

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 1

February 25, 2025

SUBJECT: Approval of the Agenda. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

The Agenda can be found on the following page.

**NOTICE OF REGULAR MEETING OF THE
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS**

The Housing Authority of the City of Reno (Agency) will conduct a public meeting:

MEETING DATE: Tuesday, February 25, 2025
TIME: 12:00 p.m. (Approximately)
PLACE: Reno Housing Authority Boardroom
1525 East Ninth Street, Reno, Nevada

Persons wishing to provide public comment may participate during the scheduled meeting by commenting in person during the course of the meeting, or address their comments, data, views, arguments in written form to Hilary Lopez, Ph.D., Executive Director, Housing Authority of the City of Reno, 1525 East 9th Street, Reno, NV 89512-3012, Fax: 775.786.1712; e-mail address: HLopez@renoha.org. Written submission should be received by the Board on or before, February 21, 2025, by 5:00 p.m., in order to make copies available to members of the Board and the public.

Below is an agenda of all items scheduled to be considered. At the discretion of the chairperson or the Board, items on the agenda may be taken out of order; the Board may combine two or more agenda items for consideration, and the Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. The public is advised that one or more members of the Board may participate in the meeting via electronic means.

AGENDA

- Call to order and roll call.
 - Introduction of guests.
 - First Period of Public Comment. The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comments from the public are limited to three minutes per person.
1. Approval of agenda. (For Possible Action)
 2. Approval of the minutes of the Regular Board Meeting held on January 28, 2025, Closed Session Meeting held on January 28, 2025, Closed Session Meeting held on October 1, 2024, and Special Meeting held on December 8, 2023. (For Possible Action)
 3. Presentation of FY 24 financial audit from Justin Measley, Certified Public Accountant with CliftonLarsonAllen LLP. (Discussion)

4. Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)
 - A. Discussion and possible approval of increases to RHA Credit Card Limits for authorized users. (For Possible Action)
5. Commissioner Reports. (Discussion)
6. Executive Director/Secretary's Report. (Discussion)
 - A. Update on Agency activities
 - B. Update on Rental Assistance Voucher Programs / Asset Management
 - C. Update on Workforce Development, Elderly Services, and Youth activities
 - D. Update on Public Affairs activities
 - E. Update on Development activities
 - F. Update on Information Technology activities
 - G. Update on MTW activities
 - H. Update on Legal Inquiries
 - I. Financials
(Discussion)
7. Discussion and possible approval of the State of Nevada 2025 Account for Affordable Housing Grant Agreement which provides \$155,027.87 to support RHA's Homeless Prevention Program. (For Possible Action)
8. Legislative update and potential board direction to the RHA Executive Director. (For Possible Action)
9. Discussion of the draft Development Principles to be used as part of RHA evaluation of potential development opportunities. (Discussion Only)
10. Additional Items:
 - a) General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)
 - b) Reports on conferences and training. (Discussion)
 - c) Old and New Business. (Discussion)
 - d) Request for Future Agenda Topics (Discussion)
 - e) Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time: Tuesday, March 25, 2025, and Tuesday, April 22, 2025. (For Possible Action)
11. Public Comment. The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comments from the public are limited to three minutes per person.
12. Adjournment.

This meeting is accessible to the hearing impaired through the RHA TTY/TDD/voice phone line (385) 770-7166. Anyone with a disability, as defined by the Americans with Disabilities Act, requiring special assistance to participate in the meeting, may contact the Board of Commissioners at the following address, at least five days in advance of the meeting in order to make arrangements, if possible, for reasonable accommodations that would enable participation in the meeting by contacting JD Klippenstein, or by calling (775) 329-3630.

This agenda has been posted at the Housing Authority of the City of Reno Administrative Office, 1525 East Ninth Street; and further in compliance with NRS 241.020, this agenda has been posted on the official website for the Housing Authority of the City of Reno www.renoha.org and the State of Nevada Public Notification website <http://notice.nv.gov/>.

According to the provisions of NRS 241.020(5), a copy of supporting (not privileged and confidential) material provided to Board members may be obtained upon request made to: Hilary Lopez, Ph.D., Executive Director, Housing Authority of the City of Reno, 1525 East Ninth Street, Reno, Nevada, 89512, or by calling (775) 329-3630. Copies of supporting (not privileged and confidential) material provided to Board members by staff may be obtained at the aforementioned address.

Dated February 20, 2025

Colleen Montgomery-Beltran

*By: Colleen Montgomery-Beltran
Executive Administrative Assistant*

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 2

February 25, 2025

SUBJECT: Approval of the minutes of the Regular Board Meeting held on January 28, 2025, Closed Session Meeting held on January 28, 2025, Closed Session Meeting held on October 1, 2024, and Special Meeting held on December 8, 2023.
(For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Meeting minutes can be found on the following pages.

**MINUTES OF THE REGULAR MEETING
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS
January 28, 2025**

The meeting of the Board of Commissioners of the Housing Authority of the City of Reno (Agency) was called to order by Madame Chair Taylor at 12:17pm on Tuesday, January 28, 2025, in the Agency's Boardroom.

Commissioners Present

Kathleen Taylor, Madame Chair
Dave Aiazzi, Vice Chair
Mayor Hillary Schieve, Commissioner
(called in)

Commissioners Absent

Dejanae Solley, Commissioner
Mark Sullivan, Commissioner

Staff Present

Dr. Hilary Lopez, Ph.D., Executive
Director
Heidi McKendree, Deputy Executive
Director
Darren Squillante, Director of HR
JD Klippenstein, Director of
Development
Kristin Scott, Director of Asset
Management
Jeremy Stocking, Director of Resident
Services

Staff Present (continued)

Brenda Freestone, WAHC
Jamie Newfelt, Director of Rental
Assistance
Jeff Miller, Director of IT
Kim Anhalt, Director of MTW

Ryan Russell, Legal Counsel

Others Present

Dian Vanderwell, City of Sparks
Councilwoman (via Zoom)

There being a quorum present, the order of business was as follows:

- **Call to order and roll call.**

- **Introduction of guests.**
None

- **First Period of Public Comment.** The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comments from the public is limited to three minutes per person, under these items.

There were no public comments.

1. Approval of agenda. (For Possible Action)

Vice Chairman Aiazzi motioned to approve the agenda with the action items to be addressed first, moving on to the discussion items afterwards. Commissioner Schieve seconded the motion. Hearing no further discussion, Madame Chair Taylor called for the vote. All were in favor with 3 ayes, no nays. Madame Chair Taylor declared the motion carried.

