staff, management, and outsourced fee accountant.

**Findings – SEFA**

**Finding Reference Number:**

2022-002

**Perspective:**

During our review of the financial records prepared by management, we performed procedures to reconcile the Schedule of Expenditures of Federal Awards ("SEFA") and HUD FDS to underlying financial records, grant agreements and loan documents.

**Criteria:**

In accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements For Federal Awards, §200.510(b), the Authority must prepare a SEFA which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended.

**Condition:**

The initial SEFA was understated by approximately \$170,000. This was due to the exclusion of a portion of rental subsidy received during 2022.

**Cause:**

Management's internal review process did not provide for adequate preparation and review of the SEFA and the FDS.

**Effect or potential effect:**

The SEFA was understated by approximately \$170,000. Potential effects of the conditions noted could result in errors in the determination of major federal programs for compliance testing and misstatement of the audited FDS submission to HUD.



*"Committed to Safe and Affordable Housing"*

**Recommendation:**

We recommend the Authority develop a process to review and verify the amounts on the FDS and SEFA to ensure accuracy and completeness of the reports.

**Views of responsible officials and planned corrective action:**

The Authority relies on an outsourced fee accountant for preparation of the SEFA and the FDS. The Authority will establish a review process of the SEFA and FDS by an employee who understands the Office of Management and Budget's (OMB) implementation of the Code of Federal Regulations, also referred to as the Uniform Guidance, to ensure accurate preparation and reporting of the total Federal awards expended.

**Responsible Party:**

The Housing Authority's accounting staff, management, and outsourced fee accountant.

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*"Committed to Safe and Affordable Housing"*

### **Schedule of Prior Year Findings**

#### **Findings – Financial Statement Audit**

##### **Finding Reference Number:**

2021-001

##### **Condition:**

The assets were understated by approximately \$1.055 million, liabilities overstated by approximately \$91,000, and revenues understated by \$1,146 million. This was due to understatement of loan receivable/interest receivable and grant/interest income of \$162,000 from a component unit, developer fee receivable and developer fee income of \$825,000 from a component unit, lease receivable and ground lease income of \$68,000 from a component unit and overstatement of a loan and understatement of rental assistance by \$91,000.

##### **Response:**

Corrective action was not fully implemented during the fiscal year, and a similar finding was noted (see finding 2022-001).



HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
111 Cash - Unrestricted		\$75,925	\$4,215,045	\$182,601	\$0
112 Cash - Restricted - Modernization and Development		\$0	\$0	\$0	\$0
113 Cash - Other Restricted		\$0	\$664	\$0	\$0
114 Cash - Tenant Security Deposits		\$0	\$0	\$18,280	\$0
115 Cash - Restricted for Payment of Current Liabilities		\$0	\$0	\$0	\$0
100 Total Cash	\$0	\$75,925	\$4,215,709	\$200,881	\$0
121 Accounts Receivable - PHA Projects		\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects		\$2,606	\$0	\$0	\$0
124 Accounts Receivable - Other Government		\$0	\$30,000	\$0	\$0
125 Accounts Receivable - Miscellaneous		\$0	\$545,705	\$0	\$0
126 Accounts Receivable - Tenants		\$0	\$0	\$26,115	\$0
126.1 Allowance for Doubtful Accounts -Tenants		\$0	\$0	-\$14,005	\$0
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$0	\$0	\$0	\$0
128 Fraud Recovery		\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud		\$0	\$0	\$0	\$0
129 Accrued Interest Receivable		\$0	\$2,021,567	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$2,606	\$2,597,272	\$12,110	\$0
131 Investments - Unrestricted		\$0	\$0	\$0	\$0
132 Investments - Restricted		\$0	\$168,082	\$1,489,415	\$0
135 Investments - Restricted for Payment of Current Liability		\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets		\$0	\$0	\$0	\$0
143 Inventories		\$0	\$10,448	\$0	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
143.1 Allowance for Obsolete Inventories		\$0	-\$1,045	\$0	\$0
144 Inter Program Due From		\$3,765	\$166,886	\$0	\$0
145 Assets Held for Sale		\$0	\$0	\$0	\$0
150 Total Current Assets	\$0	\$82,296	\$7,157,352	\$1,702,406	\$0
161 Land		\$0	\$1,056,183	\$787,021	\$0
162 Buildings		\$0	\$6,529,578	\$10,491,017	\$0
163 Furniture, Equipment & Machinery - Dwellings		\$0	\$1,170	\$457,532	\$0
164 Furniture, Equipment & Machinery - Administration		\$0	\$816,822	\$18,665	\$0
165 Leasehold Improvements		\$0	\$0	\$0	\$0
166 Accumulated Depreciation		\$0	-\$1,108,113	-\$4,598,214	\$0
167 Construction in Progress		\$0	\$266,239	\$213,302	\$0
168 Infrastructure		\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$7,561,879	\$7,369,323	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$12,502,695	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current		\$0	\$0	\$0	\$0
174 Other Assets		\$0	\$350,000	\$0	\$0
176 Investments in Joint Ventures		\$0	\$1,066,586	\$0	\$0
180 Total Non-Current Assets	\$0	\$0	\$21,481,160	\$7,369,323	\$0
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$0	\$82,296	\$28,638,512	\$9,071,729	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
311 Bank Overdraft		\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days		\$25	\$17,383	\$116,227	\$0
313 Accounts Payable >90 Days Past Due		\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable		\$278	\$6,052	\$4,234	\$0
322 Accrued Compensated Absences - Current Portion		\$0	\$9,666	\$9,244	\$0
324 Accrued Contingency Liability		\$0	\$0	\$0	\$0
325 Accrued Interest Payable		\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs		\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects		\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government		\$0	\$0	\$0	\$0
341 Tenant Security Deposits		\$0	\$0	\$18,280	\$0
342 Unearned Revenue		\$0	\$0	\$12,634	\$0
343 Current Portion of Long-term Debt - Capital		\$0	\$91,126	\$83,843	\$0
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0	\$0	\$0
345 Other Current Liabilities		\$0	\$0	\$315,000	\$0
346 Accrued Liabilities - Other		\$0	\$0	\$0	\$0
347 Inter Program - Due To		\$0	\$0	\$67,807	\$0
348 Loan Liability - Current		\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$303	\$124,227	\$627,269	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$0	\$4,656,279	\$4,506,501	\$0
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other		\$0	\$346,477	\$0	\$0
354 Accrued Compensated Absences - Non Current		\$0	\$1,074	\$1,026	\$0
355 Loan Liability - Non Current		\$0	\$0	\$0	\$0
356 FASB 5 Liabilities		\$0	\$0	\$0	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$0	\$0	\$5,003,830	\$4,507,527	\$0
300 Total Liabilities	\$0	\$303	\$5,128,057	\$5,134,796	\$0
400 Deferred Inflow of Resources		\$0	\$1,088,481	\$0	\$0
508.4 Net Investment in Capital Assets		\$0	\$2,814,474	\$2,778,979	\$0
511.4 Restricted Net Position		\$0	\$17,583	\$1,489,415	\$0
512.4 Unrestricted Net Position	\$0	\$81,993	\$19,589,917	-\$331,461	\$0
513 Total Equity - Net Assets / Position	\$0	\$81,993	\$22,421,974	\$3,936,933	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$82,296	\$28,638,512	\$9,071,729	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
111 Cash - Unrestricted	\$42,494	\$0	\$0	\$220,163	\$222,329
112 Cash - Restricted - Modernization and Development		\$0	\$0	\$0	\$0
113 Cash - Other Restricted		\$29,128	\$0	\$350,000	\$0
114 Cash - Tenant Security Deposits		\$0	\$0	\$88,691	\$37,299
115 Cash - Restricted for Payment of Current Liabilities		\$0	\$0	\$0	\$0
100 Total Cash	\$42,494	\$29,128	\$0	\$658,854	\$259,628
121 Accounts Receivable - PHA Projects		\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$39,073	\$0	\$0	\$14,017	\$0
124 Accounts Receivable - Other Government		\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous		\$0	\$0	\$1,310,105	\$0
126 Accounts Receivable - Tenants		\$0	\$0	\$139,055	\$35,880
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0	-\$106,516	-\$13,104
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$0	\$0	\$0	\$0
128 Fraud Recovery		\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud		\$0	\$0	\$0	\$0
129 Accrued Interest Receivable		\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$39,073	\$0	\$0	\$1,356,661	\$22,776
131 Investments - Unrestricted		\$0	\$0	\$0	\$0
132 Investments - Restricted		\$0	\$0	\$2,492,249	\$719,421
135 Investments - Restricted for Payment of Current Liability		\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets		\$0	\$0	\$0	\$2,078
143 Inventories		\$0	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories		\$0	\$0	\$0	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
144 Inter Program Due From		\$0	\$0	\$0	\$0
145 Assets Held for Sale		\$0	\$0	\$0	\$0
150 Total Current Assets	\$81,567	\$29,128	\$0	\$4,507,764	\$1,003,903
161 Land		\$0	\$0	\$1,752,064	\$749,667
162 Buildings		\$0	\$0	\$47,183,588	\$13,860,383
163 Furniture, Equipment & Machinery - Dwellings		\$0	\$0	\$884,089	\$162,250
164 Furniture, Equipment & Machinery - Administration		\$0	\$0	\$0	\$0
165 Leasehold Improvements		\$0	\$0	\$1,088,481	\$0
166 Accumulated Depreciation		\$0	\$0	-\$9,032,097	-\$9,100,473
167 Construction in Progress		\$0	\$0	\$2,118,234	\$4,890,418
168 Infrastructure		\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$43,994,359	\$10,562,245
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current		\$0	\$0	\$0	\$0
174 Other Assets		\$0	\$0	\$181,817	\$0
176 Investments in Joint Ventures		\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$0	\$0	\$0	\$44,176,176	\$10,562,245
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$81,567	\$29,128	\$0	\$48,683,940	\$11,566,148
311 Bank Overdraft		\$0	\$0	\$0	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
312 Accounts Payable <= 90 Days	\$1,743	\$0	\$0	\$556,456	\$34,077
313 Accounts Payable >90 Days Past Due		\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$3,622	\$0	\$0	\$11,690	\$8,401
322 Accrued Compensated Absences - Current Portion	\$5,935	\$0	\$0	\$36,871	\$16,576
324 Accrued Contingency Liability		\$0	\$0	\$0	\$0
325 Accrued Interest Payable		\$0	\$0	\$2,217,133	\$0
331 Accounts Payable - HUD PHA Programs		\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects		\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government		\$0	\$0	\$0	\$5,279
341 Tenant Security Deposits		\$0	\$0	\$88,691	\$37,299
342 Unearned Revenue		\$0	\$0	\$61,580	\$32,163
343 Current Portion of Long-term Debt - Capital		\$0	\$0	\$68,700	\$98,627
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0	\$0	\$0
345 Other Current Liabilities		\$0	\$0	\$205,705	\$0
346 Accrued Liabilities - Other		\$0	\$0	\$25,000	\$0
347 Inter Program - Due To	\$69,608	\$0	\$0	\$129,869	\$14
348 Loan Liability - Current		\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$80,908	\$0	\$0	\$3,401,695	\$232,436
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$0	\$0	\$18,242,142	\$6,229,666
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other		\$0	\$0	\$2,983,454	\$0
354 Accrued Compensated Absences - Non Current	\$659	\$0	\$0	\$4,097	\$1,842
355 Loan Liability - Non Current		\$0	\$0	\$0	\$0
356 FASB 5 Liabilities		\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities		\$0	\$0	\$0	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
350 Total Non-Current Liabilities	\$659	\$0	\$0	\$21,229,693	\$6,231,508
300 Total Liabilities	\$81,567	\$0	\$0	\$24,631,388	\$6,463,944
400 Deferred Inflow of Resources		\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets		\$0	\$0	\$25,683,517	\$4,233,952
511.4 Restricted Net Position		\$29,128	\$0	\$3,347,774	\$0
512.4 Unrestricted Net Position	\$0	\$0	\$0	-\$4,978,739	\$868,252
513 Total Equity - Net Assets / Position	\$0	\$29,128	\$0	\$24,052,552	\$5,102,204
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$81,567	\$29,128	\$0	\$48,683,940	\$11,566,148



HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
111 Cash - Unrestricted	\$3,700	\$0	\$239,718	\$178,616	
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0		
113 Cash - Other Restricted	\$0	\$0	\$384,108		
114 Cash - Tenant Security Deposits	\$0	\$0	\$0		
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0		
100 Total Cash	\$3,700	\$0	\$623,826	\$178,616	\$0
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0		
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$20,978	
124 Accounts Receivable - Other Government	\$0	\$0	\$0		
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0		
126 Accounts Receivable - Tenants	\$0	\$0	\$0		
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0		
128 Fraud Recovery	\$0	\$0	\$31,310		
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	-\$31,310		
129 Accrued Interest Receivable	\$0	\$0	\$0		
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$20,978	\$0
131 Investments - Unrestricted	\$0	\$0	\$0		
132 Investments - Restricted	\$314,130	\$0	\$0		
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0		
142 Prepaid Expenses and Other Assets	\$0	\$0	\$0		
143 Inventories	\$0	\$0	\$0		
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0		

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
144 Inter Program Due From	\$0	\$0	\$0		
145 Assets Held for Sale	\$0	\$0	\$0		
150 Total Current Assets	\$317,830	\$0	\$623,826	\$199,594	\$0
161 Land	\$212,025	\$0	\$0		
162 Buildings	\$2,819,347	\$0	\$0		
163 Furniture, Equipment & Machinery - Dwellings	\$253,542	\$0	\$35,128		
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0		
165 Leasehold Improvements	\$0	\$0	\$0		
166 Accumulated Depreciation	-\$956,747	\$0	-\$35,086		
167 Construction in Progress	\$11,982	\$0	\$0		
168 Infrastructure	\$0	\$0	\$0		
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,340,149	\$0	\$42	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0	\$0		
173 Grants Receivable - Non Current	\$0	\$0	\$0		
174 Other Assets	\$0	\$0	\$0		
176 Investments in Joint Ventures	\$0	\$0	\$0		
180 Total Non-Current Assets	\$2,340,149	\$0	\$42	\$0	\$0
200 Deferred Outflow of Resources	\$0	\$0	\$0		
290 Total Assets and Deferred Outflow of Resources	\$2,657,979	\$0	\$623,868	\$199,594	\$0
311 Bank Overdraft	\$0	\$0	\$0		

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
312 Accounts Payable <= 90 Days	\$4,173	\$0	\$6,889	\$18	
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0		
321 Accrued Wage/Payroll Taxes Payable	\$938	\$0	\$9,911	\$209	
322 Accrued Compensated Absences - Current Portion	\$1,571	\$0	\$38,562		
324 Accrued Contingency Liability	\$0	\$0	\$0		
325 Accrued Interest Payable	\$0	\$0	\$0		
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0		
332 Account Payable - PHA Projects	\$0	\$0	\$0		
333 Accounts Payable - Other Government	\$0	\$0	\$0		
341 Tenant Security Deposits	\$0	\$0	\$0		
342 Unearned Revenue	\$0	\$0	\$0	\$131,250	
343 Current Portion of Long-term Debt - Capital	\$5,976	\$0	\$0		
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0		
345 Other Current Liabilities	\$0	\$0	\$0		
346 Accrued Liabilities - Other	\$0	\$0	\$0		
347 Inter Program - Due To	\$7,162	\$0	\$4,369	\$245	
348 Loan Liability - Current	\$0	\$0	\$0		
310 Total Current Liabilities	\$19,820	\$0	\$59,731	\$131,722	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$145,386	\$0	\$0		
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0		
353 Non-current Liabilities - Other	\$0	\$0	\$335,513		
354 Accrued Compensated Absences - Non Current	\$175	\$0	\$4,285		
355 Loan Liability - Non Current	\$0	\$0	\$0		
356 FASB 5 Liabilities	\$0	\$0	\$0		
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0		

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
350 Total Non-Current Liabilities	\$145,561	\$0	\$339,798	\$0	\$0
300 Total Liabilities	\$165,381	\$0	\$399,529	\$131,722	\$0
400 Deferred Inflow of Resources	\$0	\$0	\$0		
508.4 Net Investment in Capital Assets	\$2,188,787	\$0	\$42	\$0	
511.4 Restricted Net Position	\$314,130	\$0	\$48,595	\$0	
512.4 Unrestricted Net Position	-\$10,319	\$0	\$175,702	\$67,872	\$0
513 Total Equity - Net Assets / Position	\$2,492,598	\$0	\$224,339	\$67,872	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,657,979	\$0	\$623,868	\$199,594	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted		\$123,018	\$5,503,609		\$5,503,609
112 Cash - Restricted - Modernization and Development		\$0	\$0		\$0
113 Cash - Other Restricted		\$0	\$763,900		\$763,900
114 Cash - Tenant Security Deposits		\$0	\$144,270		\$144,270
115 Cash - Restricted for Payment of Current Liabilities		\$0	\$0		\$0
100 Total Cash	\$0	\$123,018	\$6,411,779	\$0	\$6,411,779
121 Accounts Receivable - PHA Projects		\$0	\$0		\$0
122 Accounts Receivable - HUD Other Projects		\$0	\$76,674		\$76,674
124 Accounts Receivable - Other Government		\$0	\$30,000		\$30,000
125 Accounts Receivable - Miscellaneous		\$0	\$1,855,810	-\$545,705	\$1,310,105
126 Accounts Receivable - Tenants		\$0	\$201,050		\$201,050
126.1 Allowance for Doubtful Accounts -Tenants		\$0	-\$133,625		-\$133,625
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$0	\$0		\$0
128 Fraud Recovery		\$0	\$31,310		\$31,310
128.1 Allowance for Doubtful Accounts - Fraud		\$0	-\$31,310		-\$31,310
129 Accrued Interest Receivable		\$0	\$2,021,567	-\$2,021,567	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$4,051,476	-\$2,567,272	\$1,484,204
131 Investments - Unrestricted		\$0	\$0		\$0
132 Investments - Restricted		\$6,024	\$5,189,321		\$5,189,321
135 Investments - Restricted for Payment of Current Liability		\$0	\$0		\$0
142 Prepaid Expenses and Other Assets		\$0	\$2,078		\$2,078
143 Inventories		\$0	\$10,448		\$10,448
143.1 Allowance for Obsolete Inventories		\$0	-\$1,045		-\$1,045

