

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

Yakima, Washington

## **Annual Comprehensive Financial Report**

Year Ended

December 31, 2023



# Housing Authority of the City of Yakima

Yakima, Washington

## Annual Comprehensive Financial Report

Year Ended December 31, 2023



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, 2023

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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, 2024

Mr. Robert Ponti, Chairperson of the Board of Commissioners  
Members of the Board of Commissioners of the Housing Authority of the City of Yakima  
Citizens 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, 2023. 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, 2023.* 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.

P.O. BOX 1447 Yakima WA 98907 • [www.yakimahousing.org](http://www.yakimahousing.org)

810 N. 6th Ave. Yakima WA 98902 • PH 509. 453. 3106 • FX 509. 453. 3111 • TDD 1. 800. 545. 1833 ext 560



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 2023, HUD and other federal agencies provided approximately 75% 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 2023 was prorated at 100% and 97.167% 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 by becoming more innovative in its approach to development, maintenance and management of its units. YHA has continued to grow its portfolio through new construction and continues to seek out acquisition and development opportunities.

YHA closed on financing in October 2022 for Vale Square, a new 54-unit development in Yakima, Washington serving households exiting homelessness and general low-income families. Construction on the site commenced on October 27, 2022, and continued throughout 2023 with completion expected in July 2024. The project consists of one four-story building and includes 3,000 SF of new office space for YHA to meet the demands of its expanding portfolio of affordable housing and resident services. The project is funded with LIHTC Equity (\$12.7 million), Washington State Housing Trust Fund (\$3.6 million), Department of Commerce Housing and Infrastructure Program (CHIP) funding through the City of Yakima (\$165,000), Washington State Department of Ecology (\$144,700) and City of Yakima HOME funding (\$300,000), Banner Bank and YHA Equity and deferred fee for a total development cost of \$18.2 million. Banner Bank provided construction financing in the amount of \$10.3 million and will provide a permanent loan for YHA's office of \$475,000. The project was in partnership with National Equity Fund (NEF), who was the syndicator for the tax credits with Chase Bank as the investor.

YHA continued its goal of maintaining and rehabilitating its existing units in 2023 with funding from Washington State Department of Commerce, Housing Preservation Program paired with use of project reserves. Mariposa Park received \$250,000 for exterior rehab with work beginning in January 2023 and completed in June 2023. Harmony Park received an award of \$630,585 which was used for exterior rehab and installation of energy efficient HVAC systems. Work at Harmony Park began in January 2023 and was completed by November 2023.

YHA also was awarded funding from the Washington State Department of Commerce for the new construction of 60 beds of seasonal farmworker housing in Granger, Washington. Construction on this will begin in March 2024 and is expected to be complete in January 2025.

YHA continues to actively plan for rehabilitation and new development and is in the predevelopment phase for the new construction of 50 units of affordable housing within the City of Yakima. YHA will be submitting funding applications for this new development in the fall of 2024 with anticipated construction starting in 2025.

YHA also acquired 84 units of affordable housing in October 2023 and is working toward rehabilitation of the units with funding from the 4% LIHTC/Bond program. Applications for funding will be submitted in 2024 with rehabilitation planned for 2025.

### **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, 2022. 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 "Lowell Krueger". The signature is fluid and cursive, with a prominent initial "L" and a long, sweeping underline.

Lowell Krueger, CPA, MBA  
Executive Director

A handwritten signature in black ink, appearing to read "Chanelle Murphy". The signature is cursive and elegant, with a large initial "C" and a long, flowing underline.

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, 2022

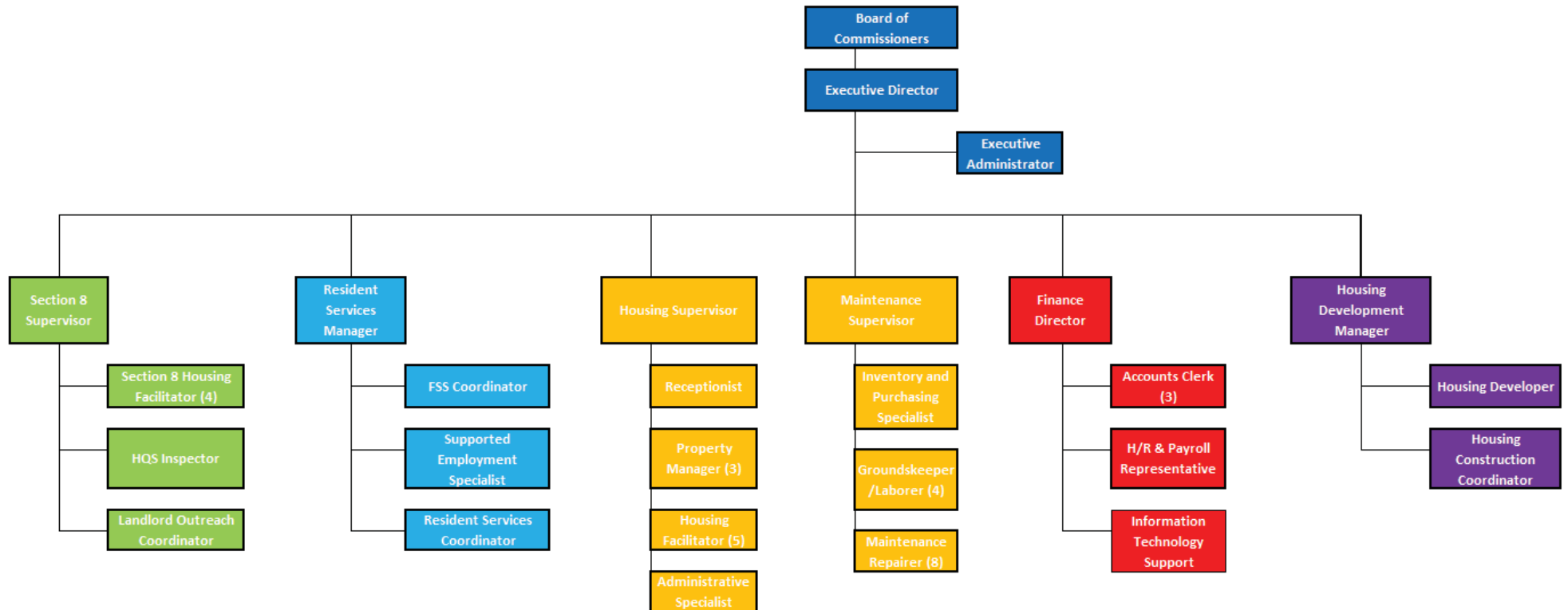
*Christopher P. Morrell*

Executive Director/CEO

# Housing Authority of the City of Yakima

## Organizational Chart

December 31, 2023



# Housing Authority of the City of Yakima

## List of Principal Officials

### December 31, 2023

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

Bob Ponti  
Chairperson

Abby Bailey Grim  
Vice-Chairperson

Abdon Godinez  
Commissioner

Nick Marquez  
Commissioner

Linda Orozco  
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





## 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, 2023, 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, 2023, 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, 2023. 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 17 to 24, 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. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, 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, 2023. 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.

## INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

### 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.

*Loveridge Hunt & Co., PLLC*

Bellevue, Washington

September 30, 2024

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2023

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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, 2023 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 \$1.8 million from December 31, 2022 to December 31, 2023. This is a result of revenues exceeding expenses.
- As of December 31, 2023, the assets of YHA exceeded liabilities by approximately \$36.3 million (net position). Of this amount, approximately \$20.4 million (unrestricted net position) may be used to meet ongoing obligations, \$13.4 million is net investment in capital assets and \$2.5 million is restricted as to its allowable usage. 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.
- Current and noncurrent assets increased by approximately \$12 million (22.8%) from December 31, 2022 to December 31, 2023. The increase is primarily due to an increase in net capital assets of \$11 million.
- Current and noncurrent liabilities increased by approximately \$10.3 million (60.2%) from December 31, 2022 to December 31, 2023. The increase is due to an increase in long term debt of \$10 million.
- December 31, 2023 operating revenues increased by approximately \$2.0 million (20.9%) 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, 2023 operating expenses increased by approximately \$2.4 million (16.7%) in comparison to the prior period. The increase relates to an increase in housing assistance payments and administrative expenses.
- Nonoperating revenues, net of nonoperating expenses, and income before other revenues, expenses, gains, losses, increased by approximately \$186 thousands (15%) from December 31, 2022 to December 31, 2023.

# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2023

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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 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, 2023

#### FINANCIAL ANALYSIS

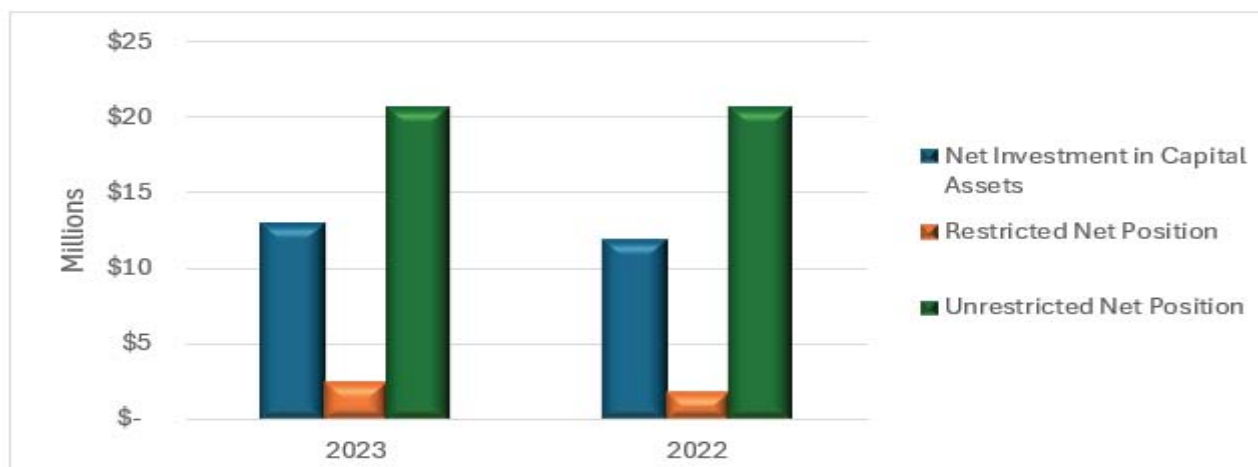
##### Net Position

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

##### Net Position

	December 31, 2023	December 31, 2022
Current assets, unrestricted	8,586,076	7,804,612
Other current assets, restricted	2,968,019	3,166,550
Non-current assets	13,714,934	13,919,281
Capital assets, net	39,554,948	27,851,967
<b>Total Assets</b>	<b>64,823,977</b>	<b>52,742,410</b>
Current and other liabilities	1,042,737	813,999
Current liabilities payable from restricted assets	374,933	396,371
Long-term liabilities	25,991,002	15,898,114
<b>Total Liabilities</b>	<b>27,408,672</b>	<b>17,108,484</b>
Deferred Inflows of Resources - Lease	1,085,966	1,088,481
<b>Net Position</b>		
Net investment in capital assets	13,361,091	12,034,562
Restricted net position	2,516,638	1,875,746
Unrestricted net position	20,451,610	20,635,137
<b>Total net position</b>	<b>36,329,339</b>	<b>34,545,445</b>
<b>Total liabilities and net position</b>	<b>64,823,977</b>	<b>52,742,410</b>

Total assets of YHA at December 31, 2023 and 2022 amounted to \$64.8 and \$52.7 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, 2023**

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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 10% higher at December 31, 2023 than December 31, 2022, which represents an increase by approximately \$781 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, 2023 restricted current assets decreased by approximately \$199 thousand (6.3%) in comparison to December 31, 2022.

Capital assets include land, buildings, building improvements, furniture, equipment and machinery, and construction in progress and are shown net of accumulated depreciation. Capital assets increased by approximately \$11.7M and (42%) from December 31, 2022 to December 31, 2023, because of purchases exceeding depreciation expense.

Total liabilities of YHA, which are segregated between current and noncurrent portions, amounted to approximately \$27.4 million and \$17.1 million at December 31, 2023 and December 31, 2022, 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, 2022 to December 31, 2023 by approximately \$229 thousand (28.1%).

Current liabilities payable from restricted assets primarily consist of tenant security deposits and restricted, unspent funds from the federal government. These liabilities decreased by \$21 thousand (5.4%) from December 31, 2022 to December 31, 2023.

Long-term liabilities consist of notes payable and the long-term portion of compensated absences. The increase in long-term liabilities from December 31, 2022 to December 31, 2023 was approximately \$10 million (63.5%) because of new loans.

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 \$1.8 million from December 31, 2022 to December 31, 2023.

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, 2023 and December 31, 2022, YHA's current ratios were 9.2 and 8.3, respectively.



# Housing Authority of the City of Yakima

## Management's Discussion and Analysis

### December 31, 2023

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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:

#### **Revenues, Expenses, and change in Net Position**

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Revenue:		
Intergovernmental revenue - Operating	11,406,238	9,435,841
Tenant and other	3,907,698	3,557,132
Intergovernmental revenue - Nonoperating	2,271,326	1,984,634
Investment revenue - Nonoperating	623,213	594,177
Total revenue	<u>18,208,475</u>	<u>15,571,784</u>
Expenses:		
Administrative	2,857,136	2,039,260
Utilities	603,762	512,128
Ordinary maintenance and operation	1,354,122	1,441,683
General expenses	602,517	748,732
Payments in lieu of taxes	325	5,454
Housing assistance payments	9,941,468	8,412,754
Depreciation	999,932	948,781
Interest expense - Nonoperating	313,627	222,283
Total expenses	<u>16,672,889</u>	<u>14,331,075</u>
Income (Loss) before contributions, transfers, extraordinary and special items	1,535,586	1,240,709
Equity transfers	248,308	-
Capital grants, contributions, and special items	-	8,995
Increase in net position	<u>1,783,894</u>	<u>1,249,704</u>
Net position, beginning of year	<u>34,545,445</u>	<u>33,295,741</u>
Net position, end of year	<u>36,329,339</u>	<u>34,545,445</u>

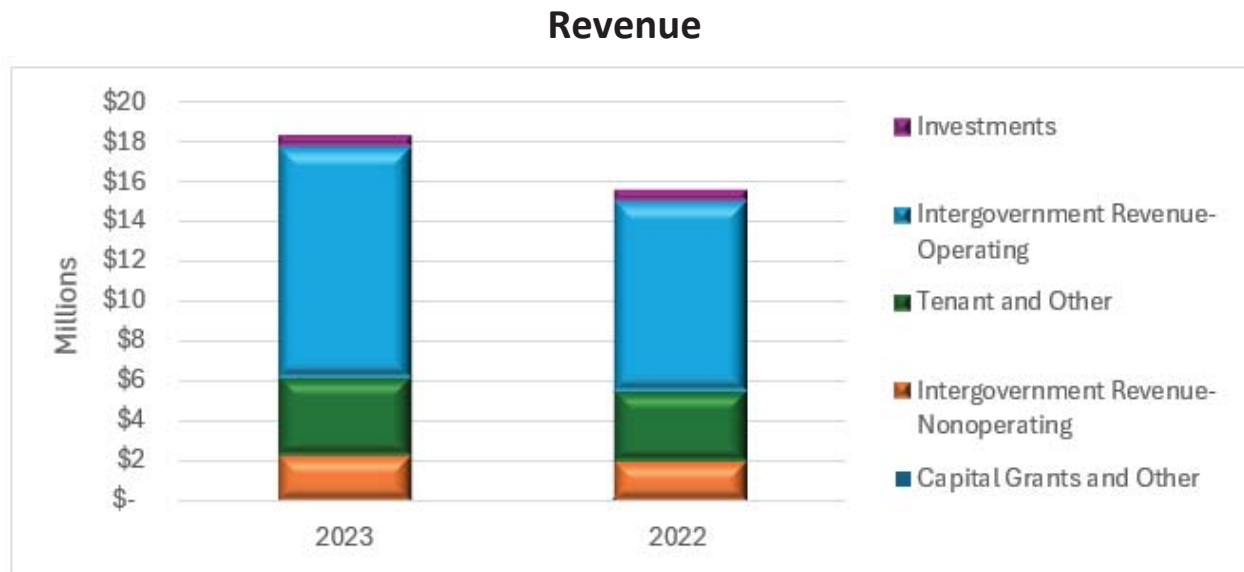
Revenues increased by approximately \$2.7 million (17%) from December 31, 2022 to December 31, 2023. The increase is primarily due to intergovernmental (operating) and intergovernmental revenue (nonoperating).