2. Approval of the minutes of the Special Board Meeting held on December 23, 2024, Regular Board Meeting held on December 17, 2024, RHA's Annual meeting held on December 17, 2024, Closed Session Meeting held on April 23, 2024, Closed Session Meeting held on March 26, 2024, and Special Meeting held on March 6, 2024. (For Possible Action)

Vice Chair Aiazzi motioned to approve the minutes listed on the agenda. Commissioner Schieve seconded the motion. Hearing no further discussion, Madame Chair Taylor called for the vote. With all ayes, no nays, Madame Chair Taylor declared the motion carried.

3. Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)

A. Discussion and possible adoption of Resolution 25-01-01 RH authorizing the write-off of tenant accounts receivable for the Section 8 Rental Assistance Programs. (For Possible Action)

B. Discussion and possible adoption of Resolution 25-01-02 RH authorizing the write-off of landlord accounts receivable for the Section 8 Rental Assistance Programs. (For Possible Action)

C. Discussion and possible adoption of Resolution 25-01-03 RH authorizing the write-off of vacated tenant account receivables for the Low-Rent Public Housing Program. (For Possible Action)

D. Discussion and possible adoption of Resolution 25-01-04 RH authorizing the write-off of vacated tenant account receivables for the unaided properties. (For Possible Action)

E. Discussion and possible adoption of Resolution 25-01-05 RH updating RHA authorized bank signatures. (For Possible Action)

Vice Chair Aiazzi motioned to approve the Consent Agenda. Commissioner Schieve seconded the motion. All were in favor with 3 ayes and no nays. Madame Chair Taylor declared the motion carried unanimously.

4. Commissioner Reports. (Discussion)

None

5. Executive Director/Secretary's Report. (Discussion)

RHA Executive Director, Dr. Hilary Lopez, referencing the full report of agency activities in the packet, highlighted items of interest regarding RHA's activities and programs.

6. Discussion and possible approval of revisions to the RHA By-Laws. (For Possible Action)

After a brief discussion, Commissioner Schieve moved to approve the revisions to the By-Laws with an added revision to the language. Vice Chair Aiazzi seconded the motion. With all in favor and no opposition, Madame Chair Taylor declared the motion carried.

7. Discussion and possible adoption of the Executive Director Performance Evaluation Tool. (For Possible Action)

Vice Chair Aiazzi moved to approve the adoption of the Executive Director Performance Evaluation Tool as presented with the condition that the Executive Director provide the information to the Board that supports the self-evaluation. Madame Chair Taylor seconded the motion. After a brief discussion for further clarification, Madame Chair asked for the vote. With 3 ayes and no nays, Madame Chair Taylor declared the motion carried unanimously.

Closed Session:

- 8. The Board may give direction to staff in closed session regarding the position or positions to be taken or the strategy to be employed, and staff may provide the Board with an update, regarding:**
 - Discussion and update on legal analysis of Right of First Refusal, potential sales options, potential lobby lease options, and or other options for the property located at Parcel 4-B of Paradise Retail I, LLC, Sparks, Nevada (also known as Paradise Plaza) and estimated budgets associated with various potential scopes of work to renovate the site and address needed pest mitigation. (Discussion Only)**

Reconvene Open Session:

- 9. Discussion and possible direction to staff on next steps regarding initiating the Right of First Refusal, potential sales options, potential lobby lease options, and/ or other options for the property located at Parcel 4-B of Paradise Retail I, LLC, Sparks, Nevada (also known as Paradise Plaza) and/or estimated budgets associated with various potential scopes of work to renovate the site and address needed pest mitigation. (For Possible Action)**

Vice Chair Aiazzi motioned to direct staff to pursue a listing to sell its portion of the subject property, located at Parcel 4 B of Paradise Retail I, LLC, Sparks, Nevada. Commissioner Schieve seconded the motion. With no further discussion on the matter, Madame Chair Taylor called for the vote. With 3 ayes, no nays, Madame Chair Taylor declared the motion carried unanimously.

- 10. Discussion of the draft Development Principles to be used as part of RHA evaluation of potential development opportunities. (Discussion Only)**

RHA's Director of Development, JD Klippenstein, presented the staff report to the Board and discussed the content of the draft development principles which relates to different aspects of RHA's development activities and how the agency engages in both preservation and new construction.

- 11. Discussion and review of the draft MTW Annual Plan. (Discussion Only)**

RHA's MTW Coordinator presented the draft MTW Plan for the Board's review before it is released for public comment. No action was taken on this item. For discussion only.

12. Additional Items:

- a) **General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)**
- b) **Reports on conferences and trainings. (Discussion)**
- c) **Old and New Business. (Discussion)**
- d) **Request for Future Agenda Topics (Discussion)**
- e) **Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time:
Tuesday, January 28, 2025, and Tuesday, February 25, 2025.
(For Possible Action)**

Vice Chair Aiazzi moved to accept the meeting schedule. Madame Chair Taylor seconded the motion. With no further discussion, Madame Chair Taylor called for the vote. With all ayes, no nays, Madame Chair Taylor declared the motion carried.

13. Public Comment. The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comments from the public are limited to three minutes per person.

None

14. Adjournment.

Madame Chair Taylor declared the meeting adjourned at 2:05pm.

January 28, 2025, Closed Session Meeting minutes are presented separately.

October 1, 2024, Closed Session Meeting minutes are presented separately.

MINUTES OF THE SPECIAL MEETING
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS
December 8, 2023

The special meeting of the Board of Commissioners of the Housing Authority of the City of Reno (Agency) was called to order by Chairman Aiazzi at 12:01 pm on Friday, December 8, 2023 in the Agency's Boardroom.

Commissioners Present

Dave Aiazzi, Chairman

Kathleen Taylor

Commissioners Absent

Mark Sullivan, Vice Chairman

Mayor Hilary Schieve

Staff Present

Hilary Lopez, Executive Director

Heidi McKendree, Deputy Director

Ryan Russell, Legal Counsel

Kristin Scott, Director of Asset Management

Hettie Read, Senior Project Manager

Staff Absent

Others Present

Jean Diaz, Saint Joseph Community Land Trust

Peter Ross, Ross Financial

Anna Libby and David Brint, Brinshore Development

There being a quorum present, the order of business was as follows:

- **Call to order and roll call.**
- **Receive introduction of guests.**

Public Comment. Public comment, if any, must be limited to any item on the agenda which is listed as an item for action by the Board. Comment from the public is limited to three minutes per person, under these items.