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
144 Inter Program Due From		\$108,423	\$279,074	-\$279,074	\$0
145 Assets Held for Sale		\$0	\$0		\$0
150 Total Current Assets	\$0	\$237,465	\$15,943,131	-\$2,846,346	\$13,096,785
161 Land		\$0	\$4,556,960		\$4,556,960
162 Buildings		\$0	\$80,883,913		\$80,883,913
163 Furniture, Equipment & Machinery - Dwellings		\$0	\$1,793,711		\$1,793,711
164 Furniture, Equipment & Machinery - Administration		\$20,367	\$855,854		\$855,854
165 Leasehold Improvements		\$0	\$1,088,481	-\$1,088,481	\$0
166 Accumulated Depreciation		-\$2,037	-\$24,832,767		-\$24,832,767
167 Construction in Progress		\$0	\$7,500,175		\$7,500,175
168 Infrastructure		\$0	\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$18,330	\$71,846,327	-\$1,088,481	\$70,757,846
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$12,502,695	-\$12,502,695	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$0	\$0		\$0
173 Grants Receivable - Non Current		\$0	\$0		\$0
174 Other Assets		\$0	\$531,817		\$531,817
176 Investments in Joint Ventures		\$0	\$1,066,586		\$1,066,586
180 Total Non-Current Assets	\$0	\$18,330	\$85,947,425	-\$13,591,176	\$72,356,249
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$0	\$255,795	\$101,890,556	-\$16,437,522	\$85,453,034
311 Bank Overdraft		\$0	\$0		\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days		\$5,608	\$742,599		\$742,599
313 Accounts Payable >90 Days Past Due		\$0	\$0		\$0
321 Accrued Wage/Payroll Taxes Payable		\$14,357	\$59,692		\$59,692
322 Accrued Compensated Absences - Current Portion		\$42,683	\$161,108		\$161,108
324 Accrued Contingency Liability		\$0	\$0		\$0
325 Accrued Interest Payable		\$0	\$2,217,133	-\$2,021,567	\$195,566
331 Accounts Payable - HUD PHA Programs		\$0	\$0		\$0
332 Account Payable - PHA Projects		\$0	\$0		\$0
333 Accounts Payable - Other Government		\$0	\$5,279		\$5,279
341 Tenant Security Deposits		\$0	\$144,270		\$144,270
342 Unearned Revenue		\$0	\$237,627		\$237,627
343 Current Portion of Long-term Debt - Capital		\$0	\$348,272		\$348,272
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0		\$0
345 Other Current Liabilities		\$0	\$520,705	-\$520,705	\$0
346 Accrued Liabilities - Other		\$0	\$25,000	-\$25,000	\$0
347 Inter Program - Due To		\$0	\$279,074	-\$279,074	\$0
348 Loan Liability - Current		\$0	\$0		\$0
310 Total Current Liabilities	\$0	\$62,648	\$4,740,759	-\$2,846,346	\$1,894,413
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$0	\$33,779,974	-\$9,882,984	\$23,896,990
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0		\$0
353 Non-current Liabilities - Other		\$0	\$3,665,444	-\$2,619,711	\$1,045,733
354 Accrued Compensated Absences - Non Current		\$4,743	\$17,901		\$17,901
355 Loan Liability - Non Current		\$0	\$0		\$0
356 FASB 5 Liabilities		\$0	\$0		\$0
357 Accrued Pension and OPEB Liabilities		\$0	\$0		\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$0	\$4,743	\$37,463,319	-\$12,502,695	\$24,960,624
300 Total Liabilities	\$0	\$67,391	\$42,204,078	-\$15,349,041	\$26,855,037
400 Deferred Inflow of Resources		\$0	\$1,088,481	-\$1,088,481	\$0
508.4 Net Investment in Capital Assets		\$18,330	\$37,718,081		\$37,718,081
511.4 Restricted Net Position		\$6,024	\$5,252,649		\$5,252,649
512.4 Unrestricted Net Position	\$0	\$164,050	\$15,627,267		\$15,627,267
513 Total Equity - Net Assets / Position	\$0	\$188,404	\$58,597,997	\$0	\$58,597,997
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$255,795	\$101,890,556	-\$16,437,522	\$85,453,034



## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
70300 Net Tenant Rental Revenue		\$0	\$182,304	\$1,057,104	\$0
70400 Tenant Revenue - Other		\$0	\$34,667	\$4,335	\$0
70500 Total Tenant Revenue	\$0	\$0	\$216,971	\$1,061,439	\$0
70600 HUD PHA Operating Grants		\$512,688	\$0	\$0	\$0
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees			\$0		
70700 Total Fee Revenue					
70800 Other Government Grants		\$0	\$74,615	\$213,302	\$0
71100 Investment Income - Unrestricted		\$0	\$593,958	\$64	\$0
71200 Mortgage Interest Income		\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale		\$0	\$8,995	\$0	\$0
71310 Cost of Sale of Assets		\$0	\$0	\$0	\$0
71400 Fraud Recovery		\$0	\$0	\$0	\$0
71500 Other Revenue		\$0	\$778,652	\$9,456	\$0
71600 Gain or Loss on Sale of Capital Assets		\$0	\$0	\$0	\$0
72000 Investment Income - Restricted		\$0	\$14	\$0	\$0
70000 Total Revenue	\$0	\$512,688	\$1,673,205	\$1,284,261	\$0
91100 Administrative Salaries		\$8,755	\$49,026	\$50,843	\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
91200 Auditing Fees		\$0	\$1,458	\$7,188	\$0
91300 Management Fee	\$0	\$8,540	\$1,728	\$38,064	\$0
91310 Book-keeping Fee		\$6,405	\$720	\$15,861	\$0
91400 Advertising and Marketing		\$0	\$56	\$281	\$0
91500 Employee Benefit contributions - Administrative		\$2,562	\$61,051	\$15,578	\$0
91600 Office Expenses		\$590	\$24,363	\$44,870	\$0
91700 Legal Expense		\$0	\$1,267	\$2,905	\$0
91800 Travel		\$0	\$113	\$62	\$0
91810 Allocated Overhead		\$0	\$0	\$0	\$0
91900 Other		\$0	\$33,709	\$0	\$0
91000 Total Operating - Administrative	\$0	\$26,852	\$173,491	\$175,652	\$0
92000 Asset Management Fee		\$0	\$480	\$8,400	\$0
92100 Tenant Services - Salaries		\$0	\$80,809	\$0	\$0
92200 Relocation Costs		\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services		\$0	\$84,907	\$0	\$0
92400 Tenant Services - Other		\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$165,716	\$0	\$0
93100 Water		\$0	\$8,639	\$50,691	\$0
93200 Electricity		\$0	\$13,437	\$31,954	\$0
93300 Gas		\$0	\$7,480	\$0	\$0
93400 Fuel		\$0	\$0	\$0	\$0
93500 Labor		\$0	\$0	\$0	\$0
93600 Sewer		\$0	\$9,906	\$43,823	\$0
93700 Employee Benefit Contributions - Utilities		\$0	\$0	\$0	\$0

## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
93800 Other Utilities Expense		\$0	\$0	\$0	\$0
93000 Total Utilities	\$0	\$0	\$39,462	\$126,468	\$0
94100 Ordinary Maintenance and Operations - Labor		\$0	\$14,016	\$85,400	\$0
94200 Ordinary Maintenance and Operations - Materials and		\$0	\$2,711	\$26,246	\$0
94300 Ordinary Maintenance and Operations Contracts	\$0	\$2,299	\$138,751	\$85,685	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance		\$0	\$6,062	\$27,183	\$0
94000 Total Maintenance	\$0	\$2,299	\$161,540	\$224,514	\$0
95100 Protective Services - Labor		\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs		\$0	\$4,374	\$1,106	\$0
95300 Protective Services - Other		\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services		\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$4,374	\$1,106	\$0
96110 Property Insurance		\$613	\$15,725	\$29,275	\$0
96120 Liability Insurance		\$639	\$4,626	\$2,187	\$0
96130 Workmen's Compensation		\$0	\$0	\$0	\$0
96140 All Other Insurance		\$0	\$0	\$0	\$0
96100 Total insurance Premiums	\$0	\$1,252	\$20,351	\$31,462	\$0
96200 Other General Expenses		\$0	\$376,929	\$0	\$0
96210 Compensated Absences		\$0	\$13,091	\$10,670	\$0
96300 Payments in Lieu of Taxes		\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents		\$0	\$0	\$10,774	\$0
96500 Bad debt - Mortgages		\$0	\$0	\$0	\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
96600 Bad debt - Other		\$0	\$0	\$0	\$0
96800 Severance Expense		\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$0	\$0	\$390,020	\$21,444	\$0
96710 Interest of Mortgage (or Bonds) Payable		\$0	\$71,944	\$122,138	\$0
96720 Interest on Notes Payable (Short and Long Term)		\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs		\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$71,944	\$122,138	\$0
96900 Total Operating Expenses	\$0	\$30,403	\$1,027,378	\$711,184	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$482,285	\$645,827	\$573,077	\$0
97100 Extraordinary Maintenance		\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized		\$0	\$0	\$0	\$0
97300 Housing Assistance Payments		\$454,239	\$0	\$0	\$0
97350 HAP Portability-In		\$0	\$0	\$0	\$0
97400 Depreciation Expense		\$0	\$333,862	\$297,685	\$0
97500 Fraud Losses		\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense		\$0	\$0	\$0	\$0
90000 Total Expenses	\$0	\$484,642	\$1,361,240	\$1,008,869	\$0
10010 Operating Transfer In		\$0	\$0	\$0	\$0
10020 Operating transfer Out		\$0	\$0	\$0	\$0

## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
10030 Operating Transfers from/to Primary Government		\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit		\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss		\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)		\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In		\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out		\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$28,046	\$311,965	\$275,392	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$35,576	\$72,756	\$0
11030 Beginning Equity	\$0	\$53,947	\$22,110,009	\$3,661,541	\$0
11040 Prior Period Adjustments, Equity Transfers and	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

## HA City of Yakima (WA042)

YAKIMA, WA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.879 Mainstream Vouchers	1 Business Activities	2 State/Local	14.MSC Mainstream CARES Act Funding
11190 Unit Months Available	0	1380	0	840	0
11210 Number of Unit Months Leased	0	854	0	793	0
11270 Excess Cash	\$0				
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				