# Housing Authority of the City of Yakima

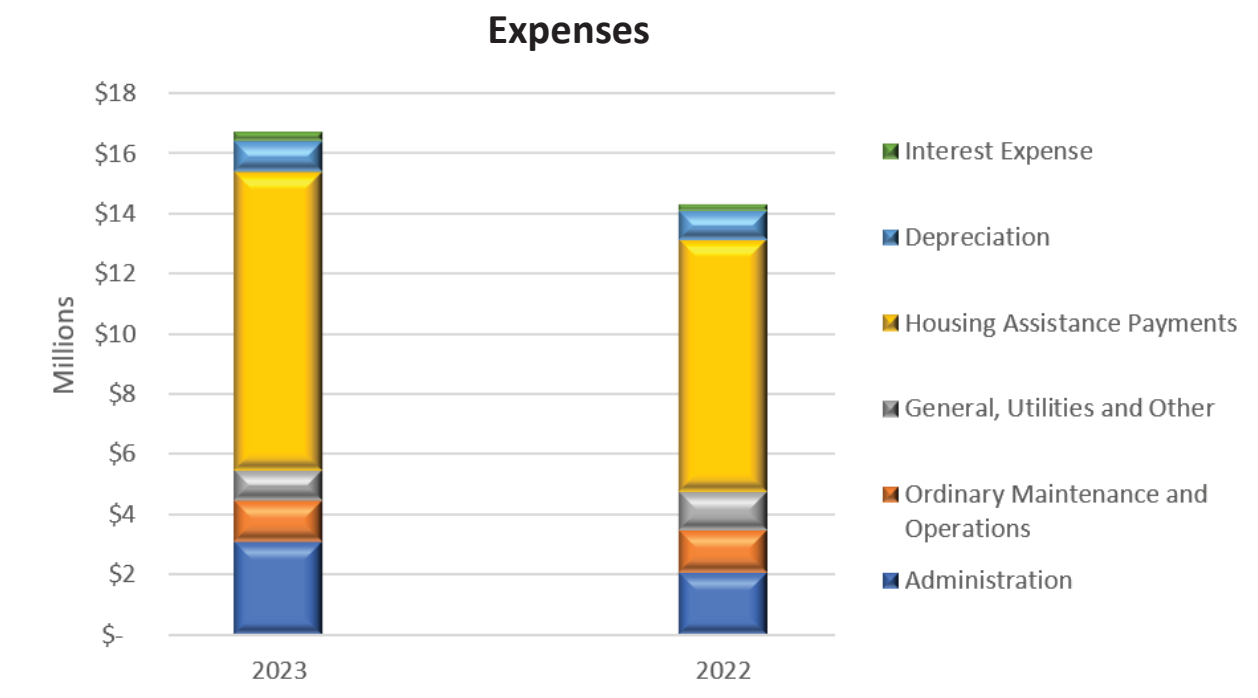
## Management's Discussion and Analysis

### December 31, 2023

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



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, 2023

Expenses increased by approximately \$2.4 million (16.7%) from December 31, 2022 to December 31, 2023. The most significant changes during the year are primarily due to increased housing assistance payments, and admin expenses.

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

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

##### Capital Assets and Debt Administration

	December 31, 2023	December 31, 2022
Land	4,928,199	2,804,896
Buildings	48,735,496	33,700,324
Furniture, equipment & machinery - dwelling	945,640	909,622
Furniture, equipment & machinery - administration	1,322,818	855,855
Construction in progress	423,395	5,381,940
Total capital assets	56,355,548	43,652,637
Less accumulated depreciation	(16,800,600)	(15,800,670)
Net capital assets	39,554,948	27,851,967

Net capital assets increased by approximately \$11 million (40.1%) from December 31, 2022 to December 31, 2023. This increase was due to additions exceeding depreciation. 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 2023 and 2022 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, 2023 is the ninth year YHA has not received public housing subsidy and received Section 8 funding only. 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.

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

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

### **December 31, 2023**

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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.

In addition, a majority of YHA's \$39 million of net capital assets as of December 31, 2023 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.

#### **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:*  
509.453.3106

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810 N. 6<sup>th</sup> Avenue Yakima, WA 98902

*Website:*  
[www.yakimahousing.org](http://www.yakimahousing.org)

**Housing Authority of the City of Yakima**  
**Statement of Net Position**  
**December 31,2023**

	Primary Government	Discretely Presented Component Units
Current Assets:		
Cash and Cash Equivalents - Unrestricted	\$ 4,718,495	\$ 1,751,256
Accounts Receivables, Net of Allowance	3,501,196	92,760
Prepaid Expenses and Other Assets	356,982	197,021
Inventories	9,403	-
	<u>8,586,076</u>	<u>2,041,037</u>
Restricted Assets:		
Cash and Cash Equivalents - Restricted	417,086	350,000
Cash - Tenant Security Deposits	98,865	90,842
Investments Restricted	2,452,068	2,528,166
	<u>2,968,019</u>	<u>2,969,008</u>
Total Current Assets	<u>11,554,095</u>	<u>5,010,045</u>
Non Current Assets:		
Investment in Component Units	1,066,519	-
Loans Receivable from Component Units	12,648,415	-
	<u>13,714,934</u>	<u>-</u>
Capital Assets:		
Land	4,928,199	1,752,064
Buildings	48,735,496	47,239,145
Furniture, Equipment and Machinery-Dwellings	910,512	-
Right of Use - Asset	-	1,085,966
Furniture, Equipment and Machinery- Admin	1,357,946	915,849
Accumulated depreciation	(16,800,600)	(10,448,235)
Construction in progress	423,395	11,591,276
Total Non Current Assets	<u>53,269,882</u>	<u>52,136,065</u>
Total Assets	<u>\$ 64,823,977</u>	<u>\$ 57,146,110</u>

**Housing Authority of the City of Yakima**  
**Statement of Net Position (Continued)**  
**December 31, 2023**

	Primary Government	Discretely Presented Component Units
Current Liabilities:		
Accounts Payable Other	\$ 94,125	\$ 4,726,869
Developer fee payable	-	205,705
Accrued wages and payroll taxes	49,816	6,619
Accrued compensated absences - current	135,911	34,668
Accrued interest payable	78,710	2,881,194
Accrued liabilities - other	-	666,360
Unearned income	119,743	18,838
Current portion of long term debt	564,429	71,767
	<u>1,042,734</u>	<u>8,612,020</u>
Payables from Restricted Assets:		
FSS Escrow deposit	276,068	-
Tenant security deposits	98,865	90,842
	<u>374,933</u>	<u>90,842</u>
Total current liabilities	<u>1,417,667</u>	<u>8,702,862</u>
Noncurrent Liabilities:		
Long-term debt, net of current	25,314,368	19,473,031
SBITA Liability	265,520	-
Accrued compensated absences, net of current	15,100	3,851
Other noncurrent liabilities	396,017	6,516,411
Total noncurrent liabilities	<u>25,991,005</u>	<u>25,993,293</u>
Total liabilities	<u>27,408,672</u>	<u>34,696,155</u>
Deferred Inflow of Resources -Lease	1,085,966	-
Net Position:		
Net investment in capital assets	13,361,091	29,219,469
Restricted net position	2,516,638	2,178,166
Unrestricted net position	20,451,610	(8,947,680)
Total net position	<u>36,329,339</u>	<u>22,449,955</u>
Total liabilities, net position and Deferred Inflow of Resources	<u>\$ 64,823,977</u>	<u>\$ 57,146,110</u>

The accompanying notes are an integral part of these financial statements



**Housing Authority of the City of Yakima**  
**Statement of Revenue, Expenses and Changes in Net Position**  
**For the Fiscal Period Ending December 31, 2023**

	Primary Government	Discretely Presented Component Units
<i>Operating Revenue:</i>		
Intergovernmental revenue	\$ 11,406,238	\$ -
Net tenant rental revenue	2,962,488	1,499,672
Other revenue	832,447	14,754
Other tenant revenue	112,763	42,395
Total operating revenue	15,313,936	1,556,821
<i>Operating Expenses:</i>		
Administrative:		
Administrative wages	1,093,333	226,479
Professional fees	119,539	101,660
Employee benefit contributions	438,545	77,253
Other operating - administrative	600,184	583,471
Tenant services	605,535	32,178
	2,857,136	1,021,041
Utilities:		
Electricity	107,826	77,282
Other utilities expense	12,776	21,145
Sewer	225,932	123,013
Water	257,228	126,255
	603,762	347,695
Ordinary maintenance and operations:		
Contract costs	535,480	384,192
Employee benefit contributions	192,107	135,589
Maintenance and operations wages	524,362	303,302
Materials and other	102,173	80,118
	\$ 1,354,122	\$ 903,201

**Housing Authority of the City of Yakima**  
**Statement of Revenue, Expenses and Changes in Net Position (Continued)**  
**For the Fiscal Period Ending December 31, 2023**

	Primary Government	Discretely Presented Component Units
General expenses:		
Depreciation expense	\$ 999,932	\$ 1,416,137
Housing assistance payments	9,941,468	-
Insurance premiums	177,382	202,837
Bad debt - tenant rents	232,667	20,807
Other general expenses	179,534	57,155
Protective services contract costs	12,935	7,083
Payments in lieu of taxes	325	3,647
	<u>11,544,243</u>	<u>1,707,666</u>
Total operating expenses	<u>16,359,263</u>	<u>3,979,603</u>
<i>Operating Income (Loss)</i>	<u>(1,045,327)</u>	<u>(2,422,782)</u>
<i>Nonoperating Revenue (Expenses):</i>		
Interest expense	(313,627)	(881,536)
Intergovernmental revenue	2,271,326	1,701,183
Investment revenue - restricted	149	-
Investment revenue - unrestricted	623,065	538
Total nonoperating revenue (expenses)	<u>2,580,913</u>	<u>820,185</u>
<i>Increase (Decrease) in Net Position</i>	<u>1,535,586</u>	<u>(1,602,597)</u>
<i>Net Position, Beginning of Year</i>	<u>34,545,445</u>	<u>24,052,552</u>
<i>Equity Transfer</i>	<u>248,308</u>	<u>-</u>
<i>Net Position, End of Year</i>	<u>\$ 36,329,339</u>	<u>\$ 22,449,955</u>

The accompanying notes are an integral part of these financial statements

**Housing Authority of the City of Yakima**  
**Statement of Cash Flow**  
**For the fiscal period ending December 31, 2023**

**Cash Flows from Operating Activities**

**Primary Government**

Cash Received from HUD and Other Governments	11,349,934
Cash Received from Tenants	2,936,446
Cash Received from Other	706,941
Cash Payments for Housing Assistance Payments	(9,941,468)
Cash Payments for Administrative	(3,020,439)
Cash Payments for Other Operating Expenses	(2,495,908)
<b>Net Cash Provided by Operating Activities</b>	<b>(464,494)</b>

**Cash Flows from Non-Capital Financing Activities**

Loan receivable	(150,325)
Construction payable	(106,923)
Capital Grants	2,271,326
	<b>2,014,078</b>

**Cash Flows from Capital and Related Financing Activities**

Interest Payments	(234,917)
Principal Payments	(234,985)
Change on long-term debt	10,089,417
Change on short-term borrowings	522,020
Ground Lease	248,308
Acquisition of Capital Assets	(12,702,911)
<b>Net Cash Provided (Used) by Capital and Other Related Financing Activities</b>	<b>(2,313,068)</b>

Net Increase (Decrease) in Cash and Cash Equivalents	(763,484)
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Cash and Cash Equivalents Beginning	8,449,997
<b>Cash and Cash Equivalents Ending</b>	<b>7,686,513</b>

**Housing Authority of the City of Yakima**  
**Statement of Cash Flows (Continued)**  
**For the Fiscal Period Ending December 31, 2023**

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	Primary Government
<i>Reconciliation of Operating Loss to Net Cash provided by Operating Activities:</i>	
Operating loss	\$ (1,045,327)
<i>Adjustments to reconcile Operating Loss to Net Cash Used by Operating Activities:</i>	
Depreciation	999,932
Intrafund transfer	248,308
(Increase) decrease in cash due to changes in assets:	
Receivables	(182,091)
Related party receivables	(184,118)
Prepaid expenses and other assets	(4,904)
Investments	67
Increase (decrease) in cash due to changes in liabilities:	
Accounts payable	14,908
Accrued wages and taxes payable	13,489
Accrued liabilities - other	(5,279)
Compensated absences	1,295
Tenant security deposits	43,286
FSS escrow deposits	(59,445)
Deferred revenue	(56,306)
Total adjustments	<u>829,142</u>
<i>Net cash used by operating activities:</i>	<u>\$ (216,185)</u>
<i>Noncash investing, financing and capital activities:</i>	
Construction accnts payable	\$ (106,923)
Subscription Based Information Technology Arrangements Liability	265,520
Reclassification of Construction in Progress to Buildings	5,381,940

The accompanying notes are an integral part of these financial statements.

**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Discretely Presented Component Units**  
**December 31, 2023**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale	Yakima Veterans	Total
<b>Assets</b>						
<i>Current Assets:</i>						
Cash and cash equivalents - unrestricted	\$ 178,938	\$ 59,265	\$ 122,718	\$ 1,321,517	\$ 68,818	\$ 1,751,256
Accounts receivables, net of allowance	75,367	8,214	4,825	-	4,354	92,760
Prepaid expenses and other assets	103,375	21,560	34,320	-	37,766	197,021
	357,680	89,039	161,863	1,321,517	110,938	2,041,037
<i>Restricted Assets:</i>						
Cash and cash equivalents - other restricted		-	-	350,000		350,000
Cash - tenant security deposits	40,750	8,700	33,157	-	8,235	90,842
Investments - restricted	1,589,946	396,263	475,567	-	66,390	2,528,166
	1,630,696	404,963	508,724	350,000	74,625	2,969,008
Total current assets	1,988,376	494,002	670,587	1,671,517	185,563	5,010,045
<i>Noncurrent Assets:</i>						
<i>Capital assets:</i>						
Land	1,500,000	188,758	-	-	63,306	1,752,064
Buildings	17,617,393	6,079,135	10,120,885	-	13,421,732	47,239,145
Furniture, equipment and machinery - dwellings	183,054	48,811	189,904	-	494,080	915,849
Right of Use - Asset	-	-	-	-	1,085,966	1,085,966
Accumulated depreciation	(6,118,649)	(1,313,807)	(2,112,380)	-	(903,399)	(10,448,235)
Construction in progress	-	-	-	11,591,276	-	11,591,276
Total noncurrent assets	13,181,798	5,002,897	8,198,409	11,591,276	14,161,685	52,136,065
Total assets	15,170,174	5,496,899	8,868,996	13,262,793	14,347,248	57,146,110

**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Discretely Presented Component Units (continued)**  
**December 31, 2023**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale	Yakima Veterans	Total
<b>Liabilities and Net Position</b>						
<i>Current Liabilities:</i>						
Accounts payable less than 90 days	\$ 1,846	\$ 6,647	\$ 720	\$ 4,715,439	\$ 2,217	\$ 4,726,869
Developer fee payable	-	-	-	-	205,705	205,705
Accrued wages and payroll taxes		1,135	2,784	-	2,700	6,619
Accrued compensated absences						
current portion	18,175	2,357	8,625	-	5,511	34,668
Accrued interest payable	1,593,115	169,268	1,004,919	-	113,892	2,881,194
Accrued liabilities - other	45,621	7,732	145,140	350,100	117,767	666,360
Unearned income	8,199	125	8,549	-	1,965	18,838
Current portion of long term debt	-	-	71,767	-	-	71,767
	1,666,956	187,264	1,242,504	5,065,539	449,757	8,612,020
<i>Payables from Restricted Assets:</i>						
Tenant security deposits	38,950	8,700	30,504	-	12,688	90,842
	38,950	8,700	30,504	-	12,688	90,842
Total current liabilities	1,705,906	195,964	1,273,008	5,065,539	462,445	8,702,862
<i>Noncurrent Liabilities:</i>						
Long-term debt, net of current	5,873,120	2,100,000	4,193,623	5,145,908	2,160,380	19,473,031
Accrued compensated absences, net of current	2,019	262	958		612	3,851
Right of Use - Liability					1,085,966	1,085,966
Other noncurrent liabilities	-	-	2,350,000		3,080,445	5,430,445
Total noncurrent liabilities	5,875,139	2,100,262	6,544,581	5,145,908	6,327,403	25,993,293
Total liabilities	7,581,045	2,296,226	7,817,589	10,211,447	6,789,848	34,696,155
<i>Net Position:</i>						
Net investment in capital assets	7,308,678	2,902,897	3,933,019	3,073,569	12,001,306	29,219,469
Restricted net position	1,589,946	396,263	475,567	(350,000)	66,390	2,178,166
Unrestricted net position	(1,309,495)	(98,487)	(3,357,179)	327,776	(4,510,295)	(8,947,680)
Total net position	7,589,129	3,200,673	1,051,407	3,051,345	7,557,401	22,449,955
Total liabilities, and net Position	\$ 15,170,174	\$ 5,496,899	\$ 8,868,996	\$ 13,262,792	\$ 14,347,249	\$ 57,146,110



**Housing Authority of the City of Yakima**

**Combining Schedule of Activities and Changes in Net Position for Discretely Presented Component Units**

**For the Year Ending December 31, 2023**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale	Yakima Veterans	Total
<i>Operating Revenue:</i>						
Net tenant rental revenue	\$ 774,227	\$ 291,129	\$ 320,119	\$ -	\$ 114,197	\$ 1,499,672
Other revenue	761	6,058	2,753	-	5,182	14,754
Other tenant revenue	30,626	3,730	4,764	-	3,275	42,395
Total operating revenue	805,614	300,917	327,636	-	122,654	1,556,821
<i>Operating Expenses:</i>						
Administrative:						
Administrative wages	123,146	12,631	79,422	-	11,280	226,479
Professional fees	35,948	12,173	20,519	-	33,020	101,660
Employee benefit contributions	40,603	4,602	26,614	-	5,434	77,253
Other operating - administrative	262,932	66,757	164,002	-	89,780	583,471
Tenant services	-	-	625	-	31,553	32,178
	462,629	96,163	291,182	-	171,067	1,021,041
Utilities:						
Electricity	16,966	1,280	54,282	-	4,754	77,282
Other utilities expense	1,222	504	13,886	-	5,533	21,145
Sewer	55,906	34,994	23,657	-	8,456	123,013
Water	80,064	28,360	13,744	-	4,087	126,255
	154,158	65,138	105,569	-	22,830	347,695
Ordinary maintenance and operations:						
Contract costs	252,406	35,469	65,080	-	31,237	384,192
Employee benefit contributions	74,308	14,120	28,002	-	19,159	135,589
Maintenance and operations wages	140,542	32,492	73,279	-	56,989	303,302
Materials and other	37,702	11,339	21,480	-	9,597	80,118
	\$ 504,958	\$ 93,420	\$ 187,841	\$ -	\$ 116,982	\$ 903,201

**Housing Authority of the City of Yakima**

**Combining Schedule of Activities and Changes in Net Position for Discretely Presented Component Units**

**For the Year Ending December 31, 2023**

	YHA Family Housing, LLC	Toppenish Family Housing, LLC	Yakima Affordable Housing, LLLP	Fruitvale	Yakima Veterans	Total
General expenses:						
Depreciation expense	\$ 621,809	\$ 164,211	\$ 261,312	\$ -	\$ 368,805	\$ 1,416,137
Insurance premiums	98,380	19,228	58,087	-	27,142	202,837
Bad debt - tenant rents	(333)	1,038	9,147	-	10,955	20,807
Other general expenses	1,842	-	-	-	55,313	57,155
Protective services contract costs	2,786	564	2,956	-	777	7,083
Payments in lieu of taxes	3,647	-	-	-	-	3,647
	728,131	185,041	331,502	-	462,992	1,707,666
Total operating expenses	1,849,876	439,762	916,094	-	773,871	3,979,603
				-		
<i>Operating Income (Loss)</i>	(1,044,262)	(138,845)	(588,458)	-	(651,217)	(2,422,782)
<i>Nonoperating Revenue (Expenses):</i>						
Interest expense	(377,528)	(22,050)	(420,026)	-	(61,932)	(881,536)
Intergovernmental revenue	743,721	-	642,766	-	314,696	1,701,183
Investment revenue - unrestricted	322	67	147	-	2	538
Total nonoperating revenue (expenses)	366,515	(21,983)	222,887	-	252,766	820,185
<i>Increase (Decrease) in Net Position</i>	(677,747)	(160,828)	(365,571)	-	(398,451)	(1,602,597)
<i>Net Position, Beginning of Year</i>	8,262,757	3,361,624	1,421,311	3,051,338	7,955,523	24,052,552
<i>Net Position, End of the Year</i>	\$ 7,585,010	\$ 3,200,796	\$ 1,055,740	\$ 3,051,338	\$ 7,557,072	\$ 22,449,955

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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, 2023. The limited

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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, 2023.