There was no public comment.

➤ **Approval of agenda (For Possible Action)**

Chairman Aiazzi moved to approve the agenda. Commissioner Taylor seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried and the agenda approved.

1. Presentation and Overview by Jean Diaz, Executive Director, Saint Joseph Community Land Trust, of Process and Considerations of Using a Community Land Trust for Homeownership Programs. (Discussion Only)

Mr. Diaz provided an in-depth presentation on community land trusts and how they can be used for homeownership programs.

2. Presentation and Overview by Peter Ross, Principal, Ross Financial, of Municipal Finance Options and Considerations including, but not limited to, Lines of Credit, Bonding Authority and Bonds, and Leveraging Assets. (Discussion Only)

Mr. Ross provided an in-depth presentation regarding lines of credit, bonding authority, bonds, and leveraging assets.

3. Presentation and Discussion by Brinshore Development of Conceptual Site Plans for the Redevelopment of Hawk View Apartments. (Discussion Only)

Anna Libby provided the conceptual site plans for the redevelopment of Hawk View Apartments allowing for thoughtful and intelligent discussions to take place.

4. Closed Session: The Board may give direction to staff in closed session regarding the position or positions to be taken or the strategy to be employed, and staff may provide the Board with an update, regarding:

- a) **Update on possible leasing and rehabilitation of the Gibson Building located at 477 W. 2nd Street, Reno, Nevada, from Jacobs Entertainment. (For discussion only)**
- b) **Possible future property swap of the Sarrazin Apartments for a newly constructed 60-unit apartment development by Jacobs Entertainment on a parcel immediately adjacent to the Gibson Building, on the east side of the building on W. 2nd Street, and related matters thereto. (For discussion only)**

5. Additional items:

- i) **General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)**

ii) Reports on conferences and trainings. (Discussion)

There were no conferences or trainings discussed.

iii) Old and New Business. (Discussion)

There was no old or new business to discuss.

iv) Request for Future Agenda Topics

- v) **Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time:**

Friday, December 15, 2023 (Annual Retreat); Tuesday, Tuesday, January 23, 2023, and Tuesday, February 27, 2023. (For Possible Action)

6. **Public Comment.** The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comment from the public is limited to three minutes per person.

There was no public comment.

7. **Adjournment. (For Possible Action)**

Meeting adjourned at 1:41 pm

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 3

February 25, 2025

SUBJECT: Presentation of FY 24 financial audit from Justin Measley, Certified Public Accountant with CliftonLarsonAllen LLP. (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion



We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

Housing Authority of the City of Reno, NV 2024 Draft Audit Results

Presented to the Board

February 25, 2025



Presentation Agenda



- Engagement Team



- Scope



- Financial Statements Summary



- MD&A – significant changes



- Single Audit



- Required Governance Communications



- Next Steps/ Upcoming GASBs / Questions

CLA Engagement Team



Justin Measley, CPA,
Principal



Thomas Putman,
CPA, Senior Associate



Alex Hartwick,
Associate



ENGAGEMENT SCOPE

- Independent Auditors' Report – Auditors' Opinion on Financial Statements
- 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*
- Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

FINANCIAL STATEMENTS

- Auditors' report
- Management's discussion and analysis
- Financial statements and footnotes
- Required Supplementary Information (Pension/OPEB)
- Supplementary Information (FDS schedules)
- Report on Single Audit
- Schedule of Expenditures of Federal Awards (SEFA)
- Notes to SEFA
- Schedule of Findings and Questioned Costs



STATEMENTS OF NET POSITION

	2024	2023	Dollar Change	Total % Change
Assets and Deferred Outflows:				
Current Assets	\$ 37,295,369	\$ 35,253,756	\$ 2,041,613	5.8 %
Notes Receivable	439,000	468,548	(29,548)	(6.3)
Capital Assets	43,986,040	36,143,935	7,842,105	21.7
Other Assets	-	45,457	(45,457)	(100.0)
Deferred Outflows	5,200,928	3,500,848	1,700,080	48.6
Total Assets and Deferred Outflows	<u>86,921,337</u>	<u>75,412,544</u>	<u>11,508,793</u>	15.3
Liabilities and Deferred Inflows:				
Current Liabilities	5,017,169	4,922,707	94,462	1.9
Noncurrent Liabilities	13,183,241	11,506,907	1,676,334	14.6
Deferred Inflows	657,953	227,558	430,395	189.1
Total Liabilities and Deferred Inflows	<u>18,858,363</u>	<u>16,657,172</u>	<u>2,201,191</u>	13.2
Net Position:				
Net Investment in Capital Assets	42,104,704	34,663,592	7,441,112	21.5
Restricted	3,688,520	421,730	3,266,790	774.6
Unrestricted Net Position	22,269,750	23,670,050	(1,400,300)	(5.9)
Total Net Position	<u>\$ 68,062,974</u>	<u>\$ 58,755,372</u>	<u>\$ 9,307,602</u>	15.8

Current Assets increased because of:

- **Total Cash and Investments** increased by \$421,777.
- **Accounts Receivable** increased in connection with increased CFP and SLRF receivables.
- **Capital assets** increased \$7,842,105 due ARPA funding being utilized for various developments such as Railyard Flats and Dick Scott Manor.

• **Current liabilities** increased \$94,462. There was a decrease in unearned revenue of \$1,941,927 due to the utilization of pandemic-relief funds, offset by an increase in Accounts Payable of \$1,713,340 (CIP-related).

• **Noncurrent liabilities** increased \$1,676,334. The increase was primarily due to increases in the Authority's net pension liability of \$2,608,629 and a decrease in the net OPEB liability of \$654,810. Additionally, there was a decrease in SBITA liability of \$263,759.

• **Deferred outflows and inflows** decreased as a result of updated actuarial valuations.



STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (Income Statement) CHANGES

	2024	2023	Dollar Change	Total % Change
Revenues:				
Grants	\$ 73,922,984	\$ 59,334,061	\$ 14,588,923	24.6 %
Rental Income	8,332,868	8,122,182	210,686	2.6
Interest Income	557,108	307,528	249,580	81.2
Other Income and Gain on Sale	1,434,257	1,031,897	402,360	39.0
Total Revenues	<u>84,247,217</u>	<u>68,795,668</u>	<u>15,451,549</u>	22.5
Expenses:				
Administrative	10,668,198	8,107,303	2,560,895	31.6
Utilities	1,205,622	1,148,407	57,215	5.0
Maintenance	3,049,057	3,204,142	(155,085)	(4.8)
Tenant Services	669,732	790,034	(120,302)	(15.2)
Housing Assistance Payments	54,585,295	51,124,247	3,461,048	6.8
General	1,387,011	1,252,453	134,558	10.7
Interest Expense	30,519	35,345	(4,826)	(13.7)
Depreciation	3,344,181	3,113,687	230,494	7.4
Total Expenses	<u>74,939,615</u>	<u>68,775,618</u>	<u>6,163,997</u>	9.0
Increase in Net Position	<u>\$ 9,307,602</u>	<u>\$ 20,050</u>	<u>\$ 9,287,552</u>	

- **Grants** increased due to a \$9,627,448 increase in HUD operating grants, net a \$614,390 decrease in HUD capital grants and a \$5,575,865 increase in other government grants in connection with pandemic relief funding (primarily SLRF).
- **Other income** increased by \$402,360. Due to its nature, we do not expect other income to remain consistent. Attributable to Home Depot grant and recognition of MTW lost revenue.
- **Administrative expenses** increased \$2,560,895. The increase was primarily due an increase in salaries, benefits, and office expenses.
- **Housing assistance payments** increased \$3,461,048. The increase is due to increased average costs of housing assistance per unit.
- **Interest income** increased \$249,580 primarily due to increased interest rates on investment yields.



SIGNIFICANT DISCLOSURES – Neutral, Consistent, Clear

- Summary of Significant Accounting Policies
- Cash and Investments
- Notes Receivable
- Capital Assets
- Long-term Liabilities
- GASB 96 SBITAs
- Long-term Debt
- Compensated Absences
- Pension
- OPEB
- Blended Component Units (5)
 - Washoe Affordable Housing Corporation
 - Transitional Housing Corporation
 - Sutro Management, LLC
 - Railyard Flats, LLC (new)
- Joint Powers Agreements
- Contingent Liabilities
- Discretely Presented Component Unit
 - Sutro Affordable Housing, LLC



SINGLE AUDIT REPORT

Programs Tested

- Moving to Work (MTW) Demonstration Program
- Coronavirus State and Local Fiscal Recovery Fund (SLRF)

Single Audit Findings

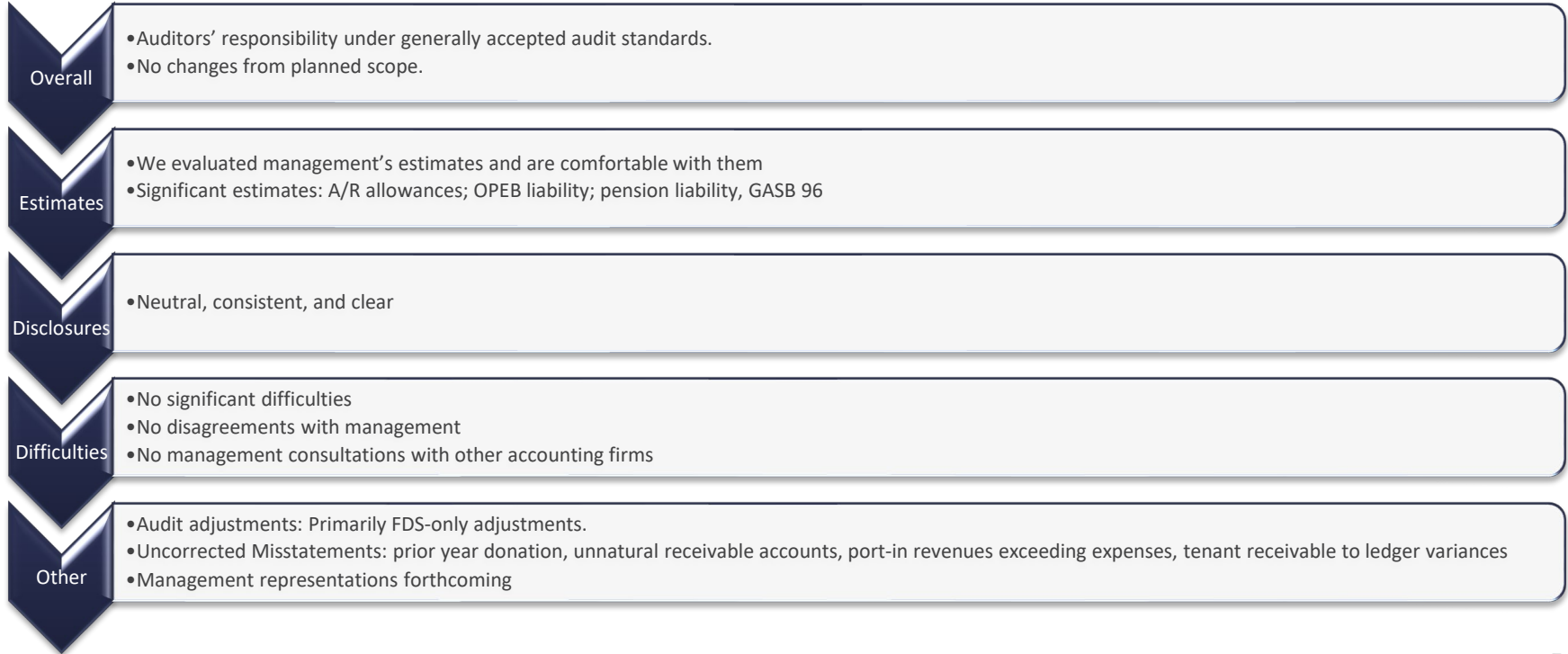
- MTW Eligibility (public housing)

Financial Statement Findings

- None.