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
70300 Net Tenant Rental Revenue	\$0	\$0	\$0	\$1,363,395	\$932,828
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$12,020	\$4,440
70500 Total Tenant Revenue	\$0	\$0	\$0	\$1,375,415	\$937,268
70600 HUD PHA Operating Grants	\$189,308	\$0	\$0	\$0	\$0
70610 Capital Grants					
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		\$0	\$0	\$1,599,720	\$1,337,605
71100 Investment Income - Unrestricted	\$0	\$0	\$0	\$404	\$34
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$0
71500 Other Revenue	\$0	\$29,128	\$0	\$34,806	\$22,520
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$86	\$121
70000 Total Revenue	\$189,308	\$29,128	\$0	\$3,010,431	\$2,297,548
91100 Administrative Salaries	\$0	\$0	\$0	\$179,840	\$69,277
91200 Auditing Fees	\$0	\$0	\$0	\$65,340	\$16,555

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
91300 Management Fee	\$0	\$0	\$0	\$205,854	\$129,948
91310 Book-keeping Fee	\$0	\$0	\$0	\$72,820	\$30,576
91400 Advertising and Marketing	\$0	\$0	\$0	\$1,079	\$892
91500 Employee Benefit contributions - Administrative	\$0	\$0	\$0	\$60,419	\$22,026
91600 Office Expenses	\$0	\$0	\$0	\$145,178	\$53,259
91700 Legal Expense	\$0	\$0	\$0	\$28,963	\$6,286
91800 Travel	\$0	\$0	\$0	\$245	\$148
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0
91900 Other	\$0	\$0	\$0	\$288	\$0
91000 Total Operating - Administrative	\$0	\$0	\$0	\$760,026	\$328,967
92000 Asset Management Fee	\$0	\$0	\$0	\$17,911	\$15,000
92100 Tenant Services - Salaries	\$134,699	\$0	\$0	\$23,365	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$39,135	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$13,439	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$187,273	\$0	\$0	\$23,365	\$0
93100 Water	\$0	\$0	\$0	\$122,221	\$153,319
93200 Electricity	\$0	\$0	\$0	\$64,461	\$18,968
93300 Gas	\$0	\$0	\$0	\$21,287	\$1,423
93400 Fuel	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$0	\$138,265	\$126,743
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0



## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
93000 Total Utilities	\$0	\$0	\$0	\$346,234	\$300,453
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$132,965	\$293,231
94200 Ordinary Maintenance and Operations - Materials and	\$0	\$0	\$0	\$84,866	\$55,172
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$0	\$607,436	\$249,754
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$105,790	\$84,407
94000 Total Maintenance	\$0	\$0	\$0	\$931,057	\$682,564
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$0	\$0	\$0	\$148,501	\$58,033
96120 Liability Insurance	\$0	\$0	\$0	\$40,832	\$13,306
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$0	\$0	\$0
96100 Total insurance Premiums	\$0	\$0	\$0	\$189,333	\$71,339
96200 Other General Expenses	\$0	\$0	\$0	\$55,478	\$0
96210 Compensated Absences	\$2,035	\$0	\$0	\$37,990	\$17,815
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$1,591	\$5,454
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$75,810	\$22,406
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$2,035	\$0	\$0	\$170,869	\$45,675
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$710,237	\$26,655
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$221,815	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$932,052	\$26,655
96900 Total Operating Expenses	\$189,308	\$0	\$0	\$3,370,847	\$1,470,653
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$29,128	\$0	-\$360,416	\$826,895
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$21,993	\$33,765
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$0	\$0	\$0	\$1,426,198	\$212,350
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$189,308	\$0	\$0	\$4,819,038	\$1,716,768
10010 Operating Transfer In	\$0	\$0	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$29,128	\$0	-\$1,808,607	\$580,780
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$65,764	\$96,252
11030 Beginning Equity	\$0	\$0	\$0	\$14,456,387	\$4,521,424
11040 Prior Period Adjustments, Equity Transfers and	\$0	\$0	\$0	\$11,404,772	\$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					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	0	0	0	3696	1992

HA City of Yakima (WA042)

YAKIMA, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	10.427 Rural Rental Assistance Payments
11210 Number of Unit Months Leased	0	0	0	3641	1911
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
70300 Net Tenant Rental Revenue	\$68,666	\$0	\$0		
70400 Tenant Revenue - Other	\$0	\$0	\$0		
70500 Total Tenant Revenue	\$68,666	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$0	\$0	\$8,724,913	\$198,240	
70610 Capital Grants			\$0		
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	\$169,804	\$0	\$0		
71100 Investment Income - Unrestricted	\$0	\$0	\$0		
71200 Mortgage Interest Income	\$0	\$0	\$0		
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0		
71310 Cost of Sale of Assets	\$0	\$0	\$0		
71400 Fraud Recovery	\$0	\$0	\$2,530		
71500 Other Revenue	\$0	\$0	\$86,644		
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0		
72000 Investment Income - Restricted	\$0	\$0	\$0		
70000 Total Revenue	\$238,470	\$0	\$8,814,087	\$198,240	\$0
91100 Administrative Salaries	\$6,920	\$0	\$347,059	\$6,031	
91200 Auditing Fees	\$1,970	\$0	\$22,622		

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
91300 Management Fee	\$4,626	\$0	\$131,030	\$5,130	
91310 Book-keeping Fee	\$1,088	\$0	\$98,272	\$3,847	
91400 Advertising and Marketing	\$1,529	\$0	\$1,755		
91500 Employee Benefit contributions - Administrative	\$5,502	\$0	\$125,712	\$1,765	
91600 Office Expenses	\$25,719	\$0	\$42,220	\$461	
91700 Legal Expense	\$435	\$0	\$5,691		
91800 Travel	\$18	\$0	\$0		
91810 Allocated Overhead	\$0	\$0	\$0		
91900 Other	\$0	\$0	\$0		
91000 Total Operating - Administrative	\$47,807	\$0	\$774,361	\$17,234	\$0
92000 Asset Management Fee	\$7,500	\$0	\$0		
92100 Tenant Services - Salaries	\$0	\$0	\$0		
92200 Relocation Costs	\$0	\$0	\$0		
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0		
92400 Tenant Services - Other	\$0	\$0	\$0		
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water	\$7,979	\$0	\$0		
93200 Electricity	\$13,671	\$0	\$0		
93300 Gas	\$0	\$0	\$0		
93400 Fuel	\$0	\$0	\$0		
93500 Labor	\$0	\$0	\$0		
93600 Sewer	\$7,754	\$0	\$0		
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0		
93800 Other Utilities Expense	\$0	\$0	\$0		