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 \$2.4 million at December 31, 2023.

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 \$3.0 million at December 31, 2023.

Fruitvale Housing, LLLP (FVH) was formed in April 2023 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 \$350,000 at December 31, 2023.

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. The entities have a December 31 year-end and financial statements may be obtained by contacting the Authority

#### *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, 2023

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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, 2023.

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, 2023

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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 240 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 September 30, 2024, 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, 2023

### NOTE 2 — DEPOSITS:

Deposits, including those in restricted assets, are defined as cash or cash equivalents on deposit with financial institutions. At December 31, 2023, the carrying amount of YHA's cash accounts deposited with financial institutions was \$5,135,581 and the bank balance was \$5,174,549. The bank deposits are held with financial institutions and are entirely insured or collateralized.

At December 31, 2023, the carrying amount of the discretely presented component units deposited with financial institutions was \$3,753,138 and the bank balance was \$3,480,664. 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, 2023:

Cash and cash equivalents - unrestricted	\$ 4,718,495
Cash and cash equivalents - current restricted	515,951
Total cash and cash equivalents	5,234,446
Less: cash on hand	-
Total deposits	<u>\$ 5,234,446</u>

For the discretely presented component units, cash and cash equivalents consist of the following at December 31, 2023:

Cash and cash equivalents - unrestricted	\$ 1,751,255
Cash and cash equivalents - current restricted	440,842
Total cash and cash equivalents	2,192,097
Less: cash on hand	-
Total deposits	<u>\$ 2,192,097</u>

### 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	\$ 2,452,068	\$ 2,528,166	\$ 4,980,234



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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### NOTE 3 — INVESTMENTS (continued):

**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, 2023, none of YHA’s deposits and investments were exposed to custodial credit risk.

**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, 2023:

Tenants	\$	312,003
HUD - Other Projects		200,270
Receivables from component units		3,246,195
Total receivables		3,758,468
Less: Allowance for doubtful accounts		(257,272)
	\$	<u>3,501,196</u>

For the discretely presented component units, receivables consist of the following at December 31, 2023:

Tenants	\$	221,786
Tenants receivables		221,786
Less: Allowance for doubtful accounts		(129,026)
	\$	<u>92,760</u>

**Housing Authority of the City of Yakima**  
**Notes to Basic Financial Statements**  
**December 31, 2023**

**NOTE 5 — CAPITAL ASSETS: Changes in capital assets for the primary government during the year ended December 31, 2023 were as follows:**

	January 1, 2023	Additions	Transfers/ retirements	December 31, 2023
Capital assets not depreciated:				
Land	\$ 2,804,896	\$ 2,123,303	\$ -	\$ 4,928,199
Construction in progress	5,381,940	1,299,692	(6,258,237)	423,395
Total capital assets not depreciated	8,186,836	3,422,995	(6,258,237)	5,351,594
Capital assets being depreciated:				
Buildings and improvements	33,700,324	15,035,172	-	48,735,496
Furniture and equipment	1,765,477	502,981	-	2,268,458
Total capital assets being depreciated	35,465,801	15,538,153	-	51,003,954
Accumulated depreciation:				
Buildings and improvements	14,469,346	878,927		15,348,273
Furniture and equipment	1,331,324	121,003		1,452,327
Total accumulated depreciation	15,800,670	999,930	-	16,800,600
Total capital assets	\$ 27,851,967	\$ 17,961,218	\$ (6,258,237)	\$ 39,554,948

**Changes in capital assets for the discretely presented component units during the year ended December 31, 2023 were as follows:**

	January 1, 2023	Additions	Transfers/ retirements	December 31, 2023
Capital assets not depreciated:				
Land	\$ 1,752,064	\$ -	\$ -	\$ 1,752,064
Construction in progress	2,118,234	9,473,042	-	11,591,276
Total capital assets not depreciated	3,870,298	9,473,042	-	13,343,340
Capital assets being depreciated:				
Buildings and improvements	47,183,588	55,557		47,239,145
Furniture and equipment	884,088	31,761	-	915,849
Total capital assets being depreciated	48,067,676	87,318	-	48,154,994
Right of Use - Asset	-	1,085,966		1,085,966
Accumulated depreciation:				
Buildings and improvements	8,553,986	1,342,724	-	9,896,710
Furniture and equipment	478,111	73,414	-	551,525
Total accumulated depreciation	9,032,097	1,416,138	-	10,448,235
Total capital assets	\$ 42,905,877	\$ 8,144,222	\$ -	\$ 52,136,065

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2023

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

YHA has no short-term notes payable due as of December 31, 2023.

#### **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 principal 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, 2023 is presented below:

	Balance at January 1, 2023	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Unsecured Note Payable					
Banner Bank:					
Unrestricted	\$ 46,758	\$ 624	\$ -	\$ 47,382	\$ -
Revenue Bonds:					
Banner Bank - Nueva	1,753,776	-	(45,504)	1,708,272	46,420
Real Estate Mortgages:					
Banner Bank:					
Admin. Office - Nueva	265,113	-	(17,755)	247,358	18,143
Banner Bank:					
Cosecha Court II	719,340	-	(15,247)	704,093	15,023
Impact Capital					
Unrestricted					-
Cosecha Court II Phase III	9,683	-	-	9,683	142
Cosecha Court II Phase III	-	150,000	(7,090)	142,910	
Yakima Federal					
Meadows Annex	-	525,000	-	525,000	
Ranier Vista	-	3,100,000	-	3,100,000	
Zillah Gardens	-	2,473,500	-	2,473,500	
Cosecha Court II Phase II	1,134,446	-	(19,948)	1,114,498	22,136
Washington State Housing Finance					
Meadows Annex	-	1,633,582	-	1,633,582	
Ranier Vista	-	850,763	-	850,763	
Zillah Gardens	-	1,506,571	-	1,506,571	
Board Reserves - Unrestricted					
Office of Rural and Farmworker Housing -					
Unrestricted					
Preservation Revolving Loan - Valley 7	175,947	-	(11,423)	164,524	11,829
U.S. Dept. of Agriculture - Valley 7	4,903,159	-	(35,882)	4,867,277	219,820
U.S. Dept. of Agriculture - Cosecha Court	151,362	-	(6,004)	145,358	145,358
U.S. Dept. of Agriculture - Harmony Park	655,005	-	(7,243)	647,762	7,345
Department of Commerce:					
Unrestricted	529,346	-	(8,799)	520,547	8,843
Unrestricted	-	-	-	-	-
Unrestricted	-	-	-	-	-
Cosecha Court II Phase II - HTF	3,027,172	-	-	3,027,172	61,619
Valley 7	594,182	-	-	594,182	-
Nueva Primavera	972,260	-	(3,750)	968,510	3,751
Mariposa Park	776,800	-	-	776,800	4,000
Mariposa Park	103,056	-	-	103,056	-
Total long-term debt	\$ 15,817,405	\$ 10,240,040	\$ (178,648)	\$ 25,878,797	\$ 564,429

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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### 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 \$47,382 as of December 31, 2023.

#### Revenue Bond:

*Banner Bank - Nueva* – A private placement revenue bond for \$2,025,000, which refinanced Nueva Primavera's existing revenue bond, \$1,708,272 all of which was outstanding at December 31, 2023. 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
2024	46,420	74,980	121,400
2025	48,500	72,900	121,400
2026	50,000	71,400	121,400
2027	52,160	69,240	121,400
2028	54,000	67,400	121,400
2029	1,457,192	26,960	1,484,152
	<u>\$ 1,708,272</u>	<u>\$ 382,880</u>	<u>\$ 2,091,152</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 \$247,358 as of December 31, 2023.

*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 \$704,093 as of December 31, 2023.

*Impact Capital – Cosecha Court II Phase III* - In 2023 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, 2023 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 was secured in March of 2024 as discussed in Note 17.

*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, 2023, the Yakima Federal loan balance was \$1,114,498.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2023

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

*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 \$164,524 as of December 31, 2023.

*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 \$3,324,685 at December 31, 2023.

*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, 2023.

*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 \$145,358 as of December 31, 2023.

*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, 2023. The mortgage is collateralized by the property. The loan balance was \$647,761 as of December 31, 2023.

*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 \$520,547 as of December 31, 2023. 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, 2023, 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, 2023.

*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, 2023.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2023

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

*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, 2023.

*Washington State Housing Finance Commission - Meadow Annex, Rainier Vista, and Zillah Gardens.* YHA secured \$3,990,917 in loans from the Washington State Housing Finance Commission, distributed as follows: Meadow Annex: \$1,633,582, Zillah Gardens: \$850,763, Rainier Vista: \$1,506,571. Interest accrues at the rate of 1% per annum. No payment of interest or principal is required until the maturity date of October 31, 2028. Funds are to be used solely for the acquisition and rehabilitation development and construction of the designated affordable housing properties.

*Yakima Federal Bank - Meadow Annex, Rainier Vista, and Zillah Gardens.* YHA secured loans totaling \$6,098,500 from Yakima Federal Bank, allocated as follows: Meadow Annex: \$525,000, Zillah Gardens: \$2,473,500, Rainier Vista: \$3,100,000. 60 Monthly interest and principal payments are required. At maturity on October 1, 2028, a final balloon payment is required. Interest accrues at the rate of 5.25% per annum. Funds are to be used solely for the acquisition and rehabilitation development and construction of the designated affordable housing properties.

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

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

	Principal	Interest	Total
2024	378,249	169,839	548,088
2025	591,453	156,944	748,397
2026	360,946	144,407	505,353
2027	1,396,110	144,407	1,540,517
2028	10,089,417	535,316	10,624,733
2028-2032	1,774,359	100,372	1,874,731
2033-2037	1,548,023	366,377	1,914,400
2038-2042	1,615,593	235,489	1,851,082
2043-2047	1,362,150	130,135	1,492,285
2048-2052	2,109,158	36,421	2,145,579
2052+	4,301,865	-	4,301,865
	<u>\$ 25,527,323</u>	<u>\$ 2,019,707</u>	<u>\$ 27,547,030</u>

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2023

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

A summary of changes in YHA's discretely presented component units' long-term debt for the year ended December 31, 2023, is presented below:

	Balance at January 1, 2023	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Revenue Bonds:					
Banner Bank - YHA Affordable Housing	\$ 4,335,484	\$ -	\$ 70,094	\$ 4,193,623	\$ 71,767
Due to Yakima Housing Authority:					
Capital Lease Loan - YHA Family	5,873,120	-	-	5,873,120	-
Due from Yakima Veterans	2,900,000	-	2,741,677	158,323	-
Due from Fruitvale Housing - Re-Loan	11,700	-	11,700	-	-
Real Estate Mortgages:				-	
Housing Trust Fund - Yakima Veterans	2,002,057	-	-	2,002,057	-
Banner Bank - Fruitvale	-	5,145,908	-	5,145,908	
Department of Community Trade and Economic Development:					
Topenish Family	2,100,000	-	-	2,100,000	-
Total long-term debt	<u>\$ 17,222,361</u>	<u>\$ 5,145,908</u>	<u>\$ 2,823,471</u>	<u>\$ 19,473,031</u>	<u>\$ 71,767</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 \$4,265,390 as of December 31, 2023.

	Principal	Interest	Total
2024	52,978	189,900	242,878
2025	73,900	187,200	261,100
2026	76,800	184,400	261,200
2027	79,700	181,500	261,200
2028	82,400	178,500	260,900
2029-2032	192,528	516,500	709,028
2033-2037	392,600	640,600	1,033,200
2038-2043	3,314,484	32,030	3,346,514
	<u>\$ 4,265,390</u>	<u>\$ 2,110,630</u>	<u>\$ 6,376,020</u>



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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

#### Real Estate Mortgages:

*Department of Commerce – Toppenish Family* - In 2015, the Yakima Housing Authority (YHA) was granted a loan of \$2,100,000 to construct the Toppenish Family Housing, a 24-unit housing development. As of December 31, 2019, the entire loan amount had been drawn down. The principal is due in full by the year 2056. No interest accrues on this loan, and repayment is contingent upon cash flow generated by the property. The loan is secured by a mortgage on the property. As of December 31, 2023, the outstanding loan balance was \$2,100,000.

*Department of Commerce HTF – Yakima Veterans Housing, LLLP* - In 2020, YHA signed a promissory note for \$2,002,057 for the construction of Yakima Veterans Housing (YVH). The interest rate on the loan is 1%, and interest began accruing on July 31, 2021. Repayment of the loan is based on available cash flow, with the full balance of the note due by June 30, 2061. As of December 31, 2023, the outstanding loan balance was \$2,002,057.

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

	Principal	Interest	Total
2024	-	20,100	20,100
2025	-	20,100	20,100
2026	-	20,100	20,100
2027	-	20,100	20,100
2028	-	20,100	20,100
2029-2033	-	100,105	100,105
2034-2038	-	100,105	100,105
2039-2043	-	100,105	100,105
2044-2048	-	100,105	100,105
2059+	4,102,057	261,300	4,363,357
	<u>\$ 4,102,057</u>	<u>\$ 762,220</u>	<u>\$ 4,864,277</u>

#### Compensated Absences:

The compensated absence balances for the primary government as of December 31, 2023 is as follows:

Compensated absences as of January 1, 2023	\$ 138,042
Compensated absences earned by employees	174,998
Compensated absences utilized by employees	(162,029)
Compensated absences as of December 31, 2023	<u>151,011</u>

The compensated absence balances for the discretely presented components as of December 31, 2023 is as follows:

Compensated absences as of January 1, 2023	\$ 40,967
Compensated absences earned by employees	44,851
Compensated absences utilized by employees	(47,299)
Compensated absences as of December 31, 2023	<u>38,519</u>



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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 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, 2023, 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 2023.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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, 2023, there were 42 eligible participants in the Defined Contribution Plan. The covered payroll for employees in the plan was \$2,709,286 on December 31, 2023. Full-time employees are eligible after one year.

Employer contributions were \$192,045 for the year ended December 31, 2023. 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 exceed 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 the 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, 2023

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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 on a 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 coverage includes 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.

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 several federal and state assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in a 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 farm workers 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.

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.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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

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, 2023, 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, 2023, 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, 2023

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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 noncompliance with the terms of the FHLB AHP application. As of December 31, 2023, 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, 2023, \$213,302 has been received.

As of December 31, 2023, the Housing Authority has received a recoverable grant totaling \$630,565 from the Washington Department of Commerce for the rehabilitation and preservation of the Harmony Park project, which currently provides low-income housing. The grant is conditional on the Housing Authority's continued provision of housing to low-income individuals for a commitment period of thirty-five (35) years. The commitment period is set to expire on December 31, 2058. In the event that the project is sold, refinanced, transferred, experiences a change in use during the 32-year commitment period, or is found to be out of compliance with the contract's conditions, the full grant amount of \$630,565, in addition to a proportional share of any appreciation in the property's value, will be due and payable to the Washington Department of Commerce within 30 days of such an event. As of December 31, 2023, management has confirmed receipt of the full grant amount.

#### **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, 2023. As of December 31, 2023, accrued interest of \$1,593,011 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, 2023, 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, 2023, the Investor Member has made all required capital contributions.



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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

*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, 2023, \$157,056 was recorded as a management fee expense, \$0 of which was outstanding at December 31, 2023.

#### **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, 2023, \$9,501 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2023.

#### **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, 2023.

*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, 2023, \$11,645 was recorded as a management fee expense, \$1,557 of which was outstanding at December 31, 2023.

*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, 2023, \$18,448 was recorded as management fee expense, \$0 of which was outstanding at December 31, 2023.

*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, 2023, \$6,149 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2023.

#### **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, 2023. 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, 2023, the outstanding balance was \$2,350,000 and the interest payable was \$986,172. For the year ended December 31, 2023 interest expense was \$197,181.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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

*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, 2023, \$57,773 was recorded as a management fee expense, \$4,840 of which was outstanding at December 31, 2023.

#### ***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, 2023, \$5,534 was recorded as asset management fee expense, and there was no outstanding fee payable at December 31, 2023.

#### ***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, 2023, 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, 2023, the outstanding balance was \$158,323 and the interest receivable was \$12,957.

*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, \$30,103 was recorded as a management fee expense, \$103,729 of which was outstanding at December 31, 2023.

*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, 2023, the Limited Partner earned and was paid an Investor Services Fee of \$ 5,305.

*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, 2023 was \$205,705 and accrued interest was \$20,571.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

### December 31, 2023

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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, 2023, the General Partner earned a Partnership Administration Fee of \$10,079 and the Partnership Administration Fee owed was \$ 23,822.

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

In November of 2023, Fruitvale Housing, LLP signed a promissory note 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, 2023, the balance in the reserve was \$433,232, and was overfunded by \$1,807.