Required Governance Communication



Next Steps

- CLA Quality Control Review Process
- Mgmt. Representation Letter
- Issuance
- Audited FDS REAC Submission (due 3/31/25)
- Federal Audit Clearinghouse Submission (due 3/31/25)



GASB 101 Compensated Absences



Effective date
December 31, 2024



Updated framework

- Reevaluate leave policies
- Liability must include any accumulated leave that is unused or used but unpaid
- Footnote disclosures will be enhanced



Examples include

- Sick leave not paid at termination
- Parental leave
- Military leave and jury duty that has commenced



CLA can help by evaluating the standard related to compensated absences and assisting with or evaluating in financial statement disclosures



GASB 102 Certain Risk Disclosures

CLA can help by assisting with or evaluating financial statement disclosure updates



Effective date
June 30, 2025



Increased footnote disclosures surrounding risk:

- Limitations on raising revenues
- Concentrations related to tax revenue or vendors
- Debt or mandated spending — especially unfunded mandates
- Impact of major employer leaving the community
- Collective bargaining agreements



Questions?



Special thanks to the
Authority's finance and
program staff during the
2024 audit!



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Board of Commissioners
Housing Authority of the City of Reno
Reno, Nevada

We have audited the financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Reno as of and for the year ended June 30, 2024, and have issued our report thereon dated REPORT DATE. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit in our Statement of Work for Audit Services dated November 26, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Housing Authority of the City of Reno are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2024.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the net OPEB liability is based on management's knowledge and experience about past and current events, assumptions about future events and outside third parties. We evaluated the methods, assumptions, and data used to develop the net OPEB liability and related disclosures in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

The attached schedule summarizes all misstatements (material and immaterial) detected as a result of audit procedures that were corrected by management.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated REPORT DATE.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other audit findings or issues

We have provided a separate communication to you dated REPORT DATE, communicating internal control related matters identified during the audit.

Audits of group financial statements

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

Quality of component auditor's work

There were no instances in which our evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.

Limitations on the group audit

There were no restrictions on our access to information of components or other limitations on the group audit.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated REPORT DATE.

With respect to the financial data schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated REPORT DATE.

* * *

This communication is intended solely for the information and use of the Board of Commissioners and management of the Housing Authority of the City of Reno and management of Housing Authority of the City of Reno and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Baltimore, Maryland
REPORT DATE

Draft
Subject to Change
2/21/25

SUMMARY OF UNCORRECTED MISSTATEMENTS - AUDIT
Housing Authority of the City of Reno
Business-Type Activities
Year Ended June 30, 2024

Description	Assets	Deferred Outflows of Resources	Liabilities	Deferred Inflows of Resources	Fund Balance / Net Position	Change in Fund Balance / Net Position
<p style="text-align: center;">Debits/Credits - Amounts should be entered as debits (positive amounts) or credits (negative amounts). For example, increases to assets as debits, increases to liabilities as credits, decreases to net income as debits, and increases to net income as credits.</p> <p style="text-align: center;">Describe all current year misstatements below. Collapse this row (to the left) to print for attachment to management representation letter.</p>						
Overstatement of revenues for prior year donation accounted for in the current year.	\$ -					\$ 252,092
Understatement of receivables for unnatural credit balance receivable accounts.	\$ 97,545				\$ (97,545)	\$ (97,545)
Overstatement of revenues for port-in revenues exceeding port-in HAP expense.	(53,122)				53,122	53,122
Understatement of tenant receivables for TB to ledger variances.	43,774				(43,774)	(43,774)
Subtotals	88,197	-	-	-	(88,197)	163,895
Income tax effect (if applicable)						
Net current year misstatements (Iron Curtain Method)	88,197	-	-	-	(88,197)	163,895
Effect of prior year uncorrected misstatements on the change in fund balance/net position						(45,554)
Combined current and prior year misstatements (Rollover Method)	\$ 88,197	\$ -	\$ -	\$ -	\$ (88,197)	\$ 118,341
Financial statement totals	<u>81,720,409</u>	<u>5,200,928</u>	<u>(18,200,410)</u>	<u>(657,953)</u>	<u>(68,062,974)</u>	<u>(9,307,602)</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	0%				0%	-2%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	0%				0%	-1%

OMISSION OF A DISCLOSURE, INCLUDING INADEQUATE OR INCOMPLETE DISCLOSURES, OR UNCORRECTED MISSTATEMENTS OF DISCLOSURES

Guidance

Description	Amount (If Applicable)
N/A	N/A

Client: **A246049 - Housing Authority of the City of Reno**
 Engagement: **AUD - Housing Authority of the City of Reno**
 Period Ending: **6/30/2024**
 Trial Balance: **0900.00 - TB**
 Workpaper: **0921.00 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 101		2600.04		
To account for GASB96.				
COCC - 351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		263,758.00	
COCC - 96710	Interest of Mortgage (or Bonds) Payable		22,255.00	
COCC - 97400	Depreciation Expense		358,477.00	
COCC - 166	Accumulated Depreciation			358,477.00
COCC - 343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			7,760.00
COCC - 91900	Other			278,253.00
Total			644,490.00	644,490.00
Adjusting Journal Entries JE # 102				
Adjusting Journal Entries JE # 102		2400.01 and 2300.71		
To record pension and OPEB entries for FY24.				
BUSA - 200	Deferred Outflow of Resources		114,815.00	
BUSA - 91500	Employee Benefit contributions - Administrative		45,063.00	
COCC - 357	Accrued Pension and OPEB Liabilities		1,265,596.00	
COCC - 91500	Employee Benefit contributions - Administrative		172,130.00	
DHS - 357	Accrued Pension and OPEB Liabilities		4,013.00	
DHS - 91500	Employee Benefit contributions - Administrative		1,350.00	
HIP - 11040	Prior Period Adjustment		1,679.00	
HIP - 200	Deferred Outflow of Resources		1,947.00	
HIP - 91500	Employee Benefit contributions - Administrative		449.00	
LIPH - 11040	Prior Period Adjustment		19,456.00	
LIPH - 200	Deferred Outflow of Resources		416,611.00	
LIPH - 91500	Employee Benefit contributions - Administrative		161,259.00	
MTWT - 11040	Prior Period Adjustment		1,035,109.00	
MTWT - 200	Deferred Outflow of Resources		1,422,734.00	
MTWT - 91500	Employee Benefit contributions - Administrative		276,851.00	
NPS - 11040	Prior Period Adjustment		28,455.00	
NPS - 200	Deferred Outflow of Resources		92,845.00	
NPS - 91500	Employee Benefit contributions - Administrative		26,771.00	
BUSA - 11040	Prior Period Adjustment			863.00
BUSA - 357	Accrued Pension and OPEB Liabilities			130,349.00
BUSA - 400	Deferred Inflow of Resources			28,666.00
COCC - 11040	Prior Period Adjustment			1,079,720.00
COCC - 200	Deferred Outflow of Resources			348,125.00
COCC - 400	Deferred Inflow of Resources			9,881.00
DHS - 11040	Prior Period Adjustment			4,116.00
DHS - 200	Deferred Outflow of Resources			923.00
DHS - 400	Deferred Inflow of Resources			324.00
HIP - 357	Accrued Pension and OPEB			3,683.00
HIP - 400	Deferred Inflow of Resources			392.00
LIPH - 357	Accrued Pension and OPEB Liabilities			493,889.00
LIPH - 400	Deferred Inflow of Resources			103,437.00
MTWT - 357	Accrued Pension and OPEB Liabilities			2,467,151.00
MTWT - 400	Deferred Inflow of Resources			267,543.00
NPS - 357	Accrued Pension and OPEB Liabilities			127,963.00
NPS - 400	Deferred Inflow of Resources			20,108.00
Total			5,087,133.00	5,087,133.00
Adjusting Journal Entries JE # 103				
Adjusting Journal Entries JE # 103		1301.00		
To adjust off on sale for NSP that resulted in erroneous receivable.				
NPS - 71600	Gain or Loss on Sale of Capital Assets		163,090.00	
NPS - 125	Accounts Receivable - Miscellaneous			163,090.00
Total			163,090.00	163,090.00
Adjusting Journal Entries JE # 104				
Adjusting Journal Entries JE # 104		1301.00		
To adjust off gain on sale for BUSA that resulted in erroneous receivable.				
BUSA - 171	Notes, Loans and Mortgages Receivable - Non-Current		72,854.00	
BUSA - 71600	Gain or Loss on Sale of Capital Assets		415,393.00	
BUSA - 171	Notes, Loans and Mortgages Receivable - Non-Current			415,393.00
BUSA - 71600	Gain or Loss on Sale of Capital Assets			72,854.00
Total			488,247.00	488,247.00
Total Adjusting Journal Entries			6,382,960.00	6,382,960.00
Total All Journal Entries			6,382,960.00	6,382,960.00