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
93000 Total Utilities	\$29,404	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$30,467	\$0	\$12,126		
94200 Ordinary Maintenance and Operations - Materials and	\$2,578	\$0	\$1,621		
94300 Ordinary Maintenance and Operations Contracts	\$31,862	\$0	\$180,658	\$2,779	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$7,183	\$0	\$4,173		
94000 Total Maintenance	\$72,090	\$0	\$198,578	\$2,779	\$0
95100 Protective Services - Labor	\$0	\$0	\$0		
95200 Protective Services - Other Contract Costs	\$1,897	\$0	\$1,942		
95300 Protective Services - Other	\$0	\$0	\$0		
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0		
95000 Total Protective Services	\$1,897	\$0	\$1,942	\$0	\$0
96110 Property Insurance	\$6,074	\$0	\$6,519	\$307	
96120 Liability Insurance	\$566	\$0	\$10,861	\$372	
96130 Workmen's Compensation	\$0	\$0	\$0		
96140 All Other Insurance	\$0	\$0	\$0		
96100 Total insurance Premiums	\$6,640	\$0	\$17,380	\$679	\$0
96200 Other General Expenses	\$0	\$0	\$0		
96210 Compensated Absences	\$2,239	\$0	\$26,787		
96300 Payments in Lieu of Taxes	\$0	\$0	\$0		
96400 Bad debt - Tenant Rents	\$0	\$0	\$0		
96500 Bad debt - Mortgages	\$0	\$0	\$0		
96600 Bad debt - Other	\$0	\$0	\$0		

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
96800 Severance Expense	\$0	\$0	\$0		
96000 Total Other General Expenses	\$2,239	\$0	\$26,787	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable	\$1,546	\$0	\$0		
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0		
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0		
96700 Total Interest Expense and Amortization Cost	\$1,546	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$169,123	\$0	\$1,019,048	\$20,692	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$69,347	\$0	\$7,795,039	\$177,548	\$0
97100 Extraordinary Maintenance	\$0	\$0	\$0		
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0		
97300 Housing Assistance Payments	\$0	\$0	\$7,618,041	\$340,473	
97350 HAP Portability-In	\$0	\$0	\$0		
97400 Depreciation Expense	\$102,804	\$0	\$43		
97500 Fraud Losses	\$0	\$0	\$0		
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	\$0	\$0	\$0		
90000 Total Expenses	\$271,927	\$0	\$8,637,132	\$361,165	\$0
10010 Operating Transfer In	\$0	\$0	\$0		
10020 Operating transfer Out	\$0	\$0	\$0		
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0		



## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0		
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0		
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0		
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$0	\$0	\$0		
10094 Transfers between Project and Program - Out	\$0	\$0	\$0		
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$33,457	\$0	\$176,955	-\$162,925	\$0
11020 Required Annual Debt Principal Payments	\$5,916	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$2,526,055	\$0	\$47,384	\$230,797	\$0
11040 Prior Period Adjustments, Equity Transfers and	\$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					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$175,744		
11180 Housing Assistance Payments Equity			\$48,595		
11190 Unit Months Available	120	0	13685	900	

HA City of Yakima (WA042)

YAKIMA, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.405 Farm Labor Housing Loans and Grants	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program
11210 Number of Unit Months Leased	67	0	13103	512	
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$0	\$3,604,297		\$3,604,297
70400 Tenant Revenue - Other		\$0	\$55,462		\$55,462
70500 Total Tenant Revenue	\$0	\$0	\$3,659,759	\$0	\$3,659,759
70600 HUD PHA Operating Grants		\$0	\$9,625,149		\$9,625,149
70610 Capital Grants		\$0	\$0		\$0
70710 Management Fee		\$524,920	\$524,920	-\$524,920	\$0
70720 Asset Management Fee		\$49,291	\$49,291	-\$49,291	\$0
70730 Book Keeping Fee		\$229,589	\$229,589	-\$229,589	\$0
70740 Front Line Service Fee		\$0	\$0		\$0
70750 Other Fees		\$0	\$0		\$0
70700 Total Fee Revenue		\$803,800	\$803,800	-\$803,800	\$0
70800 Other Government Grants		\$0	\$3,395,046		\$3,395,046
71100 Investment Income - Unrestricted		\$1	\$594,461	-\$593,939	\$522
71200 Mortgage Interest Income		\$0	\$0		\$0
71300 Proceeds from Disposition of Assets Held for Sale		\$0	\$8,995		\$8,995
71310 Cost of Sale of Assets		\$0	\$0		\$0
71400 Fraud Recovery		\$0	\$2,530		\$2,530
71500 Other Revenue		\$103,513	\$1,064,719	-\$103,512	\$961,207
71600 Gain or Loss on Sale of Capital Assets		\$0	\$0		\$0
72000 Investment Income - Restricted		\$0	\$221		\$221
70000 Total Revenue	\$0	\$907,314	\$19,154,680	-\$1,501,251	\$17,653,429
91100 Administrative Salaries		\$490,712	\$1,208,463		\$1,208,463
91200 Auditing Fees		\$9,569	\$124,702		\$124,702

## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
91300 Management Fee			\$524,920	-\$524,920	\$0
91310 Book-keeping Fee			\$229,589	-\$229,589	\$0
91400 Advertising and Marketing		\$706	\$6,298		\$6,298
91500 Employee Benefit contributions - Administrative		\$152,185	\$446,800		\$446,800
91600 Office Expenses		\$19,564	\$356,224	-\$103,512	\$252,712
91700 Legal Expense		\$992	\$46,539		\$46,539
91800 Travel		\$270	\$856		\$856
91810 Allocated Overhead			\$0		\$0
91900 Other		\$0	\$33,997		\$33,997
91000 Total Operating - Administrative	\$0	\$673,998	\$2,978,388	-\$858,021	\$2,120,367
92000 Asset Management Fee			\$49,291	-\$49,291	\$0
92100 Tenant Services - Salaries		\$0	\$238,873		\$238,873
92200 Relocation Costs		\$0	\$0		\$0
92300 Employee Benefit Contributions - Tenant Services		\$0	\$124,042		\$124,042
92400 Tenant Services - Other		\$0	\$13,439		\$13,439
92500 Total Tenant Services	\$0	\$0	\$376,354	\$0	\$376,354
93100 Water		\$2,187	\$345,036		\$345,036
93200 Electricity		\$8,574	\$151,065		\$151,065
93300 Gas		\$4,500	\$34,690		\$34,690
93400 Fuel		\$0	\$0		\$0
93500 Labor		\$0	\$0		\$0
93600 Sewer		\$1,080	\$327,571		\$327,571
93700 Employee Benefit Contributions - Utilities		\$0	\$0		\$0
93800 Other Utilities Expense		\$0	\$0		\$0

## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$0	\$16,341	\$858,362	\$0	\$858,362
94100 Ordinary Maintenance and Operations - Labor		\$2,021	\$570,226		\$570,226
94200 Ordinary Maintenance and Operations - Materials and		\$11	\$173,205		\$173,205
94300 Ordinary Maintenance and Operations Contracts		\$94,591	\$1,393,815		\$1,393,815
94500 Employee Benefit Contributions - Ordinary Maintenance		\$696	\$235,494		\$235,494
94000 Total Maintenance	\$0	\$97,319	\$2,372,740	\$0	\$2,372,740
95100 Protective Services - Labor		\$0	\$0		\$0
95200 Protective Services - Other Contract Costs		\$1,545	\$10,864		\$10,864
95300 Protective Services - Other		\$0	\$0		\$0
95500 Employee Benefit Contributions - Protective Services		\$0	\$0		\$0
95000 Total Protective Services	\$0	\$1,545	\$10,864	\$0	\$10,864
96110 Property Insurance		\$10,326	\$275,373		\$275,373
96120 Liability Insurance		\$4,197	\$77,586		\$77,586
96130 Workmen's Compensation		\$0	\$0		\$0
96140 All Other Insurance		\$0	\$0		\$0
96100 Total insurance Premiums	\$0	\$14,523	\$352,959	\$0	\$352,959
96200 Other General Expenses		\$0	\$432,407		\$432,407
96210 Compensated Absences		\$57,731	\$168,358		\$168,358
96300 Payments in Lieu of Taxes		\$0	\$7,045		\$7,045
96400 Bad debt - Tenant Rents		\$0	\$108,990		\$108,990
96500 Bad debt - Mortgages		\$0	\$0		\$0
96600 Bad debt - Other		\$0	\$0		\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
96800 Severance Expense		\$0	\$0		\$0
96000 Total Other General Expenses	\$0	\$57,731	\$716,800	\$0	\$716,800
96710 Interest of Mortgage (or Bonds) Payable		\$0	\$932,520	-\$393,196	\$539,324
96720 Interest on Notes Payable (Short and Long Term)		\$0	\$221,815	-\$200,743	\$21,072
96730 Amortization of Bond Issue Costs		\$0	\$0		\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$1,154,335	-\$593,939	\$560,396
96900 Total Operating Expenses	\$0	\$861,457	\$8,870,093	-\$1,501,251	\$7,368,842
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$45,857	\$10,284,587	\$0	\$10,284,587
97100 Extraordinary Maintenance		\$0	\$55,758		\$55,758
97200 Casualty Losses - Non-capitalized		\$0	\$0		\$0
97300 Housing Assistance Payments		\$0	\$8,412,753		\$8,412,753
97350 HAP Portability-In		\$0	\$0		\$0
97400 Depreciation Expense		\$2,037	\$2,374,979		\$2,374,979
97500 Fraud Losses		\$0	\$0		\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense		\$0	\$0		\$0
90000 Total Expenses	\$0	\$863,494	\$19,713,583	-\$1,501,251	\$18,212,332
10010 Operating Transfer In		\$0	\$0		\$0
10020 Operating transfer Out		\$0	\$0		\$0
10030 Operating Transfers from/to Primary Government		\$0	\$0		\$0

## HA City of Yakima (WA042)

## YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit		\$0	\$0		\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss		\$0	\$0		\$0
10080 Special Items (Net Gain/Loss)		\$0	\$0		\$0
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In		\$0	\$0		\$0
10094 Transfers between Project and Program - Out		\$0	\$0		\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$43,820	-\$558,903	\$0	-\$558,903
11020 Required Annual Debt Principal Payments	\$0	\$0	\$276,264		\$276,264
11030 Beginning Equity	\$0	\$144,584	\$47,752,128		\$47,752,128
11040 Prior Period Adjustments, Equity Transfers and		\$0	\$11,404,772		\$11,404,772
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					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$175,744		\$175,744
11180 Housing Assistance Payments Equity			\$48,595		\$48,595
11190 Unit Months Available		0	22613		22613

## HA City of Yakima (WA042)

YAKIMA, WA

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
11210 Number of Unit Months Leased		0	20881		20881
11270 Excess Cash			\$0		\$0
11610 Land Purchases		\$0	\$0		\$0
11620 Building Purchases		\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases		\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases		\$0	\$0		\$0
11650 Leasehold Improvements Purchases		\$0	\$0		\$0
11660 Infrastructure Purchases		\$0	\$0		\$0
13510 CFFP Debt Service Payments		\$0	\$0		\$0
13901 Replacement Housing Factor Funds		\$0	\$0		\$0