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, 2023, the balance in the reserve was \$1,156,714, and was over funded by \$7,227.



# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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, 2023, 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, 2023, 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, 2023, the reserve balance was \$ 320,555.

#### **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, 2023, the reserve balance was \$182,161, 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, 2023, the reserve balance was \$ 293,406, and was in compliance with the reserve requirement.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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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, 2023, the reserve balance was \$25,017 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, 2023, the reserve balance was \$ 36,920.

### **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 2023.

There are construction projects in process as of December 31, 2023 including Fruitvale Housing, which was given Notice to Proceed on October 27, 2022, \$11,410,541 was spent as of December 31, 2023.

### **NOTE 17 — SUBSEQUENT EVENTS:**

Subsequent to the end of the year, on March 27, 2024, Cosecha Court 2, Phase 3 entered into a loan agreement with Yakima Federal for an amount of \$947,000. This loan is intended to support the continued development of the project and finance additional capital improvements.

On March 14, 2024, Cosecha Court 2 Phase 3 entered into a loan agreement with the Housing Trust Program for a total loan amount of \$3,741,624, under Contract No. 22-94120-014. The promissory note is subject to the terms and conditions outlined by the Housing Trust Program, with a commitment period of forty (40) years. Proceeds from this loan were used by the Housing Authority (YHA) to enter into a contract with Walker, totaling \$3,339,829. The funds are designated for the provision of housing to low-income individuals. The grant associated with this loan is conditional upon the Housing Authority's continued compliance with the provision of housing to low-income residents throughout the commitment period. Cosecha Court II Phase III - completed syndication during March 2024.

# Housing Authority of the City of Yakima

## Notes to Basic Financial Statements

December 31, 2023

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

During the year ended December 31, 2023 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, 2023. During the year end December 21, 2023, YHA has adopted GASB 96 into the 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. GASB No. 94 had not material impact to the Statements of Net Position or Statements of Activities and Changes in Net Position.

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**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Primary Government**  
**December 31, 2023**

	YHA Business Activities	YHA COCC	Moving to Work Demonstration	Housing Choice Vouchers	MTW for HCV	FSS Forfeitures	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	Farm Labor Housing Loans and Grants	Subtotal	Eliminating Entries	Primary Government
<i>Current Assets:</i>															
Cash and cash equivalents - unrestricted	\$ 3,625,047	\$ 995	\$ 211,225	\$ -	\$ -	\$ -	\$ 74,933	\$ 115,856	\$ 180,931	\$ 285,690	\$ 176,632	\$ 47,186	\$ 4,718,495	\$ -	\$ 4,718,495
Accounts receivables, net of allowance	3,383,335	187,192	-	-	-	-	29,235	33,202	37,883	19,911	125,438	-	3,816,196	(315,000)	3,501,196
Prepaid expenses and other assets	354,535	-	-	-	-	-	-	-	-	-	2,447	-	356,982	-	356,982
Inventories	9,403	-	-	-	-	-	-	-	-	-	-	-	9,403	-	9,403
Due from other funds	87,833	-	-	-	-	-	-	-	-	2,854	-	-	90,687	(90,687)	-
	7,460,153	188,187	211,225	-	-	-	104,168	149,058	218,814	308,455	304,517	47,186	8,991,763	(405,687)	8,586,076
<i>Restricted Assets:</i>															
Cash and cash equivalents - other restricted	38,224	-	276,068	-	-	102,794	-	-	-	-	-	-	417,086	-	417,086
Cash - tenant security deposits	44,006	-	-	-	-	-	-	-	-	18,580	36,279	-	98,865	-	98,865
Investments - restricted	175,881	6,025	-	-	-	-	-	-	-	1,307,495	616,710	345,957	2,452,068	-	2,452,068
	258,111	6,025	276,068	-	-	102,794	-	-	-	1,326,075	652,989	345,957	2,968,019	-	2,968,019
Total current assets	7,718,264	194,212	487,293	-	-	102,794	104,168	149,058	218,814	1,634,530	957,506	393,143	11,959,782	(405,687)	11,554,095
<i>Noncurrent Assets:</i>															
Investment in Component Units	1,066,519	-	-	-	-	-	-	-	-	-	-	-	1,066,519	-	1,066,519
Loan Receivable from Component Units	12,648,415	-	-	-	-	-	-	-	-	-	-	-	12,648,415	-	12,648,415
Capital assets:															
Land	3,179,486	-	-	-	-	-	-	-	-	787,021	749,667	212,025	4,928,199	-	4,928,199
Buildings	15,022,791	-	-	-	-	-	-	-	-	10,976,966	19,911,505	2,824,234	48,735,496	-	48,735,496
Furniture, equipment and machinery - dwellings	2,999	-	-	-	-	-	-	-	-	458,520	195,451	253,542	910,512	-	910,512
Furniture, equipment and machinery - admin	1,279,214	20,367	35,128	-	-	-	-	-	-	23,237	-	-	1,357,946	-	1,357,946
Accumulated depreciation	(1,488,623)	(3,055)	(35,128)	-	-	-	-	-	-	(4,902,892)	(9,316,608)	(1,054,294)	(16,800,600)	-	(16,800,600)
Construction in progress	423,395	-	-	-	-	-	-	-	-	-	-	-	423,395	-	423,395
Total noncurrent assets	32,134,196	17,312	-	-	-	-	-	-	-	7,342,852	11,540,015	2,235,507	53,269,882	-	53,269,882
Total assets	\$ 39,852,460	\$ 211,524	\$ 487,293	\$ -	\$ -	\$ 102,794	\$ 104,168	\$ 149,058	\$ 218,814	\$ 8,977,382	\$ 12,497,521	\$ 2,628,650	\$ 65,229,664	\$ (405,687)	\$ 64,823,977

**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Primary Government**  
**December 31, 2023**

	YHA Business Activities	YHA COCC	Moving to Work Demonstration	Housing Choice Vouchers	MTW for HCV	Housing Choice Vouchers	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	Farm Labor Housing Loans and Grants	Subtotal	Eliminating Entries	Primary Government
<i>Current Liabilities:</i>															
Accounts payable less than 90 days	\$ 50,115	\$ 2,469	\$ 301	\$ -	\$ -	\$ -	\$ -	\$ 101	\$ -	\$ 13,640	\$ 26,905	\$ 594	94,125	\$ -	\$ 94,125
Developer fee payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued wages and payroll taxes	5,880	12,937	13,055	-	-	-	3,765	500	326	3,363	9,259	731	49,816	-	49,816
Accrued compensated absences - current	9,931	43,066	32,436	-	-	-	11,313	1,524	1,124	10,579	23,243	2,695	135,911	-	135,911
Accrued interest payable	2,354	-	-	-	-	-	-	-	-	-	76,356	-	78,710	-	78,710
Accrued liabilities - other	-	-	-	-	-	-	-	-	-	315,000	-	-	315,000	(315,000)	-
Unearned income	1,059	-	-	-	-	-	-	-	94,201	4,510	19,973	-	119,743	-	119,743
Short-term note payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of long term debt	285,043	-	-	-	-	-	-	-	-	87,336	186,014	6,036	564,429	-	564,429
Due to other funds	-	2,854	-	-	-	-	87,833	-	-	-	-	-	90,687	(90,687)	-
	354,382	61,326	45,792	-	-	-	102,911	2,125	95,651	434,428	341,750	10,056	1,448,421	(405,687)	1,042,734
<i>Payables from Restricted Assets:</i>															
Accounts payable - other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FSS Escrow deposit	-	-	276,068	-	-	-	-	-	-	-	-	-	276,068	-	276,068
Tenant security deposits	44,006	-	-	-	-	-	-	-	-	18,580	36,279	-	98,865	-	98,865
	44,006	-	276,068	-	-	-	-	-	-	18,580	36,279	-	374,933	-	374,933
Total current liabilities	398,388	61,326	321,860	-	-	-	102,911	2,125	95,651	453,008	378,029	10,056	1,823,354	(405,687)	1,417,667
<i>Noncurrent Liabilities:</i>															
Long-term debt, net of current	14,666,562	-	-	-	-	-	-	-	-	4,420,753	6,087,731	139,322	25,314,368	-	25,314,368
SBITA Liability	265,520	-	-	-	-	-	-	-	-	-	-	-	265,520	-	265,520
Accrued compensated absences, net of current	1,103	4,785	3,604	-	-	-	1,257	169	125	1,176	2,582	299	15,100	-	15,100
Deferred inflow of Resources -Lease	1,085,966	-	-	-	-	-	-	-	-	-	-	-	1,085,966	-	1,085,966
Other noncurrent liabilities	396,017	-	-	-	-	-	-	-	-	-	-	-	396,017	-	396,017
Total noncurrent liabilities	16,415,168	4,785	3,604	-	-	-	1,257	169	125	4,421,929	6,090,313	139,621	27,076,971	-	27,076,971
Total liabilities	16,813,556	66,111	325,464	-	-	-	104,168	2,294	95,776	4,874,937	6,468,342	149,677	28,900,325	(405,687)	28,494,638
<i>Net Position:</i>															
Net investment in capital assets	3,152,597	17,312	-	-	-	-	-	-	-	2,834,763	5,266,270	2,090,149	13,361,091	-	13,361,091
Restricted for:															
Required reserves	137,657	6,025	-	-	-	102,794	-	-	-	1,307,495	616,710	345,957	2,516,638	-	2,516,638
Transfer for eliminations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted net position	19,748,650	122,076	161,829	-	-	-	-	146,764	123,038	(39,813)	146,199	42,867	20,451,610	-	20,451,610
Total net position	23,038,904	145,413	161,829	-	-	102,794	-	146,764	123,038	4,102,445	6,029,179	2,478,973	36,329,339	-	36,329,339
Total liabilities and net position	\$ 39,852,460	\$ 211,524	\$ 487,293	\$ -	\$ -	\$ 102,794	\$ 104,168	\$ 149,058	\$ 218,814	\$ 8,977,382	\$ 12,497,521	\$ 2,628,650	\$ 65,229,664	\$ (405,687)	\$ 64,823,977

**Housing Authority of the City of Yakima**
**Combining Schedules of Revenue, Expenses and Changes in Net Position - Primary Government**
**For the Fiscal Period Ending December 31, 2023**

	YHA Business Activities	YHA COCC	MTW	Housing Choice Vouchers	MTW for HCV	FSS Fofeitures	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	Farm Labor Housing Loans and Grants	Subtotal	Eliminating Entries	Primary Government
<b>Operating Revenue:</b>															
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 504,646	\$ 9,132,011	\$ -	\$ 199,999	\$ 775,969	\$ 793,613	\$ -	\$ -	\$ -	\$ 11,406,238	\$ -	\$ 11,406,238
Net tenant rental revenue	422,807	-	-	-	-	-	-	-	-	1,248,563	1,185,362	105,756	2,962,488	-	2,962,488
Other revenue	360,053	968,016	16,872	-	-	73,666	-	-	-	3,795	3,280	47	1,425,729	(593,282)	832,447
Other tenant revenue	39,658	-	-	-	-	-	-	-	-	15,143	57,962	-	112,763	-	112,763
Total operating revenue	822,518	968,016	16,872	504,646	9,132,011	73,666	199,999	775,969	793,613	1,267,501	1,246,604	105,803	15,907,218	(593,282)	15,313,936
<b>Operating Expenses:</b>															
Administrative wages	137,260	545,399	122,068	46,193	-	-	24,126	14,302	20,506	78,580	95,674	9,225	1,093,333	-	1,093,333
Professional fees	8,190	16,584	63,043	-	-	-	-	127	51	11,887	18,132	1,525	119,539	-	119,539
Employee benefit contributions	46,043	170,992	111,755	12,049	-	-	10,630	5,362	11,811	25,770	39,421	4,712	438,545	-	438,545
Other operating - administrative	199,947	93,695	347,098	10,038	-	-	15,107	27,608	21,774	122,235	307,068	48,896	1,193,466	(593,282)	600,184
Tenant services	113,835	5,556	270,173	-	-	-	160,589	-	16,308	31,641	6,773	660	605,535	-	605,535
	505,275	832,226	914,137	68,280	-	-	210,452	47,399	70,450	270,113	467,068	65,018	3,450,418	(593,282)	2,857,136
<b>Utilities:</b>															
Electricity	10,097	15,936	-	-	-	-	-	-	-	38,956	22,998	19,839	107,826	-	107,826
Other utilities expense	6,381	5,009	70	-	-	-	-	-	-	22	1,008	286	12,776	-	12,776
Sewer	13,220	1,426	-	-	-	-	-	-	-	48,553	156,747	5,986	225,932	-	225,932
Water	11,995	2,287	-	-	-	-	-	-	-	53,006	183,886	6,054	257,228	-	257,228
	41,693	24,658	70	-	-	-	-	-	-	140,537	364,639	32,165	603,762	-	603,762
<b>Ordinary maintenance and operations:</b>															
Contract costs	51,020	70,356	63,871	-	-	-	-	13	129	81,897	241,646	26,548	535,480	-	535,480
Employee benefit contributions	28,566	-	2,835	-	-	-	-	-	-	27,757	122,150	10,799	192,107	-	192,107
Maintenance and operations wages	52,156	-	9,825	-	-	-	-	-	-	91,520	342,376	28,485	524,362	-	524,362
Materials and other	16,363	190	306	-	-	-	-	9	8	17,800	62,932	4,565	102,173	-	102,173
	148,105	70,546	76,837	-	-	-	-	22	137	218,974	769,104	70,397	1,354,122	-	1,354,122

**Housing Authority of the City of Yakima**  
**Combining Schedules of Revenue, Expenses and Changes in Net Position - Primary Government**  
**For the Fiscal Period Ending December 31, 2023**

	YHA Business Activities	YHA COCC	MTW	Housing Choice Vouchers	MTW for HCV	FSS Fofeitures	FSS	Mainstream	EHV	State & Local	Rural Assistance Programs	Farm Labor Housing Loans and Grant	Subtotal	Eliminating Entries	Primary Government
General expenses:															
Depreciation expense	380,510	1,018	42	-	-	-	-	-	-	304,680	216,135	97,547	999,932	-	999,932
Amortization expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing assistance payments	-	-	8,176,444	436,366	-	-	-	662,384	666,274	-	-	-	9,941,468	-	9,941,468
Insurance premiums	22,433	13,827	14,401	-	-	-	-	1,393	1,586	35,054	81,504	7,184	177,382	-	177,382
Bad debt - tenant rents	-	-	-	-	-	-	-	-	-	38,364	194,303	-	232,667	-	232,667
Bad debt - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other general expenses	23,587	65,974	26,195	-	-	-	15,847	-	-	10,381	23,723	13,827	179,534	-	179,534
Protective services contract costs	1,325	2,759	3,267	-	-	-	-	-	-	1,608	2,369	1,607	12,935	-	12,935
Payments in lieu of taxes	-	-	-	-	-	-	-	-	-	325	-	-	325	-	325
	427,855	83,578	8,220,349	436,366	-	-	15,847	663,777	667,860	390,412	518,034	120,165	11,544,243	-	11,544,243
Total operating expenses	1,122,928	1,011,008	9,211,393	504,646	-	-	226,299	711,198	738,447	1,020,036	2,118,845	287,745	16,952,545	(593,282)	16,359,263
Operating Income (Loss)	\$ (300,410)	\$ (42,992)	\$ (9,194,521)	\$ -	\$ 9,132,011	\$ 73,666	\$ (26,300)	\$ 64,771	\$ 55,166	\$ 247,465	\$ (872,241)	\$ (181,942)	\$ (1,045,327)	\$ -	\$ (1,045,327)
Nonoperating Revenue (Expenses):															
Gain on the sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	(100,476)	-	-	-	-	-	-	-	-	(118,730)	(92,935)	(1,486)	(313,627)	-	(313,627)
Debt issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	146,521	-	-	-	-	-	26,300	-	-	36,698	1,892,003	169,804	2,271,326	-	2,271,326
Investment revenue - restricted	14	-	-	-	-	-	-	-	-	21	114	-	149	-	149
Investment revenue - unrestricted	622,973	-	-	-	-	-	-	-	-	58	34	-	623,065	-	623,065
Total nonoperating revenue (expenses)	669,032	-	-	-	-	-	26,300	-	-	(81,953)	1,799,216	168,318	2,580,913	-	2,580,913
Income (Loss) Before Other Revenues, Expenses,															
Gains, Losses, and Transfers	368,622	(42,992)	(9,194,521)	-	9,132,011	73,666	-	64,771	55,166	165,512	926,975	(13,624)	1,535,586	-	1,535,586
Increase (Decrease) in Net Position	368,622	(42,992)	(62,510)	-	-	73,666	-	64,771	55,166	165,512	926,975	(13,624)	1,535,586	-	1,535,586
Net Position, Beginning of Year	\$ 22,421,974	188,404	-	224,339	-	29,128	-	81,993	67,872	3,936,933	5,102,204	2,492,598	34,545,445	-	34,545,445
Equity Transfer	248,308	-	224,339	(224,339)									248,308		248,308
Net Position, End of Year	\$ 23,038,904	\$ 145,412	\$ 161,829	\$ -	\$ -	\$ 102,794	\$ -	\$ 146,764	\$ 123,038	\$ 4,102,445	\$ 6,029,179	\$ 2,478,974	\$ 36,329,339	\$ -	\$ 36,329,339



# Housing Authority of the City of Yakima

## Notes to Combining Financial Schedules

December 31, 2023

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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
12/31/2014	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
12/31/2023	13,361,091	2,516,638	20,451,610	36,329,339

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)