**HOUSING AUTHORITY OF THE CITY OF RENO
(RENO, NEVADA)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024

*Draft
Subject to Change
2/21/25*

**HOUSING AUTHORITY OF THE CITY OF RENO
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Reno
Reno, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Reno, as of and for the year ended June 30, 2024 (except for the discretely presented component unit, which is as of and for the year ended December 31, 2023), and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Reno's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Reno, as of June 30, 2024 (except for the discretely presented component unit, which is as of and for the year ended 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 the discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it related to the amounts included for the discretely presented component units is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of the City of Reno 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Reno'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 Housing Authority of the City of Reno's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the Authority's proportionate share of the net pension liability, schedule of the Authority's pension contributions, schedule of the Authority's proportionate share of the net OPEB liability, and schedule of the Authority's OPEB contributions 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Reno's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the financial data schedule are presented for purposes of additional analysis 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 GAAS. In our opinion, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Commissioners
Housing Authority of the City of Reno

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, on our consideration of the Housing Authority of the City of Reno’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Reno’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 Housing Authority of the City of Reno’s internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Baltimore, Maryland
REPORT DATE

Draft
Subject to Change
2/21/25

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

As management of the Housing Authority of the City of Reno (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2024.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the fiscal year resulting in a net position of \$68,062,974 at June 30, 2024.
- The total net position of the Authority increased from \$58,755,372 at June 30, 2023 to \$68,062,974 at June 30, 2024. The total unrestricted net position at June 30, 2024 is \$22,269,750. This amount may be used to meet the Authority's ongoing obligations.
- Total assets and deferred outflow of resources increased from \$75,412,544 at June 30, 2023 to \$86,921,337 at June 30, 2024, an increase of \$11,508,793.
- Net capital assets increased from \$36,143,935 at June 30, 2023 to \$43,986,040 at June 30, 2024. This increase of \$7,842,105 was the result of current year current year asset additions of \$11,260,547, net asset disposals of \$74,261 and depreciation/amortization expense of \$3,344,181.
- Total liabilities and deferred inflows of resources increased from \$16,657,172 at June 30, 2023 to \$18,858,363 at June 30, 2024, an increase of \$2,201,191
- Revenues for fiscal year 2024 from all programs totaling \$84,247,217 consisted of federal grants and subsidies of \$73,922,984, and rental, interest, and other income of \$10,324,233. This represents an increase of \$15,451,549 in comparison to the total revenues of \$68,795,668 from fiscal year 2023.
- Total expenses for all programs for fiscal year 2024 were \$74,939,615. This represents an increase in expenses of \$6,163,997 from the total fiscal year 2023 expenses of \$68,775,618.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which are comprised of the proprietary funds – statement of net position, statement of revenues, expenses, and changes in net position, and the statement of cash flows.

Government-Wide Financial Statements

The statement of net position, and the statement of revenues, expenses, and changes in net position report information about the Authority's activities. These two statements report the net position of the Authority and changes in net position. The Authority's net position, (the difference between assets and liabilities), is one way to measure financial health or financial position of the Authority. Over time, increases or decreases in the Authority's net position is one indicator of whether its financial health is improving or deteriorating. However, other nonfinancial factors such as changes in economic conditions, population growth, and new or changed government legislation, should be taken into consideration to determine the overall financial condition of the Authority.

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis in evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its grant revenues, rental income, and other charges and profitability. The final required financial statement is the statement of cash flows. The primary purpose of this statement is to provide information about the Authority'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 answers to such questions as where cash came from, what was cash used for, and what was the change in cash balance during the reporting period.

As previously stated, enterprise funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of the enterprise funds are included on the statement of net position. The focus of enterprise funds is on income measurement, which together with the maintenance of equity, is an important financial indicator.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The Authority's Programs

Moving-To-Work Program – Effective July 1, 2014, the Authority began administering the Moving-To-Work Demonstration Program (MTW). The MTW Program is a demonstration program recently implemented and funded by the U.S. Department of Housing and Urban Development (HUD). The MTW program was awarded to the Authority under a five-year funding agreement which became effective on June 27, 2014 and expires June 30, 2028. The Authority's MTW Demonstration Program applies to several of the Authority's programs that were previously administered under other HUD funded programs. The MTW program replaces the Housing Choice Voucher Program, the Public and Indian Housing Program, and the Public Housing Capital Fund Program that were administered by the Authority during its fiscal year 2014 and previous fiscal years.