**Table 2**

	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	December 31, 2023
<i>Operating Revenue:</i>										
Intergovernmental revenues	\$ 3,812,160	\$ 4,465,763	\$ 5,108,871	\$ 5,236,400	\$ 5,853,773	\$ 5,963,064	\$ 8,134,603	\$ 8,889,027	\$ 9,435,841	\$ 11,406,238
Net tenant revenue	1,347,657	1,555,931	1,544,233	1,461,204	1,637,226	1,722,149	1,926,741	2,126,992	2,284,344	2,962,488
Other revenues	1,040,913	638,583	1,969,497	701,576	732,753	919,773	1,199,284	1,591,334	1,272,788	945,210
	<u>6,200,730</u>	<u>6,660,277</u>	<u>8,622,601</u>	<u>7,399,180</u>	<u>8,223,752</u>	<u>8,604,986</u>	<u>11,260,628</u>	<u>12,607,353</u>	<u>12,992,973</u>	<u>15,313,936</u>
<i>Operating Expenses:</i>										
Administrative	880,236	1,303,055	1,423,049	1,456,614	1,654,048	1,941,884	1,834,732	1,987,705	2,039,260	2,857,136
Utilities	494,291	492,280	525,481	539,788	483,310	530,426	464,907	520,219	512,128	603,762
Ordinary maintenance and operating	868,013	806,893	792,754	901,460	804,225	940,660	1,070,745	1,505,435	1,441,683	1,354,122
General expenses	199,852	118,336	157,717	120,549	187,698	243,578	357,400	248,224	754,186	602,843
Depreciation	944,793	949,616	819,063	938,984	962,676	840,698	944,765	763,066	948,781	999,932
Housing assistance payments	3,631,338	3,983,015	4,375,261	4,568,069	5,195,877	5,249,567	6,902,117	7,684,013	8,412,754	9,941,468
	<u>7,018,523</u>	<u>7,653,195</u>	<u>8,093,325</u>	<u>8,525,464</u>	<u>9,287,834</u>	<u>9,746,813</u>	<u>11,574,666</u>	<u>12,708,662</u>	<u>14,108,792</u>	<u>16,359,263</u>
<i>Operating Loss</i>	<u>(817,793)</u>	<u>(992,918)</u>	<u>529,276</u>	<u>(1,126,284)</u>	<u>(1,064,082)</u>	<u>(1,141,827)</u>	<u>(314,038)</u>	<u>(101,309)</u>	<u>(1,115,819)</u>	<u>(1,045,327)</u>
<i>Nonoperating Revenue (Expenses):</i>										
Intergovernmental	920,683	919,704	739,836	770,556	711,689	824,868	2,454,651	5,496,578	1,984,634	2,271,326
Investment revenue	1,107	357,882	451,374	432,859	413,518	679,037	542,770	561,386	594,177	623,214
Interest expense	(582,944)	(240,573)	(211,319)	(137,205)	(163,153)	(177,930)	(165,530)	(208,983)	(222,283)	(313,627)
Debt issuance costs	(109,126)	(310,750)	(5,096)	-	-	-	-	-	-	-
Gain (loss) on disposition of assets	310,480	-	1,529,195	3,317	350	-	-	-	8,995	-
	<u>540,200</u>	<u>726,263</u>	<u>2,503,990</u>	<u>1,069,527</u>	<u>962,404</u>	<u>1,325,975</u>	<u>2,831,891</u>	<u>5,848,981</u>	<u>2,365,523</u>	<u>2,580,913</u>
<i>Income (Loss) before Capital Contributions</i>	<u>(277,593)</u>	<u>(266,655)</u>	<u>3,033,266</u>	<u>(56,757)</u>	<u>(101,678)</u>	<u>184,148</u>	<u>2,517,853</u>	<u>5,747,672</u>	<u>1,249,704</u>	<u>1,535,586</u>
<i>Pass-through funds</i>	-	-	-	-	-	-	-	-	-	-
<i>Partnership net income</i>	-	(41,782)	(76)	-	-	-	-	-	-	-
<i>Capital grants</i>	<u>1,065,000</u>	<u>654,570</u>	<u>927,902</u>	<u>495,867</u>	<u>2,645,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	787,407	346,133	3,961,092	439,110	2,543,684	184,148	2,517,853	5,747,672	1,249,704	1,535,586
<i>Net Position, Beginning of Year</i>	<u>17,196,847</u>	<u>17,984,254</u>	<u>17,903,088</u>	<u>21,864,180</u>	<u>22,303,290</u>	<u>24,846,974</u>	<u>25,031,122</u>	<u>27,548,069</u>	<u>33,295,741</u>	<u>34,545,445</u>
Capital contributions	-	(427,299)	-	-	-	-	(905)	-	-	-
Equity Transfers	-	-	-	-	-	-	-	-	-	248,308
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
<i>Net Position, End of Year</i>	<u>\$ 17,984,254</u>	<u>\$ 17,903,088</u>	<u>\$ 21,864,180</u>	<u>\$ 22,303,290</u>	<u>\$ 24,846,974</u>	<u>\$ 25,031,122</u>	<u>\$ 27,548,069</u>	<u>\$ 33,295,741</u>	<u>\$ 34,545,445</u>	<u>\$ 36,329,339</u>

Source: Previous years' audits and current year financial statements

**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
12/31/2014	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%
12/31/2023	2,962,488	19.35%	11,406,238	74.48%	945,210	6.17%	15,313,936	100.00%

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
12/31/2014	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%
12/31/2023	2,271,326	78.47%	623,214	21.53%	-	0.00%	2,894,540	100.00%

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, 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	December 31, 2023
Revenue (excluding HAP subsidy)	\$ 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	\$ 8,325,552
Expenses (excluding depreciation, HAP)	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	6,476,339
Revenue available for debt service	<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>	<u>\$ 1,849,213</u>
Debt Service Requirements:										
Principal	\$ 145,248	\$ 249,160	\$ 182,162	\$ 212,600	\$ 230,200	\$ 188,248	\$ 138,200	\$ 262,781	\$ 279,573	\$ 279,573
Interest	212,336	241,000	142,970	169,400	158,700	171,500	166,000	209,000	222,300	222,300
Total	<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>	<u>\$ 501,873</u>
Debt service coverage	6.94	3.61	11.6	2.33	2.18	2.7	2.0	10.1	2.3	3.7

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
12/31/2014	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%
12/31/2023	23,606,096	1,708,272	25,314,368	56,355,548	44.92%

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
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%
12/31/2023	256,643	2,697	7.80%

Note: This table includes all YHA housing programs.

Source:

- (1) United States Census Bureau
- (2) U.S. Bureau of Labor Statistics
- (3) 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

	2023		
	Employees	Rank	Percentage of Total County Employment
Yakima Valley Memorial Hospital	2,500	1	1.9%
Walmart - Yakima/Sunnyside/Grandview	1,700	2	1.3%
Yakima School District, No. 7	1,594	3	1.2%
Zirkle Fruit	1,500	4	1.1%
Washington Fruit & Produce	1,500	5	1.1%
Yakama Nation Government Operations	1,289	6	1.0%
Astria Health - Yakima	1,200	7	0.9%
Borton Fruit	1,212	8	0.9%
Yakima Nation Enterprises	1,170	9	0.9%
Yakima County	1,074	10	0.8%

	2014		
	Employees	Rank	Percentage of Total County Employment
Yakima Valley Memorial Hospital	2,500	1	1.0%
Yakima School District, No. 7	1,800	2	0.7%
Walmart - Yakima/Sunnyside/Grandview	1,500	3	0.6%
Washington State Social & Health Services	1,400	4	0.6%
Del Monte Foods - Yakima/Toppenish	1,200	5	0.4%
Yakima County	1,100	6	0.4%
Yakima Valley Farm Workers Clinic	1,006	7	0.4%
Washington Beef/AB Foods	850	8	0.3%
Yakima Regional Medical Center (HMA)	750	9	0.3%
Tree Top, Inc.	550	10	0.2%

Source:

(1) Washington State Employment Securities Department

(2) City of Yakima ACFR

(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
12/31/2014	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
12/31/2023	650	563	181	1,394

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
12/31/2014	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
12/31/2023	442	503	180	1,125

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
12/31/2014	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
12/31/2023	167	1,156	25	32	14	1,394

Housing Choice Voucher Program						
Fiscal Year	Caucasian	Latino	African American	Native American	Other	Total
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
12/31/2023	593	377	54	49	52	1,125

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	Harmony Park	Glenn Acres	Naches House	YHA Family Housing **	Toppenish Family Housing **	Yakima Veterans **	Meadows Annex**	Zillah Gardens	Rainier Vista**	Total
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	-	-	-	-	1,542
12/31/2019	142	934	-	83	15	-	16	38	26	24	38	51	150	30	-	-	-	-	1,547
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
12/31/2023	142	1,070	75	113	15	115	20	38	26	24	38	51	150	30	41	20	24	40	2,032

\* Seasonal Farmworker Housing - 20 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
Pioneer Plaza - Yakima	19861-19867 Summitview	4	1992
	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

**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
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	
<b>YHA Family Housing, LLC: - Yakima WA</b>			
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	
<b>Other housing developments:</b>			
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
Meadows Annex	1014 & 1016 S 9th St	20	2023
Zillah Gardens	704 3rd Ave	24	2023
Rainier Vista	310 7th Street	40	2023
Total other housing developments:		352	
Total Units		644	

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
12/31/2014	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
12/31/2023	2	6	11	27	3	49



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, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 30, 2024. 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.

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)

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

We noted certain matters that we reported to management of the Authority in a separate letter dated October 21, 2024.

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  
September 30, 2024



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, 2023. 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, 2023.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

*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 the compliance requirements 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 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 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

*Government Auditing Standards* requires the auditor to perform limited procedures on Housing Authority of the City of Yakima's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Housing Authority of the City of Yakima's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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  
September 30, 2024

**Housing Authority of the City of Yakima**  
**Schedule of Expenditures of Federal Awards**  
**12/31/2023**

<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	504,646
Mainstream Voucher Program	14.879	775,969
Section 8 Emergency Housing Voucher Program	14.871	793,613
Total Housing Voucher Cluster		<u>2,074,228</u>
MTW Demonstration Program for HCV program		
Section 8 MTW Housing Choice Voucher Program	14.881	9,132,011
Total MTW Demonstration Program for HCV Program		<u>9,132,011</u>
PIH Family Self-Sufficiency Program	14.896	226,299
Total PIH Family Self-Sufficiency		<u>226,299</u>
Section 8 Project-Based Cluster:		
Section 8 Housing Assistance Payments	14.195	52,059
Total Section 8 Project-Based Cluster		<u>52,059</u>
Total U.S. Department of Housing and Urban Development		<u>11,484,597</u>
<b>U. S. Department of Agriculture</b>		
Farm Labor Housing Loan and Grants	10.405	151,362
Farm Labor Housing Loan and Grants	10.405	246,366
		<u>397,728</u>
Rural Rental Housing Loans	10.415	655,005
Rural Rental Housing Loans	10.415	175,947
		<u>830,952</u>
Rural Rental Assistance Payments	10.427	169,804
Rural Rental Assistance Payments	10.427	133,997
Rural Rental Assistance Payments	10.427	643,330
		<u>947,131</u>
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Grant	10.447	484,111
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Loan	10.447	1,296,226
Rural Development Multi-Family Housing Revitalization Demonstration Program (MPR) - Loan	10.447	3,360,567
		<u>5,140,904</u>
Total U.S. Department of Agriculture		<u>7,316,715</u>
Total Expenditures of Federal Awards		<u><u>18,801,312</u></u>



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

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

### **December 31, 2023**

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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 \$642,766 in federal awards which are not included in YHA’s schedule of expenditures of federal awards for the year ended December 31, 2023.

*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, 2023 was \$145,358.07.

*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, 2023 was \$3,324,685.

*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, 2023 was \$647,761

*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, 2023 was \$164,524.

*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, 2023 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, 2023

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? \_\_\_\_\_ Yes      X   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   X   Yes    \_\_\_\_\_ 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:

<u>Assistance Listing</u> <u>numbers</u>	<u>Name of Federal Program or Cluster</u>
14.881	Moving to Work Demonstration Program
14.871/14.879	Housing Voucher Cluster

Housing Authority of the City of Yakima

Schedule of Findings and Questioned Costs - (Continued)

For the Year Ended December 31, 2023

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

No findings were noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding Reference Number:

2023-001

Information on the federal program:

Federal Award Identification: ALN 14.881 Moving to Work Demonstration Program

Federal Agency: Department of Housing and Urban Development

Pass-through entity: N/A

Perspective:

During our review of tenant files prepared by management, we performed procedures to audit compliance with program regulations and management controls over compliance.

Criteria:

The Authority must properly design, implement, and maintain effective internal controls to ensure that program participants are qualified and HUD program regulations are followed. The Authority's administrative plan includes specific procedures for obtaining documentation from third parties to support income reported by voucher holders. The administrative plan also defines circumstances when self certification of income by voucher holders is acceptable.

Condition:

During the auditor's test of compliance for the 2023 audit, it was noted that there was an exception to the Housing Authority's policy regarding when self-certification of income is permissible. It does not appear that verification of income was attempted prior to accepting self-certification of income.

Cause:

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

Housing Authority of the City of Yakima

Schedule of Findings and Questioned Costs - (Continued)

For the Year Ended December 31, 2023

Effect:

Income may not be properly verified therefore impacting eligibility and housing assistance payments.

Questioned costs:

Known questioned costs were below \$25,000.

Context:

A sample of 25 units were selected. One out of 25 included self certification only for income. Upon follow up with management, they acknowledged another seven additional voucher holders had a similar fact pattern.

Identification as a repeat finding:

N/A

Recommendation:

We recommend the Authority follow the Administrative Plan's criteria for verification of income through third parties and when self certifications are allowable.

Views of Responsible Officials:

See Corrective Action Plan.



*"Committed to Safe and Affordable Housing"*

## **Corrective Action Plan**

**For the year ended December 31, 2023**

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

Yakima Housing Authority respectfully submits the following corrective action plan for the year ended December 31, 2023.

#### **Auditor:**

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

The findings from the December 31, 2023 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

### **Findings – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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

2023-001

#### **Perspective:**

During our review of tenant files prepared by management, we performed procedures to audit compliance with program regulations and management controls over compliance.

#### **Criteria:**

The Authority must properly design, implement, and maintain effective internal controls to ensure that program participants are qualified and HUD program regulations are followed. The Authority's administrative plan includes specific procedures for obtaining documentation from third parties to support income reported by voucher holders. The administrative plan also defines circumstances when self certification of income by voucher holders is acceptable.

#### **Condition:**

During the auditor's test of compliance for the 2023 audit, it was noted that there was an exception to the Housing Authority's policy regarding when self-certification of income is permissible. It does not appear that verification of income was attempted prior to accepting self-certification of income.

#### **Cause:**

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

#### **Effect:**

Income may not be properly verified therefore impacting eligibility and housing assistance payments.

#### **Questioned Costs:**

Known questioned costs were zero.

P.O. BOX 1447 Yakima WA 98907 • [www.yakimahousing.org](http://www.yakimahousing.org)

810 N. 6th Ave. Yakima WA 98902 • PH 509. 453. 3106 • FX 509. 453. 3111 • TDD 1. 800. 545. 1833 ext 560



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*"Committed to Safe and Affordable Housing"*

**Context:**

A sample of 25 units were selected. One out of 25 included self certification only for income. Upon follow up with management, they acknowledged another seven additional voucher holders had a similar fact pattern.

**Identification as a repeat finding:**

N/A

**Recommendation:**

We recommend the Authority follow the Administrative Plan's criteria for verification of income through third parties and when self-certifications are allowable.

**Views of Responsible Officials and Planned Corrective Action:**

Inadequate procedures were the underlying cause. The Authority will establish a quarterly quality review procedure to randomly select tenant files to ensure program participants are qualified and HUD program regulations are followed. Additionally, HCV Specialist training and further HCV Rent Calculation training will be offered to tenured employees when available.



*"Committed to Safe and Affordable Housing"*

### Schedule of Prior Year Findings

#### Findings – Financial Statement Audit

##### Finding Reference Number:

2022-001

##### **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.

##### **Response:**

Corrective action was fully implemented during the fiscal year.

##### Finding Reference Number:

2022-002

##### **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.

##### **Response:**

Corrective action was fully implemented during the fiscal year.