Programs other than the MTW Program administered by the Authority during fiscal year 2024 include the following:

Section 8 Housing Assistance Payments Program – Under the Section 8 Housing Assistance Payments Program the Authority is the Contract Administrator for the state of Nevada charged with carrying out 16 incentive Based Performance Standards for HUD. Typical standards include approving tenant payments, processing rental adjustments, life threatening and nonlife threatening health and safety issues, and conducting Management and Occupancy Reviews. Approximately 37 projects and 3,174 units are covered by this contract. The contract started October 1, 2000 with an initial two-year period and three one-year renewal options. Since then, the Authority has been awarded several renewals, the most recent of which expires January 31, 2026.

Business Activities – This represents non-HUD resources developed from a variety of activities that consist basically of housing units not receiving Federal financial assistance.

Resident Opportunity and Supportive Services – This is a grant from HUD designed to help provide tenants with skills necessary to seek, obtain and maintain better employment.

Shelter Plus Care – Shelter Plus Care is a program where the Authority can obtain contract funding through the state of Nevada and provide physical inspections.

Community Development Block Grants / Economic Development Initiative – The Economic Development Initiative Special Project Grant is a program to carry out projects to redevelop abandoned, idled or underutilized real property.

Neighborhood Stabilization Programs (NSP) – This program was established for the purpose of stabilizing communities that had suffered from property foreclosures and abandonment. The stabilization is to be achieved through the purchase and redevelopment of foreclosed and abandoned homes and residential properties.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Emergency Housing Vouchers (EHV) – The American Rescue Plan Act of 2021 (ARP), provided relief to address the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, individuals, and businesses. Section 3202 of the ARP provided appropriations for new incremental Emergency Housing Voucher (EHVs), the renewal of those EHVs, and fees for the cost of administering the EHVs and other eligible expenses defined by notice to prevent, prepare for, and respond to coronavirus to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

Coronavirus State and Local Fiscal Recovery Funds (SLRF) – The Authority was a subrecipient of SLRF funds in order to pay the costs of new construction as well as rehabilitating, improving, and equipping existing affordable housing projects.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Required Supplementary Information and Supplementary Information

The Schedule of Authority's Proportionate Share of Net OPEB Liability, the Schedule of the Authority's OPEB Contributions, the Schedule of the Authority's Proportionate Share of Net Pension Liability, the Schedule of the Authority's Pension Plan Contributions, and the Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by the U.S. Office of Management, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Governmental Accounting Standards Board (GASB), and the U.S. Department of HUD regulations. These schedules can be found in the Supplementary Information sections of this report.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Net Position

A summary of the Authority's statements of net position is presented in Table 1. As can be seen from Table 1, the net position increased \$9,307,602 to \$68,062,974 in fiscal year 2024, from \$58,755,372 in fiscal year 2023.

**TABLE 1
Condensed Statements of Net Position
June 30, 2024**

	2024	2023	Dollar Change	Total % Change
Assets and Deferred Outflows:				
Current Assets	\$ 37,295,369	\$ 35,253,756	\$ 2,041,613	5.8 %
Notes Receivable	439,000	468,548	(29,548)	(6.3)
Capital Assets	43,986,040	36,143,935	7,842,105	21.7
Other Assets	-	45,457	(45,457)	(100.0)
Deferred Outflows	<u>5,200,928</u>	<u>3,500,848</u>	<u>1,700,080</u>	48.6
Total Assets and Deferred Outflows	<u>86,921,337</u>	<u>75,412,544</u>	<u>11,508,793</u>	15.3
Liabilities and Deferred Inflows:				
Current Liabilities	5,017,169	4,922,707	94,462	1.9
Noncurrent Liabilities	13,183,241	11,506,907	1,676,334	14.6
Deferred Inflows	<u>657,953</u>	<u>227,558</u>	<u>430,395</u>	189.1
Total Liabilities and Deferred Inflows	<u>18,858,363</u>	<u>16,657,172</u>	<u>2,201,191</u>	13.2
Net Position:				
Net Investment in Capital Assets	42,104,704	34,663,592	7,441,112	21.5
Restricted	3,688,520	421,730	3,266,790	774.6
Unrestricted Net Position	<u>22,269,750</u>	<u>23,670,050</u>	<u>(1,400,300)</u>	(5.9)
Total Net Position	<u>\$ 68,062,974</u>	<u>\$ 58,755,372</u>	<u>\$ 9,307,602</u>	15.8

The more significant changes to the components of the statement of net position are as follows:

- Current assets increased \$2,041,613, or 5.8%. The change was primarily due to increases in cash and investments of \$421,777, and an increase in accounts receivable of \$1,586,435, primarily attributable to funding due the Authority in connection with new Coronavirus State and Local Fiscal Recovery Funds program.
- Capital assets increased \$7,842,105, or 21.7%. This increase was primarily the result of current year net asset additions of \$11,260,547, offset by disposals of \$74,261 and depreciation/amortization expense of \$3,344,181. See Table 3 for a breakout of the increase in capital assets.
- Noncurrent liabilities increased \$1,676,334, or 14.6%. The increase was primarily due to an increase in the Authority's net pension liability of \$2,608,629, net a decrease in the Authority's OPEB liability of \$654,810, as a result of updated actuarial reports. The Authority's non-current SBITA liability decreased \$263,759 in accordance with the payment schedules.
- Changes in deferred outflows and inflows were due to updated actuarial reports for the Authority's pension and other post-employment benefit plans.

For more detailed information concerning the statement of net position for fiscal year 2024 see the statement of net position on page 14 of this report.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The following schedule compares the revenues and expenses for the current and previous fiscal years. The Authority is only engaged in business-type activities.