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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
111 Cash - Unrestricted		\$115,856	\$0	\$3,625,047	\$285,690
112 Cash - Restricted - Modernization and Development		\$0	\$0	\$0	\$0
113 Cash - Other Restricted		\$0	\$0	\$38,224	\$0
114 Cash - Tenant Security Deposits		\$0	\$0	\$44,006	\$18,580
115 Cash - Restricted for Payment of Current Liabilities		\$0	\$0	\$0	\$0
100 Total Cash	\$0	\$115,856	\$0	\$3,707,277	\$304,270
121 Accounts Receivable - PHA Projects		\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects		\$33,202	\$0	\$0	\$0
124 Accounts Receivable - Other Government		\$0	\$0	\$30,000	\$0
125 Accounts Receivable - Miscellaneous		\$0	\$0	\$647,600	\$0
126 Accounts Receivable - Tenants		\$0	\$0	\$9,332	\$71,924
126.1 Allowance for Doubtful Accounts -Tenants		\$0	\$0	\$0	-\$52,013
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$0	\$0	\$49,534	\$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	\$2,646,869	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$33,202	\$0	\$3,383,335	\$19,911
131 Investments - Unrestricted		\$0	\$0	\$0	\$0
132 Investments - Restricted		\$0	\$0	\$175,881	\$1,307,495
135 Investments - Restricted for Payment of Current Liability		\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets		\$0	\$0	\$4,535	\$0
143 Inventories		\$0	\$0	\$10,448	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
143.1 Allowance for Obsolete Inventories		\$0	\$0	-\$1,045	\$0
144 Inter Program Due From		\$0	\$0	\$87,833	\$2,854
145 Assets Held for Sale		\$0	\$0	\$0	\$0
150 Total Current Assets	\$0	\$149,058	\$0	\$7,368,264	\$1,634,530
161 Land		\$0	\$0	\$3,179,486	\$787,021
162 Buildings		\$0	\$0	\$15,022,791	\$10,976,966
163 Furniture, Equipment & Machinery - Dwellings		\$0	\$0	\$2,999	\$458,520
164 Furniture, Equipment & Machinery - Administration		\$0	\$0	\$1,279,214	\$23,237
165 Leasehold Improvements		\$0	\$0	\$0	\$0
166 Accumulated Depreciation		\$0	\$0	-\$1,488,623	-\$4,902,892
167 Construction in Progress		\$0	\$0	\$423,395	\$0
168 Infrastructure		\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$18,419,262	\$7,342,852
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$0	\$12,648,415	\$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	\$350,000	\$0
176 Investments in Joint Ventures		\$0	\$0	\$1,066,519	\$0
180 Total Non-Current Assets	\$0	\$0	\$0	\$32,484,196	\$7,342,852
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$0	\$149,058	\$0	\$39,852,460	\$8,977,382

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
311 Bank Overdraft		\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days		\$101	\$0	\$50,115	\$13,640
313 Accounts Payable >90 Days Past Due		\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable		\$500	\$0	\$5,880	\$3,363
322 Accrued Compensated Absences - Current Portion		\$1,524	\$0	\$9,931	\$10,579
324 Accrued Contingency Liability		\$0	\$0	\$0	\$0
325 Accrued Interest Payable		\$0	\$0	\$2,354	\$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	\$44,006	\$18,580
342 Unearned Revenue		\$0	\$0	\$1,059	\$4,510
343 Current Portion of Long-term Debt - Capital		\$0	\$0	\$235,512	\$87,336
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0	\$49,534	\$0
345 Other Current Liabilities		\$0	\$0	\$0	\$315,000
346 Accrued Liabilities - Other		\$0	\$0	\$0	\$0
347 Inter Program - Due To		\$0	\$0	\$0	\$0
348 Loan Liability - Current		\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$2,125	\$0	\$398,391	\$453,008
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$0	\$0	\$14,981,619	\$4,420,753
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other		\$0	\$0	\$346,477	\$0
354 Accrued Compensated Absences - Non Current		\$169	\$0	\$1,103	\$1,176
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: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$0	\$169	\$0	\$15,329,199	\$4,421,929
300 Total Liabilities	\$0	\$2,294	\$0	\$15,727,590	\$4,874,937
400 Deferred Inflow of Resources		\$0	\$0	\$1,085,966	\$0
508.4 Net Investment in Capital Assets	\$0	\$0	\$0	\$3,152,597	\$2,834,763
511.4 Restricted Net Position	\$0	\$0	\$0	\$137,657	\$1,307,495
512.4 Unrestricted Net Position	\$0	\$146,764	\$0	\$19,748,650	-\$39,813
513 Total Equity - Net Assets / Position	\$0	\$146,764	\$0	\$23,038,904	\$4,102,445
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$149,058	\$0	\$39,852,460	\$8,977,382

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
111 Cash - Unrestricted	\$0	\$74,933	\$1,751,256	\$211,225	\$176,632
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$102,794	\$0	\$350,000	\$276,068	\$0
114 Cash - Tenant Security Deposits	\$0	\$0	\$90,842	\$0	\$36,279
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$102,794	\$74,933	\$2,192,098	\$487,293	\$212,911
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$29,235	\$0	\$0	\$99,950
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$0	\$0	\$221,786	\$0	\$230,747
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	-\$129,026	\$0	-\$205,259
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$31,310	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	-\$31,310	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$29,235	\$92,760	\$0	\$125,438
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$2,528,166	\$0	\$616,710
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$0	\$197,021	\$0	\$2,447
143 Inventories	\$0	\$0	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$102,794	\$104,168	\$5,010,045	\$487,293	\$957,506
161 Land	\$0	\$0	\$1,752,064	\$0	\$749,667
162 Buildings	\$0	\$0	\$47,239,145	\$0	\$19,911,505
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$915,849	\$35,128	\$195,451
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$0	\$0
165 Leasehold Improvements	\$0	\$0	\$1,085,966	\$0	\$0
166 Accumulated Depreciation	\$0	\$0	-\$10,448,235	-\$35,128	-\$9,316,608
167 Construction in Progress	\$0	\$0	\$11,410,541	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$51,955,330	\$0	\$11,540,015
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$180,735	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$0	\$0	\$52,136,065	\$0	\$11,540,015
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$102,794	\$104,168	\$57,146,110	\$487,293	\$12,497,521
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
312 Accounts Payable <= 90 Days	\$0	\$0	\$4,726,869	\$301	\$26,905
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$3,765	\$6,619	\$13,055	\$9,259
322 Accrued Compensated Absences - Current Portion	\$0	\$11,313	\$34,668	\$32,436	\$23,243
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$2,881,194	\$0	\$76,356
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$0	\$90,842	\$0	\$36,279
342 Unearned Revenue	\$0	\$0	\$18,838	\$0	\$19,973
343 Current Portion of Long-term Debt - Capital	\$0	\$0	\$71,767	\$0	\$186,014
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$666,360	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$205,705	\$0	\$0
347 Inter Program - Due To	\$0	\$87,833	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$102,911	\$8,702,862	\$45,792	\$378,029
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0	\$0	\$19,473,031	\$0	\$6,087,731
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$6,516,411	\$276,068	\$0
354 Accrued Compensated Absences - Non Current	\$0	\$1,257	\$3,851	\$3,604	\$2,582
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
350 Total Non-Current Liabilities	\$0	\$1,257	\$25,993,293	\$279,672	\$6,090,313
300 Total Liabilities	\$0	\$104,168	\$34,696,155	\$325,464	\$6,468,342
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$0	\$0	\$29,219,469	\$0	\$5,266,270
511.4 Restricted Net Position	\$102,794	\$0	\$2,178,166	\$0	\$616,710
512.4 Unrestricted Net Position	\$0	\$0	-\$8,947,680	\$161,829	\$146,199
513 Total Equity - Net Assets / Position	\$102,794	\$0	\$22,449,955	\$161,829	\$6,029,179
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$102,794	\$104,168	\$57,146,110	\$487,293	\$12,497,521



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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
111 Cash - Unrestricted	\$47,186	\$0	\$180,931		
112 Cash - Restricted - Modernization and Development	\$0	\$0			
113 Cash - Other Restricted	\$0	\$0			
114 Cash - Tenant Security Deposits	\$0	\$0			
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0			
100 Total Cash	\$47,186	\$0	\$180,931		
121 Accounts Receivable - PHA Projects	\$0	\$0			
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$37,883		
124 Accounts Receivable - Other Government	\$0	\$0			
125 Accounts Receivable - Miscellaneous	\$0	\$0			
126 Accounts Receivable - Tenants	\$0	\$0			
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0			
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0		
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0			
128 Fraud Recovery	\$0	\$0			
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0			
129 Accrued Interest Receivable	\$0	\$0			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$37,883		
131 Investments - Unrestricted	\$0	\$0			
132 Investments - Restricted	\$345,957	\$0			
135 Investments - Restricted for Payment of Current Liability	\$0	\$0			
142 Prepaid Expenses and Other Assets	\$0	\$0			
143 Inventories	\$0	\$0			
143.1 Allowance for Obsolete Inventories	\$0	\$0			

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
144 Inter Program Due From	\$0	\$0			
145 Assets Held for Sale	\$0	\$0			
150 Total Current Assets	\$393,143	\$0	\$218,814		
161 Land	\$212,025	\$0			
162 Buildings	\$2,824,234	\$0			
163 Furniture, Equipment & Machinery - Dwellings	\$253,542	\$0			
164 Furniture, Equipment & Machinery - Administration	\$0	\$0			
165 Leasehold Improvements	\$0	\$0			
166 Accumulated Depreciation	-\$1,054,294	\$0			
167 Construction in Progress	\$0	\$0			
168 Infrastructure	\$0	\$0			
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,235,507	\$0	\$0		
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0			
173 Grants Receivable - Non Current	\$0	\$0			
174 Other Assets	\$0	\$0			
176 Investments in Joint Ventures	\$0	\$0			
180 Total Non-Current Assets	\$2,235,507	\$0	\$0		
200 Deferred Outflow of Resources	\$0	\$0			
290 Total Assets and Deferred Outflow of Resources	\$2,628,650	\$0	\$218,814		
311 Bank Overdraft	\$0	\$0			

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
312 Accounts Payable <= 90 Days	\$594	\$0			
313 Accounts Payable >90 Days Past Due	\$0	\$0			
321 Accrued Wage/Payroll Taxes Payable	\$731	\$0	\$326		
322 Accrued Compensated Absences - Current Portion	\$2,695	\$0	\$1,124		
324 Accrued Contingency Liability	\$0	\$0			
325 Accrued Interest Payable	\$0	\$0			
331 Accounts Payable - HUD PHA Programs	\$0	\$0			
332 Account Payable - PHA Projects	\$0	\$0			
333 Accounts Payable - Other Government	\$0	\$0			
341 Tenant Security Deposits	\$0	\$0			
342 Unearned Revenue	\$0	\$0	\$94,201		
343 Current Portion of Long-term Debt - Capital	\$6,036	\$0			
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0			
345 Other Current Liabilities	\$0	\$0			
346 Accrued Liabilities - Other	\$0	\$0			
347 Inter Program - Due To	\$0	\$0			
348 Loan Liability - Current	\$0	\$0			
310 Total Current Liabilities	\$10,056	\$0	\$95,651		
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$139,322	\$0			
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0			
353 Non-current Liabilities - Other	\$0	\$0			
354 Accrued Compensated Absences - Non Current	\$299	\$0	\$125		
355 Loan Liability - Non Current	\$0	\$0			
356 FASB 5 Liabilities	\$0	\$0			
357 Accrued Pension and OPEB Liabilities	\$0	\$0			

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
350 Total Non-Current Liabilities	\$139,621	\$0	\$125		
300 Total Liabilities	\$149,677	\$0	\$95,776		
400 Deferred Inflow of Resources	\$0	\$0			
508.4 Net Investment in Capital Assets	\$2,090,149	\$0			
511.4 Restricted Net Position	\$345,957	\$0	\$0		
512.4 Unrestricted Net Position	\$42,867	\$0	\$123,038		
513 Total Equity - Net Assets / Position	\$2,478,973	\$0	\$123,038		
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,628,650	\$0	\$218,814		

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
111 Cash - Unrestricted			\$995	\$6,469,751	
112 Cash - Restricted - Modernization and Development			\$0	\$0	
113 Cash - Other Restricted			\$0	\$767,086	
114 Cash - Tenant Security Deposits			\$0	\$189,707	
115 Cash - Restricted for Payment of Current Liabilities			\$0	\$0	
100 Total Cash			\$995	\$7,426,544	\$0
121 Accounts Receivable - PHA Projects			\$0	\$0	
122 Accounts Receivable - HUD Other Projects			\$0	\$200,270	
124 Accounts Receivable - Other Government			\$0	\$30,000	
125 Accounts Receivable - Miscellaneous			\$187,192	\$834,792	-\$834,792
126 Accounts Receivable - Tenants			\$0	\$533,789	
126.1 Allowance for Doubtful Accounts -Tenants			\$0	-\$386,298	
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current			\$0	\$49,534	-\$49,534
128 Fraud Recovery			\$0	\$31,310	
128.1 Allowance for Doubtful Accounts - Fraud			\$0	-\$31,310	
129 Accrued Interest Receivable			\$0	\$2,646,869	-\$2,646,869
120 Total Receivables, Net of Allowances for Doubtful Accounts			\$187,192	\$3,908,956	-\$3,531,195
131 Investments - Unrestricted			\$0	\$0	
132 Investments - Restricted			\$6,025	\$4,980,234	
135 Investments - Restricted for Payment of Current Liability			\$0	\$0	
142 Prepaid Expenses and Other Assets			\$0	\$204,003	
143 Inventories			\$0	\$10,448	
143.1 Allowance for Obsolete Inventories			\$0	-\$1,045	

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
144 Inter Program Due From			\$0	\$90,687	-\$90,687
145 Assets Held for Sale			\$0	\$0	
150 Total Current Assets			\$194,212	\$16,619,827	-\$3,621,882
161 Land			\$0	\$6,680,263	
162 Buildings			\$0	\$95,974,641	
163 Furniture, Equipment & Machinery - Dwellings			\$0	\$1,861,489	
164 Furniture, Equipment & Machinery - Administration			\$20,367	\$1,322,818	
165 Leasehold Improvements			\$0	\$1,085,966	-\$1,085,966
166 Accumulated Depreciation			-\$3,055	-\$27,248,835	
167 Construction in Progress			\$0	\$11,833,936	
168 Infrastructure			\$0	\$0	
160 Total Capital Assets, Net of Accumulated Depreciation			\$17,312	\$91,510,278	-\$1,085,966
171 Notes, Loans and Mortgages Receivable - Non-Current			\$0	\$12,648,415	-\$12,648,415
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			\$0	\$0	
173 Grants Receivable - Non Current			\$0	\$0	
174 Other Assets			\$0	\$530,735	-\$350,000
176 Investments in Joint Ventures			\$0	\$1,066,519	
180 Total Non-Current Assets			\$17,312	\$105,755,947	-\$14,084,381
200 Deferred Outflow of Resources			\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources			\$211,524	\$122,375,774	-\$17,706,263
311 Bank Overdraft			\$0	\$0	

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
312 Accounts Payable <= 90 Days			\$2,469	\$4,820,994	
313 Accounts Payable >90 Days Past Due			\$0	\$0	
321 Accrued Wage/Payroll Taxes Payable			\$12,937	\$56,435	
322 Accrued Compensated Absences - Current Portion			\$43,066	\$170,579	
324 Accrued Contingency Liability			\$0	\$0	
325 Accrued Interest Payable			\$0	\$2,959,904	-\$2,646,869
331 Accounts Payable - HUD PHA Programs			\$0	\$0	
332 Account Payable - PHA Projects			\$0	\$0	
333 Accounts Payable - Other Government			\$0	\$0	
341 Tenant Security Deposits			\$0	\$189,707	
342 Unearned Revenue			\$0	\$138,581	
343 Current Portion of Long-term Debt - Capital			\$0	\$586,665	
344 Current Portion of Long-term Debt - Operating Borrowings			\$0	\$49,534	-\$49,534
345 Other Current Liabilities			\$0	\$981,360	-\$981,360
346 Accrued Liabilities - Other			\$0	\$205,705	-\$205,705
347 Inter Program - Due To			\$2,854	\$90,687	-\$90,687
348 Loan Liability - Current			\$0	\$0	
310 Total Current Liabilities			\$61,326	\$10,250,151	-\$3,974,155
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$0	\$45,102,456	-\$6,153,553
352 Long-term Debt, Net of Current - Operating Borrowings			\$0	\$0	
353 Non-current Liabilities - Other			\$0	\$7,138,956	-\$6,492,589
354 Accrued Compensated Absences - Non Current			\$4,785	\$18,951	
355 Loan Liability - Non Current			\$0	\$0	
356 FASB 5 Liabilities			\$0	\$0	
357 Accrued Pension and OPEB Liabilities			\$0	\$0	

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
350 Total Non-Current Liabilities			\$4,785	\$52,260,363	-\$12,646,142
300 Total Liabilities			\$66,111	\$62,510,514	-\$16,620,297
400 Deferred Inflow of Resources			\$0	\$1,085,966	-\$1,085,966
508.4 Net Investment in Capital Assets			\$17,312	\$42,580,560	
511.4 Restricted Net Position			\$6,025	\$4,694,804	
512.4 Unrestricted Net Position			\$122,076	\$11,503,930	
513 Total Equity - Net Assets / Position			\$145,413	\$58,779,294	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -			\$211,524	\$122,375,774	-\$17,706,263



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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
111 Cash - Unrestricted	\$6,469,751
112 Cash - Restricted - Modernization and Development	\$0
113 Cash - Other Restricted	\$767,086
114 Cash - Tenant Security Deposits	\$189,707
115 Cash - Restricted for Payment of Current Liabilities	\$0
100 Total Cash	\$7,426,544
121 Accounts Receivable - PHA Projects	\$0
122 Accounts Receivable - HUD Other Projects	\$200,270
124 Accounts Receivable - Other Government	\$30,000
125 Accounts Receivable - Miscellaneous	\$0
126 Accounts Receivable - Tenants	\$533,789
126.1 Allowance for Doubtful Accounts -Tenants	-\$386,298
126.2 Allowance for Doubtful Accounts - Other	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0
128 Fraud Recovery	\$31,310
128.1 Allowance for Doubtful Accounts - Fraud	-\$31,310
129 Accrued Interest Receivable	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$377,761
131 Investments - Unrestricted	\$0
132 Investments - Restricted	\$4,980,234
135 Investments - Restricted for Payment of Current Liability	\$0
142 Prepaid Expenses and Other Assets	\$204,003
143 Inventories	\$10,448
143.1 Allowance for Obsolete Inventories	-\$1,045

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
144 Inter Program Due From	\$0
145 Assets Held for Sale	\$0
150 Total Current Assets	\$12,997,945
161 Land	\$6,680,263
162 Buildings	\$95,974,641
163 Furniture, Equipment & Machinery - Dwellings	\$1,861,489
164 Furniture, Equipment & Machinery - Administration	\$1,322,818
165 Leasehold Improvements	\$0
166 Accumulated Depreciation	-\$27,248,835
167 Construction in Progress	\$11,833,936
168 Infrastructure	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$90,424,312
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0
173 Grants Receivable - Non Current	\$0
174 Other Assets	\$180,735
176 Investments in Joint Ventures	\$1,066,519
180 Total Non-Current Assets	\$91,671,566
200 Deferred Outflow of Resources	\$0
290 Total Assets and Deferred Outflow of Resources	\$104,669,511
311 Bank Overdraft	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
312 Accounts Payable <= 90 Days	\$4,820,994
313 Accounts Payable >90 Days Past Due	\$0
321 Accrued Wage/Payroll Taxes Payable	\$56,435
322 Accrued Compensated Absences - Current Portion	\$170,579
324 Accrued Contingency Liability	\$0
325 Accrued Interest Payable	\$313,035
331 Accounts Payable - HUD PHA Programs	\$0
332 Account Payable - PHA Projects	\$0
333 Accounts Payable - Other Government	\$0
341 Tenant Security Deposits	\$189,707
342 Unearned Revenue	\$138,581
343 Current Portion of Long-term Debt - Capital	\$586,665
344 Current Portion of Long-term Debt - Operating Borrowings	\$0
345 Other Current Liabilities	\$0
346 Accrued Liabilities - Other	\$0
347 Inter Program - Due To	\$0
348 Loan Liability - Current	\$0
310 Total Current Liabilities	\$6,275,996
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$38,948,903
352 Long-term Debt, Net of Current - Operating Borrowings	\$0
353 Non-current Liabilities - Other	\$646,367
354 Accrued Compensated Absences - Non Current	\$18,951
355 Loan Liability - Non Current	\$0
356 FASB 5 Liabilities	\$0
357 Accrued Pension and OPEB Liabilities	\$0

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

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
350 Total Non-Current Liabilities	\$39,614,221
300 Total Liabilities	\$45,890,217
400 Deferred Inflow of Resources	\$0
508.4 Net Investment in Capital Assets	\$42,580,560
511.4 Restricted Net Position	\$4,694,804
512.4 Unrestricted Net Position	\$11,503,930
513 Total Equity - Net Assets / Position	\$58,779,294
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$104,669,511

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
70300 Net Tenant Rental Revenue		\$0	\$0	\$422,807	\$1,248,563
70400 Tenant Revenue - Other		\$0	\$0	\$39,658	\$15,143
70500 Total Tenant Revenue	\$0	\$0	\$0	\$462,465	\$1,263,706
70600 HUD PHA Operating Grants		\$775,969	\$9,132,011	\$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	\$0	\$146,521	\$36,698
71100 Investment Income - Unrestricted		\$0	\$0	\$622,973	\$57
71200 Mortgage Interest Income		\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale		\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets		\$0	\$0	\$0	\$0
71400 Fraud Recovery		\$0	\$0	\$0	\$0
71500 Other Revenue		\$0	\$0	\$360,053	\$3,795
71600 Gain or Loss on Sale of Capital Assets		\$0	\$0	\$0	\$0
72000 Investment Income - Restricted		\$0	\$0	\$14	\$21
70000 Total Revenue	\$0	\$775,969	\$9,132,011	\$1,592,026	\$1,304,277
91100 Administrative Salaries		\$14,302	\$0	\$137,260	\$78,580

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
91200 Auditing Fees		\$0	\$0	\$920	\$2,622
91300 Management Fee	\$0	\$11,390	\$0	\$1,583	\$37,824
91310 Book-keeping Fee		\$8,543	\$0	\$660	\$15,759
91400 Advertising and Marketing		\$0	\$0	\$86	\$745
91500 Employee Benefit contributions - Administrative		\$5,362	\$0	\$46,043	\$25,770
91600 Office Expenses		\$643	\$0	\$22,006	\$47,850
91700 Legal Expense		\$127	\$0	\$7,270	\$9,265
91800 Travel		\$0	\$0	\$708	\$0
91810 Allocated Overhead		\$0	\$0	\$0	\$0
91900 Other		\$7,032	\$0	\$174,424	\$11,657
91000 Total Operating - Administrative	\$0	\$47,399	\$0	\$390,960	\$230,072
92000 Asset Management Fee		\$0	\$0	\$480	\$8,400
92100 Tenant Services - Salaries		\$0	\$0	\$81,116	\$26,300
92200 Relocation Costs		\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services		\$0	\$0	\$32,000	\$2,630
92400 Tenant Services - Other		\$0	\$0	\$719	\$2,711
92500 Total Tenant Services	\$0	\$0	\$0	\$113,835	\$31,641
93100 Water		\$0	\$0	\$11,995	\$53,006
93200 Electricity		\$0	\$0	\$10,097	\$38,956
93300 Gas		\$0	\$0	\$4,379	\$22
93400 Fuel		\$0	\$0	\$0	\$0
93500 Labor		\$0	\$0	\$0	\$0
93600 Sewer		\$0	\$0	\$13,220	\$48,553
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: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
93800 Other Utilities Expense		\$0	\$0	\$2,002	\$0
93000 Total Utilities	\$0	\$0	\$0	\$41,693	\$140,537
94100 Ordinary Maintenance and Operations - Labor		\$0	\$0	\$52,156	\$87,216
94200 Ordinary Maintenance and Operations - Materials and		\$9	\$0	\$16,363	\$17,800
94300 Ordinary Maintenance and Operations Contracts	\$0	\$13	\$0	\$51,020	\$81,897
94500 Employee Benefit Contributions - Ordinary Maintenance		\$0	\$0	\$28,566	\$27,757
94000 Total Maintenance	\$0	\$22	\$0	\$148,105	\$214,670
95100 Protective Services - Labor		\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs		\$0	\$0	\$0	\$1,607
95300 Protective Services - Other		\$0	\$0	\$1,325	\$0
95500 Employee Benefit Contributions - Protective Services		\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$1,325	\$1,607
96110 Property Insurance		\$0	\$0	\$17,973	\$32,438
96120 Liability Insurance		\$985	\$0	\$4,460	\$2,616
96130 Workmen's Compensation		\$0	\$0	\$0	\$0
96140 All Other Insurance		\$408	\$0	\$0	\$0
96100 Total insurance Premiums	\$0	\$1,393	\$0	\$22,433	\$35,054
96200 Other General Expenses		\$0	\$0	\$5,481	\$0
96210 Compensated Absences		\$0	\$0	\$18,106	\$10,381
96300 Payments in Lieu of Taxes		\$0	\$0	\$0	\$325
96400 Bad debt - Tenant Rents		\$0	\$0	\$0	\$38,364
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: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
96600 Bad debt - Other		\$0	\$0	\$0	\$0
96800 Severance Expense		\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$0	\$0	\$0	\$23,587	\$49,070
96710 Interest of Mortgage (or Bonds) Payable		\$0	\$0	\$100,476	\$118,730
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs		\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$100,476	\$118,730
96900 Total Operating Expenses	\$0	\$48,814	\$0	\$842,894	\$829,781
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$727,155	\$9,132,011	\$749,132	\$474,496
97100 Extraordinary Maintenance		\$0	\$0	\$0	\$4,304
97200 Casualty Losses - Non-capitalized		\$0	\$0	\$0	\$0
97300 Housing Assistance Payments		\$662,384	\$0	\$0	\$0
97350 HAP Portability-In					
97400 Depreciation Expense		\$0	\$0	\$380,510	\$304,680
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	\$711,198	\$0	\$1,223,404	\$1,138,765
10010 Operating Transfer In		\$0	\$0	\$0	\$0
10020 Operating transfer Out		\$0	-\$9,132,011	\$0	\$0



HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
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	-\$9,132,011	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$64,771	\$0	\$368,622	\$165,512
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$235,509	\$87,336
11030 Beginning Equity	\$0	\$81,993	\$0	\$22,421,974	\$3,936,933
11040 Prior Period Adjustments, Equity Transfers and	\$0	\$0	\$0	\$248,308	\$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: 12/31/2023

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	1 Business Activities	2 State/Local
11190 Unit Months Available	0	1380	0	0	0
11210 Number of Unit Months Leased	0	1139	0	0	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: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
70300 Net Tenant Rental Revenue	\$0	\$0	\$1,499,672	\$0	\$1,185,362
70400 Tenant Revenue - Other	\$0	\$0	\$42,395	\$0	\$57,962
70500 Total Tenant Revenue	\$0	\$0	\$1,542,067	\$0	\$1,243,324
70600 HUD PHA Operating Grants	\$0	\$199,999	\$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	\$26,300	\$1,701,184	\$0	\$1,892,003
71100 Investment Income - Unrestricted	\$0	\$0	\$537	\$0	\$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	\$14,540	\$0
71500 Other Revenue	\$73,666	\$0	\$14,754	\$2,332	\$3,280
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$114
70000 Total Revenue	\$73,666	\$226,299	\$3,258,542	\$16,872	\$3,138,755
91100 Administrative Salaries	\$0	\$24,126	\$226,479	\$122,068	\$95,674
91200 Auditing Fees	\$0	\$0	\$59,872	\$18,691	\$4,133

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
91300 Management Fee	\$0	\$0	\$0	\$128,920	\$147,686
91310 Book-keeping Fee	\$0	\$0	\$0	\$96,690	\$30,688
91400 Advertising and Marketing	\$0	\$0	\$20,838	\$2,490	\$1,238
91500 Employee Benefit contributions - Administrative	\$0	\$10,630	\$77,253	\$111,755	\$39,421
91600 Office Expenses	\$0	\$599	\$562,509	\$57,557	\$55,989
91700 Legal Expense	\$0	\$0	\$41,788	\$44,352	\$13,999
91800 Travel	\$0	\$0	\$0	\$0	\$0
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0
91900 Other	\$0	\$14,508	\$124	\$61,441	\$56,467
91000 Total Operating - Administrative	\$0	\$49,863	\$988,863	\$643,964	\$445,295
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$15,000
92100 Tenant Services - Salaries	\$0	\$160,589	\$23,450	\$254,345	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$5,601	\$0	\$0
92400 Tenant Services - Other	\$0	\$0	\$3,127	\$15,828	\$6,773
92500 Total Tenant Services	\$0	\$160,589	\$32,178	\$270,173	\$6,773
93100 Water	\$0	\$0	\$126,255	\$0	\$183,886
93200 Electricity	\$0	\$0	\$77,282	\$0	\$22,998
93300 Gas	\$0	\$0	\$21,145	\$70	\$1,008
93400 Fuel	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$123,013	\$0	\$156,747
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: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
93000 Total Utilities	\$0	\$0	\$347,695	\$70	\$364,639
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$295,821	\$9,825	\$319,674
94200 Ordinary Maintenance and Operations - Materials and	\$0	\$0	\$80,118	\$306	\$62,932
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$384,192	\$63,871	\$241,646
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$135,589	\$2,835	\$122,150
94000 Total Maintenance	\$0	\$0	\$895,720	\$76,837	\$746,402
95100 Protective Services - Labor	\$0	\$0	\$5,742	\$3,267	\$2,369
95200 Protective Services - Other Contract Costs	\$0	\$0	\$777	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$564	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$7,083	\$3,267	\$2,369
96110 Property Insurance	\$0	\$0	\$148,698	\$0	\$66,219
96120 Liability Insurance	\$0	\$0	\$38,551	\$10,123	\$15,285
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$15,588	\$4,278	\$0
96100 Total insurance Premiums	\$0	\$0	\$202,837	\$14,401	\$81,504
96200 Other General Expenses	\$0	\$0	\$57,155	\$0	
96210 Compensated Absences	\$0	\$15,847	\$0	\$26,195	\$23,723
96300 Payments in Lieu of Taxes	\$0	\$0	\$3,647	\$0	\$0
96400 Bad debt - Tenant Rents	\$0	\$0	\$20,807	\$0	\$194,303
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: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$0	\$15,847	\$81,609	\$26,195	\$218,026
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$665,473	\$0	\$92,935
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$216,063	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$881,536	\$0	\$92,935
96900 Total Operating Expenses	\$0	\$226,299	\$3,437,521	\$1,034,907	\$1,972,943
97000 Excess of Operating Revenue over Operating Expenses	\$73,666	\$0	-\$178,979	-\$1,018,035	\$1,165,812
97100 Extraordinary Maintenance	\$0	\$0	\$7,481	\$0	\$22,702
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$7,787,044	\$0
97350 HAP Portability-In				\$389,400	
97400 Depreciation Expense	\$0	\$0	\$1,416,137	\$42	\$216,135
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	\$0	\$226,299	\$4,861,139	\$9,211,393	\$2,211,780
10010 Operating Transfer In	\$0	\$0	\$0	\$9,132,011	\$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: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	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	\$9,132,011	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$73,666	\$0	-\$1,602,597	-\$62,510	\$926,975
11020 Required Annual Debt Principal Payments	\$0	\$0	\$71,767	\$0	\$186,014
11030 Beginning Equity	\$29,128	\$0	\$24,052,552	\$0	\$5,102,204
11040 Prior Period Adjustments, Equity Transfers and	\$0	\$0	\$0	\$224,339	\$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	3696	12840	1992

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.881 Moving to Work Demonstration Program	10.427 Rural Rental Assistance Payments
11210 Number of Unit Months Leased	0	0	3623	12047	1918
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: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
70300 Net Tenant Rental Revenue	\$105,756				
70400 Tenant Revenue - Other	\$0				
70500 Total Tenant Revenue	\$105,756	\$0	\$0		
70600 HUD PHA Operating Grants	\$0	\$504,646	\$793,613		
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	\$169,804				
71100 Investment Income - Unrestricted	\$0	\$0			
71200 Mortgage Interest Income	\$0				
71300 Proceeds from Disposition of Assets Held for Sale	\$0				
71310 Cost of Sale of Assets	\$0				
71400 Fraud Recovery	\$0	\$0			
71500 Other Revenue	\$47				
71600 Gain or Loss on Sale of Capital Assets	\$0				
72000 Investment Income - Restricted	\$0	\$0			
70000 Total Revenue	\$275,607	\$504,646	\$793,613		
91100 Administrative Salaries	\$9,225	\$46,193	\$20,506		
91200 Auditing Fees	\$1,059				

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
91300 Management Fee	\$6,699	\$0	\$8,870		
91310 Book-keeping Fee	\$1,392	\$0	\$6,653		
91400 Advertising and Marketing	\$871	\$0	\$656		
91500 Employee Benefit contributions - Administrative	\$4,712	\$12,049	\$11,811		
91600 Office Expenses	\$28,731	\$3,421	\$571		
91700 Legal Expense	\$466		\$51		
91800 Travel	\$0				
91810 Allocated Overhead	\$0				
91900 Other	\$3,703	\$6,617	\$5,024		
91000 Total Operating - Administrative	\$56,858	\$68,280	\$54,142		
92000 Asset Management Fee	\$7,500	\$0			
92100 Tenant Services - Salaries	\$0				
92200 Relocation Costs	\$0				
92300 Employee Benefit Contributions - Tenant Services	\$0				
92400 Tenant Services - Other	\$660		\$16,308		
92500 Total Tenant Services	\$660	\$0	\$16,308		
93100 Water	\$6,054				
93200 Electricity	\$19,839				
93300 Gas	\$286				
93400 Fuel	\$0				
93500 Labor	\$0				
93600 Sewer	\$5,986				
93700 Employee Benefit Contributions - Utilities	\$0				
93800 Other Utilities Expense	\$0				

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
93000 Total Utilities	\$32,165	\$0	\$0		
94100 Ordinary Maintenance and Operations - Labor	\$27,978				
94200 Ordinary Maintenance and Operations - Materials and	\$4,565		\$8		
94300 Ordinary Maintenance and Operations Contracts	\$26,548		\$129		
94500 Employee Benefit Contributions - Ordinary Maintenance	\$10,799				
94000 Total Maintenance	\$69,890	\$0	\$137		
95100 Protective Services - Labor	\$1,608				
95200 Protective Services - Other Contract Costs	\$0				
95300 Protective Services - Other	\$0				
95500 Employee Benefit Contributions - Protective Services	\$0				
95000 Total Protective Services	\$1,608	\$0	\$0		
96110 Property Insurance	\$6,594				
96120 Liability Insurance	\$590		\$1,014		
96130 Workmen's Compensation	\$0				
96140 All Other Insurance	\$0		\$572		
96100 Total insurance Premiums	\$7,184	\$0	\$1,586		
96200 Other General Expenses	\$12,023				
96210 Compensated Absences	\$1,804				
96300 Payments in Lieu of Taxes	\$0				
96400 Bad debt - Tenant Rents	\$0				
96500 Bad debt - Mortgages	\$0				
96600 Bad debt - Other	\$0				

HA City of Yakima (WA042)

YAKIMA, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
96800 Severance Expense	\$0				
96000 Total Other General Expenses	\$13,827	\$0	\$0		
96710 Interest of Mortgage (or Bonds) Payable	\$1,486				
96720 Interest on Notes Payable (Short and Long Term)	\$0				
96730 Amortization of Bond Issue Costs	\$0				
96700 Total Interest Expense and Amortization Cost	\$1,486	\$0	\$0		
96900 Total Operating Expenses	\$191,178	\$68,280	\$72,173		
97000 Excess of Operating Revenue over Operating Expenses	\$84,429	\$436,366	\$721,440		
97100 Extraordinary Maintenance	\$507				
97200 Casualty Losses - Non-capitalized	\$0				
97300 Housing Assistance Payments	\$0	\$436,366	\$666,274		
97350 HAP Portability-In					
97400 Depreciation Expense	\$97,547				
97500 Fraud Losses	\$0				
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	\$0				
90000 Total Expenses	\$289,232	\$504,646	\$738,447		
10010 Operating Transfer In	\$0				
10020 Operating transfer Out	\$0				
10030 Operating Transfers from/to Primary Government	\$0				

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
10040 Operating Transfers from/to Component Unit	\$0				
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0				
10080 Special Items (Net Gain/Loss)	\$0				
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$0				
10094 Transfers between Project and Program - Out	\$0				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0		
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$13,625	\$0	\$55,166		
11020 Required Annual Debt Principal Payments	\$6,036	\$0	\$0		
11030 Beginning Equity	\$2,492,598	\$224,339	\$67,872		
11040 Prior Period Adjustments, Equity Transfers and	\$0	-\$224,339			
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		\$0			
11180 Housing Assistance Payments Equity		\$0			
11190 Unit Months Available	120	845	900		

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	10.447 Rural Dev Multi-Family Revitalization Demo Program	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I
11210 Number of Unit Months Leased	87	845	887		
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: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
70300 Net Tenant Rental Revenue			\$0	\$4,462,160	
70400 Tenant Revenue - Other			\$0	\$155,158	
70500 Total Tenant Revenue			\$0	\$4,617,318	\$0
70600 HUD PHA Operating Grants			\$0	\$11,406,238	
70610 Capital Grants			\$0	\$0	
70710 Management Fee			\$342,972	\$342,972	-\$342,972
70720 Asset Management Fee			\$31,380	\$31,380	-\$31,380
70730 Book Keeping Fee			\$160,385	\$160,385	-\$160,385
70740 Front Line Service Fee			\$0	\$0	
70750 Other Fees			\$0	\$0	
70700 Total Fee Revenue			\$534,737	\$534,737	-\$534,737
70800 Other Government Grants			\$0	\$3,972,510	
71100 Investment Income - Unrestricted			\$1	\$623,602	-\$622,947
71200 Mortgage Interest Income			\$0	\$0	
71300 Proceeds from Disposition of Assets Held for Sale			\$0	\$0	
71310 Cost of Sale of Assets			\$0	\$0	
71400 Fraud Recovery			\$0	\$14,540	
71500 Other Revenue			\$433,279	\$891,206	-\$197,425
71600 Gain or Loss on Sale of Capital Assets			\$0	\$0	
72000 Investment Income - Restricted			\$0	\$149	
70000 Total Revenue			\$968,017	\$22,060,300	-\$1,355,109
91100 Administrative Salaries			\$545,399	\$1,319,812	
91200 Auditing Fees			\$16,584	\$103,881	

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
91300 Management Fee				\$342,972	-\$342,972
91310 Book-keeping Fee				\$160,385	-\$160,385
91400 Advertising and Marketing			\$1,080	\$28,004	
91500 Employee Benefit contributions - Administrative			\$170,992	\$515,798	
91600 Office Expenses			\$25,380	\$805,256	-\$58,545
91700 Legal Expense			\$0	\$117,318	
91800 Travel			\$2,086	\$2,794	
91810 Allocated Overhead				\$0	
91900 Other			\$65,149	\$406,146	
91000 Total Operating - Administrative			\$826,670	\$3,802,366	-\$561,902
92000 Asset Management Fee				\$31,380	-\$31,380
92100 Tenant Services - Salaries			\$0	\$545,800	
92200 Relocation Costs			\$0	\$0	
92300 Employee Benefit Contributions - Tenant Services			\$0	\$40,231	
92400 Tenant Services - Other			\$5,556	\$51,682	
92500 Total Tenant Services			\$5,556	\$637,713	\$0
93100 Water			\$2,287	\$383,483	
93200 Electricity			\$15,936	\$185,108	
93300 Gas			\$5,009	\$31,919	
93400 Fuel			\$0	\$0	
93500 Labor			\$0	\$0	
93600 Sewer			\$1,426	\$348,945	
93700 Employee Benefit Contributions - Utilities			\$0	\$0	
93800 Other Utilities Expense			\$0	\$2,002	



HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
93000 Total Utilities			\$24,658	\$951,457	\$0
94100 Ordinary Maintenance and Operations - Labor			\$0	\$792,670	
94200 Ordinary Maintenance and Operations - Materials and			\$190	\$182,291	
94300 Ordinary Maintenance and Operations Contracts			\$70,356	\$919,672	-\$56,153
94500 Employee Benefit Contributions - Ordinary Maintenance			\$0	\$327,696	
94000 Total Maintenance			\$70,546	\$2,222,329	-\$56,153
95100 Protective Services - Labor			\$0	\$12,986	
95200 Protective Services - Other Contract Costs			\$2,759	\$5,143	
95300 Protective Services - Other			\$0	\$1,889	
95500 Employee Benefit Contributions - Protective Services			\$0	\$0	
95000 Total Protective Services			\$2,759	\$20,018	\$0
96110 Property Insurance			\$9,378	\$281,300	
96120 Liability Insurance			\$4,449	\$78,073	
96130 Workmen's Compensation			\$0	\$0	
96140 All Other Insurance			\$0	\$20,846	
96100 Total insurance Premiums			\$13,827	\$380,219	\$0
96200 Other General Expenses			\$0	\$74,659	
96210 Compensated Absences			\$65,974	\$162,030	
96300 Payments in Lieu of Taxes			\$0	\$3,972	
96400 Bad debt - Tenant Rents			\$0	\$253,474	
96500 Bad debt - Mortgages			\$0	\$0	
96600 Bad debt - Other			\$0	\$0	

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program Special Allocations	COCC	Subtotal	ELIM
96800 Severance Expense			\$0	\$0	
96000 Total Other General Expenses			\$65,974	\$494,135	\$0
96710 Interest of Mortgage (or Bonds) Payable			\$0	\$979,100	-\$407,933
96720 Interest on Notes Payable (Short and Long Term)			\$0	\$216,063	-\$215,014
96730 Amortization of Bond Issue Costs			\$0	\$0	
96700 Total Interest Expense and Amortization Cost			\$0	\$1,195,163	-\$622,947
96900 Total Operating Expenses			\$1,009,990	\$9,734,780	-\$1,272,382
97000 Excess of Operating Revenue over Operating Expenses			-\$41,973	\$12,325,520	-\$82,727
97100 Extraordinary Maintenance			\$0	\$34,994	
97200 Casualty Losses - Non-capitalized			\$0	\$0	
97300 Housing Assistance Payments			\$0	\$9,552,068	-\$82,727
97350 HAP Portability-In			\$0	\$389,400	
97400 Depreciation Expense			\$1,018	\$2,416,069	
97500 Fraud Losses			\$0	\$0	
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense			\$0	\$0	
90000 Total Expenses			\$1,011,008	\$22,127,311	-\$1,355,109
10010 Operating Transfer In			\$0	\$9,132,011	-\$9,132,011
10020 Operating transfer Out			\$0	-\$9,132,011	\$9,132,011
10030 Operating Transfers from/to Primary Government			\$0	\$0	

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
10040 Operating Transfers from/to Component Unit			\$0	\$0	
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss			\$0	\$0	
10080 Special Items (Net Gain/Loss)			\$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	
10094 Transfers between Project and Program - Out			\$0	\$0	
10100 Total Other financing Sources (Uses)			\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total			-\$42,991	-\$67,011	\$0
11020 Required Annual Debt Principal Payments			\$0	\$586,662	
11030 Beginning Equity			\$188,404	\$58,597,997	
11040 Prior Period Adjustments, Equity Transfers and			\$0	\$248,308	
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				\$0	
11180 Housing Assistance Payments Equity				\$0	
11190 Unit Months Available			0	21773	

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	COCC	Subtotal	ELIM
11210 Number of Unit Months Leased			0	20546	
11270 Excess Cash				\$0	
11610 Land Purchases			\$0	\$0	
11620 Building Purchases			\$0	\$0	
11630 Furniture & Equipment - Dwelling Purchases			\$0	\$0	
11640 Furniture & Equipment - Administrative Purchases			\$0	\$0	
11650 Leasehold Improvements Purchases			\$0	\$0	
11660 Infrastructure Purchases			\$0	\$0	
13510 CFFP Debt Service Payments			\$0	\$0	
13901 Replacement Housing Factor Funds			\$0	\$0	

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
70300 Net Tenant Rental Revenue	\$4,462,160
70400 Tenant Revenue - Other	\$155,158
70500 Total Tenant Revenue	\$4,617,318
70600 HUD PHA Operating Grants	\$11,406,238
70610 Capital Grants	\$0
70710 Management Fee	\$0
70720 Asset Management Fee	\$0
70730 Book Keeping Fee	\$0
70740 Front Line Service Fee	\$0
70750 Other Fees	\$0
70700 Total Fee Revenue	\$0
70800 Other Government Grants	\$3,972,510
71100 Investment Income - Unrestricted	\$655
71200 Mortgage Interest Income	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0
71310 Cost of Sale of Assets	\$0
71400 Fraud Recovery	\$14,540
71500 Other Revenue	\$693,781
71600 Gain or Loss on Sale of Capital Assets	\$0
72000 Investment Income - Restricted	\$149
70000 Total Revenue	\$20,705,191
91100 Administrative Salaries	\$1,319,812
91200 Auditing Fees	\$103,881

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
91300 Management Fee	\$0
91310 Book-keeping Fee	\$0
91400 Advertising and Marketing	\$28,004
91500 Employee Benefit contributions - Administrative	\$515,798
91600 Office Expenses	\$746,711
91700 Legal Expense	\$117,318
91800 Travel	\$2,794
91810 Allocated Overhead	\$0
91900 Other	\$406,146
91000 Total Operating - Administrative	\$3,240,464
92000 Asset Management Fee	\$0
92100 Tenant Services - Salaries	\$545,800
92200 Relocation Costs	\$0
92300 Employee Benefit Contributions - Tenant Services	\$40,231
92400 Tenant Services - Other	\$51,682
92500 Total Tenant Services	\$637,713
93100 Water	\$383,483
93200 Electricity	\$185,108
93300 Gas	\$31,919
93400 Fuel	\$0
93500 Labor	\$0
93600 Sewer	\$348,945
93700 Employee Benefit Contributions - Utilities	\$0
93800 Other Utilities Expense	\$2,002

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
93000 Total Utilities	\$951,457
94100 Ordinary Maintenance and Operations - Labor	\$792,670
94200 Ordinary Maintenance and Operations - Materials and	\$182,291
94300 Ordinary Maintenance and Operations Contracts	\$863,519
94500 Employee Benefit Contributions - Ordinary Maintenance	\$327,696
94000 Total Maintenance	\$2,166,176
95100 Protective Services - Labor	\$12,986
95200 Protective Services - Other Contract Costs	\$5,143
95300 Protective Services - Other	\$1,889
95500 Employee Benefit Contributions - Protective Services	\$0
95000 Total Protective Services	\$20,018
96110 Property Insurance	\$281,300
96120 Liability Insurance	\$78,073
96130 Workmen's Compensation	\$0
96140 All Other Insurance	\$20,846
96100 Total insurance Premiums	\$380,219
96200 Other General Expenses	\$74,659
96210 Compensated Absences	\$162,030
96300 Payments in Lieu of Taxes	\$3,972
96400 Bad debt - Tenant Rents	\$253,474
96500 Bad debt - Mortgages	\$0
96600 Bad debt - Other	\$0

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
96800 Severance Expense	\$0
96000 Total Other General Expenses	\$494,135
96710 Interest of Mortgage (or Bonds) Payable	\$571,167
96720 Interest on Notes Payable (Short and Long Term)	\$1,049
96730 Amortization of Bond Issue Costs	\$0
96700 Total Interest Expense and Amortization Cost	\$572,216
96900 Total Operating Expenses	\$8,462,398
97000 Excess of Operating Revenue over Operating Expenses	\$12,242,793
97100 Extraordinary Maintenance	\$34,994
97200 Casualty Losses - Non-capitalized	\$0
97300 Housing Assistance Payments	\$9,469,341
97350 HAP Portability-In	\$389,400
97400 Depreciation Expense	\$2,416,069
97500 Fraud Losses	\$0
97600 Capital Outlays - Governmental Funds	
97700 Debt Principal Payment - Governmental Funds	
97800 Dwelling Units Rent Expense	\$0
90000 Total Expenses	\$20,772,202
10010 Operating Transfer In	\$0
10020 Operating transfer Out	\$0
10030 Operating Transfers from/to Primary Government	\$0



HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
10040 Operating Transfers from/to Component Unit	\$0
10050 Proceeds from Notes, Loans and Bonds	
10060 Proceeds from Property Sales	
10070 Extraordinary Items, Net Gain/Loss	\$0
10080 Special Items (Net Gain/Loss)	\$0
10091 Inter Project Excess Cash Transfer In	
10092 Inter Project Excess Cash Transfer Out	
10093 Transfers between Program and Project - In	\$0
10094 Transfers between Project and Program - Out	\$0
10100 Total Other financing Sources (Uses)	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$67,011
11020 Required Annual Debt Principal Payments	\$586,662
11030 Beginning Equity	\$58,597,997
11040 Prior Period Adjustments, Equity Transfers and	\$248,308
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	\$0
11180 Housing Assistance Payments Equity	\$0
11190 Unit Months Available	21773

HA City of Yakima (WA042)  
YAKIMA, WA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Total
11210 Number of Unit Months Leased	20546
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

**Housing Authority of the City of Yakima**

**Combining Schedule of Net Position - Rural Assistance Programs**

**December 31, 2023**

	<u>Harmony Park</u>	<u>Valley 7</u>	<u>Cosecha Court</u>	<u>Total</u>
<b>Assets</b>				
<i>Current Assets:</i>				
Cash and cash equivalents - unrestricted	\$ 56,099	\$ 241,139	\$ 64,047	\$ 361,285
Accounts receivables, net of allowance	5,020	20,467	4,798	30,285
Prepaid Expenses and other assets	7,519	2,447	-	9,966
Accountts receivable HUD	-	198,389	-	198,389
	<u>68,638</u>	<u>462,442</u>	<u>68,845</u>	<u>599,925</u>
<i>Restricted Assets:</i>				
Cash - tenant security deposits	10,928	25,350	-	36,278
Investments - restricted	102,731	513,979	345,957	962,668
	<u>113,659</u>	<u>539,329</u>	<u>345,957</u>	<u>998,945</u>
Total current assets	<u>182,297</u>	<u>1,001,771</u>	<u>414,802</u>	<u>1,598,870</u>
<i>Noncurrent Assets:</i>				
<i>Capital assets:</i>				
Land	137,800	611,866	212,025	961,691
Buildings	2,772,175	17,139,329	2,824,234	22,735,738
Furniture, equipment and machinery - dwellings	18,750	176,700	253,541	448,991
Accumulated depreciation	(355,496)	(8,961,112)	(1,054,294)	(10,370,902)
Total noncurrent assets	<u>2,573,229</u>	<u>8,966,783</u>	<u>2,235,506</u>	<u>13,775,518</u>
Total assets	<u>2,755,526</u>	<u>9,968,554</u>	<u>2,650,308</u>	<u>15,374,389</u>

**Housing Authority of the City of Yakima**  
**Combining Schedule of Net Position - Rural Assistance Programs**  
**December 31, 2023**

	Harmony Park	Valley 7	Cosecha Cout	Total
<b><i>Liabilities and Net Position</i></b>				
<i>Current Liabilities:</i>				
Accounts payable less than 90 days	\$ 4,970	\$ 21,932	\$ 680	\$ 27,582
Developer fee payable	-	-		-
Accrued wages and payroll taxes	955	8,304	731	9,991
Accrued compensated absences				-
current portion	2,783	20,460	2,695	25,937
Accrued interest payable		76,356		76,356
Accrued liabilities - other				-
Unearned income	5,300	14,672		19,972
Current portion of long term debt	7,344	178,670	6,036	192,050
	21,352	320,394	10,142	351,888
<i>Payables from Restricted Assets:</i>				
Tenant security deposits	10,928	25,350	-	36,278
	10,928	25,350	-	36,278
Total current liabilities	32,280	345,744	10,142	388,166
<i>Noncurrent Liabilities:</i>				
Long-term debt, net of current	640,418	5,447,313	139,322	6,227,053
Accrued compensated absences, net of current	309	2,273	299	2,882
Right of Use - Liability				-
Other noncurrent liabilities	-			-
Total noncurrent liabilities	640,727	5,449,586	139,621	6,229,935
Total liabilities	673,007	5,795,330	149,763	6,618,100
<i>Net Position:</i>				
Net investment in capital assets	1,925,468.66	2,927,452	2,090,148	6,943,069
Restricted for:				-
Required reserves	102,731	513,979	345,957	962,667
Unrestricted net position	54,319	731,793	64,440	850,552
Total net position	2,082,519	4,173,224	2,500,545	8,756,289
Total liabilities, and net Position	\$ 2,755,526	\$ 9,968,554	\$ 2,650,309	\$ 15,374,389

**Housing Authority of the City of Yakima**  
**Combining Schedule of Activities and Changes in Net Position - Rural Assistance Programs**  
**December 31, 2023**

	Harmony Park	Valley 7	Cosecha Court	Total
<i>Operating Revenue:</i>				
Net tenant rental revenue	148,959	1,036,403	105,756	1,291,118
Other revenue	16,191	3,220	47	19,458
Other tenant revenue	60	41,770	-	41,830
Total operating revenue	165,210	1,081,393	105,803	1,352,406
<i>Operating Expenses:</i>				
Administrative:				
Administrative wages	9,982	85,691	9,311	104,985
Professional fees	7,152	10,980	1,526	19,657
Employee benefit contributions	4,778	34,643	4,712	44,132
Other operating - administrative	8,259	72,303	27,238	107,800
Tenant services	777	5,996	660	7,433
	30,948	209,613	43,447	284,007
Utilities:				
Electricity	3,419	19,579	19,839	42,838
Other utilities expense	734	274	286	1,294
Sewer	30,778	125,969	5,986	162,733
Water	20,762	163,124	6,054	189,940
	55,692	308,947	32,165	396,804
Ordinary maintenance and operations:				
Contract costs	30,180	210,393	26,210	266,783
Employee benefit contributions	16,167	105,983	10,799	132,948
Maintenance and operations wages	43,099	276,575	29,586	349,260
Materials and other	8,693	54,239	4,565	67,498
	98,138	647,190	71,159	816,488

Housing Authority of the City of Yakima

Combining Schedule of Activities and Changes in Net Position - Rural Assistance Programs

December 31, 2023

	Harmony Park	Valley 7	Cosecha Court	Total
General expenses:				
Depreciation expense	75,891	140,244	97,547	313,682
Insurance premiums	9,763	71,743	7,184	88,689
Bad debt - tenant rents	45,239	149,064	-	194,303
Other general expenses	4,091	43,346	14,673	62,110
Protective services contract costs	267	2,102	-	2,369
Payments in lieu of taxes	-	-	-	-
	135,251	406,499	119,404	661,153
Total operating expenses	320,030	1,572,249	266,174	2,158,452
				-
Operating Income (Loss)	\$ (154,820)	\$ (490,856)	\$ (160,370)	\$ (806,046)
Nonoperating Revenue (Expenses):				
Interest expense	(10,603)	(82,332)	(1,486)	(94,422)
Intergovernmental revenue	764,562	1,127,440	169,804	2,061,806
Investment revenue - unrestricted	28	120		148
Total nonoperating revenue (expenses)	753,986	1,045,228	168,318	1,967,532
Increase (Decrease) in Net Position	599,166	554,373	7,947	1,161,486
Net Position, Beginning of Year	1,483,353	3,618,852	2,492,598	7,594,802
Net Position, End of the Year	2,082,519	4,173,224	2,500,545	8,756,289