**TABLE 2
Statements of Revenues, Expenses, and
Changes in Net Position
Years Ended June 30, 2024**

	2024	2023	Dollar Change	Total % Change
Revenues:				
Grants	\$ 73,922,984	\$ 59,334,061	\$ 14,588,923	24.6 %
Rental Income	8,332,868	8,122,182	210,686	2.6
Interest Income	557,108	307,528	249,580	81.2
Other Income and Gain on Sale	1,434,257	1,031,897	402,360	39.0
Total Revenues	<u>84,247,217</u>	<u>68,795,668</u>	<u>15,451,549</u>	<u>22.5</u>
Expenses:				
Administrative	10,668,198	8,107,303	2,560,895	31.6
Utilities	1,205,622	1,148,407	57,215	5.0
Maintenance	3,049,057	3,204,142	(155,085)	(4.8)
Tenant Services	669,732	790,034	(120,302)	(15.2)
Housing Assistance Payments	54,585,295	51,124,247	3,461,048	6.8
General	1,387,011	1,252,453	134,558	10.7
Interest Expense	30,519	35,345	(4,826)	(13.7)
Depreciation	3,344,181	3,113,687	230,494	7.4
Total Expenses	<u>74,939,615</u>	<u>68,775,618</u>	<u>6,163,997</u>	<u>9.0</u>
Increase in Net Position	<u>\$ 9,307,602</u>	<u>\$ 20,050</u>	<u>\$ 9,287,552</u>	

Significant revenue and expense activity changes were as follows:

- Grants increased \$14,588,923 or 24.6%. There was a \$9,013,058 increase in HUD operating grants, consistent with an increase in housing assistance payments, and a \$5,575,865 increase in other government grants in connection with new funding under the Coronavirus State and Local Fiscal Recovery Funds program.
- Interest Income increased \$249,580, or 81.2%. This was due to an increase in interest rates in FY24.
- Other income increased \$402,360 or 39.0%. Due to its nature, we do not expect other income to remain consistent. The Authority received an additional non-federal/local grant in FY24.
- Administrative expenses increased \$2,560,895 or 31.6%. The increase was primarily due an increase in salaries, benefits, and office expenses.
- Tenant services decreased \$120,302 or 15.2%. The decrease was primarily due to a decrease in tenant service salaries.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

- Housing assistance payments increased \$3,641,048 or 6.8%. The increase was primarily attributable to an increase in payments in the Moving to Work program offset by a decrease in emergency rental assistance housing assistance payments due to the program ending.

For more detail concerning the statement of revenues, expenses, and changes in net position for the fiscal year 2024, see the statement of revenues, expenses, and changes in net position on page 15 of this report.

Draft
Subject to Change
2/21/25

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Capital Assets and Debt Administration

Capital Assets

As of year-end, the Authority had \$43,986,040 of net capital assets as is reflected in the following Table 3, which represents a net increase of \$7,842,105 from the 2023 fiscal year's ending balance.

TABLE 3

	2024	2023	Dollar Change	Total % Change
Land	\$ 9,604,302	\$ 8,550,052	\$ 1,054,250	12.3 %
Buildings	90,431,409	89,677,862	753,547	0.8
Furniture and Equipment	3,553,488	3,032,262	521,226	17.2
Right-of-Use Asset - SBITA	1,345,887	1,345,887	-	100.0
Construction in Progress	9,369,114	492,833	8,876,281	1801.1
Less: Accumulated Depreciation/Amortization	(70,318,160)	(66,954,961)	(3,363,199)	5.0
 Net Capital Assets	 <u>\$ 43,986,040</u>	 <u>\$ 36,143,935</u>	 <u>\$ 7,842,105</u>	 21.7

For more detail pertaining to the Authority's capital assets please see Note 4 to the financial statements in this report.

Debt Administration

As of year-end, the Authority had \$474,593 of long-term notes as is reflected in the following Table 4, which represents a decrease of \$8,266 from the 2023 fiscal year's ending balance.

TABLE 4

	2024	2023	Dollar Change	Total % Change
Total Notes Payable	<u>\$ 474,593</u>	<u>\$ 479,581</u>	<u>\$ (4,988)</u>	(1.0)

For more detail pertaining to the Authority's bonds and notes payable, please see Note 6 to the financial statements in this report.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Economic Factors

Significant economic factors affecting the Authority and its goals to provide affordable housing to the residents of Washoe County, which includes the City of Reno and City of Sparks, include:

- Local economic and employment trends that affect resident incomes correlate to the amount of rental income earned by the Authority. Washoe County (including Reno and Sparks) continues to recover from the COVID pandemic. In the Reno-Sparks region the June 2024 unemployment rate stood at 5%. This is above the national unemployment rate of 4.1%
- The Authority receives a majority of its federal grant funding each year from HUD. The Authority's financial operations are significantly affected by the annual appropriations from HUD. Based upon authorized funding notifications received from HUD for fiscal year 2024, the Authority does not anticipate significant reductions in federal grant funding for fiscal 2024 versus the funding received for its 2023 fiscal year.
- Local property rental availability and rental rates influences the amounts of Housing Assistance Payments required by the Authority to subsidize tenants' rents under several of the Authority's most significant federally funded programs. The vacancy rate in the Washoe County's rental market has remained relatively low during FY24 at an average of 3.9%. The average rents in the Washoe County market have continued to increase compared to fiscal year 2023, with average rents at \$1,710. The construction and real estate sector continue to hold the higher percentage growth in Washoe County and statewide.

Request for information

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Dr. Hilary Lopez, Executive Director, Housing Authority of the City of Reno, 1525 E. Ninth Street, Reno, NV 89512, telephone number (775) 329-3630.

HOUSING AUTHORITY OF THE CITY OF RENO
STATEMENTS OF NET POSITION—BUSINESS-TYPE ACTIVITIES AND DISCRETELY
PRESENTED COMPONENT UNIT
JUNE 30, 2024

ASSETS	Enterprise Fund	Discrete Component Unit
CURRENT ASSETS		
Cash and Investments - Unrestricted	\$ 28,766,991	\$ 369,183
Cash and Investments - Restricted	5,043,842	480,642
Accounts Receivable - Other Governments	1,394,652	-
Accounts Receivable, Net	1,374,206	8,958
Current Portion of Notes Receivable	24,000	-
Accrued Interest	61,332	-
Due from Component Unit	450,160	-
Prepaid Expenses and Other Assets	180,186	31,336
Total Current Assets	<u>37,295,369</u>	<u>890,119</u>
NONCURRENT ASSETS		
Notes Receivable	88,000	-
Note Receivable from Component Unit	351,000	-
Capital Assets not being Depreciated/Amortized	18,973,416	1,394,064
Capital Assets being Depreciated/Amortized, Net	25,012,624	9,804,867
Other Assets	-	103,989
Total Noncurrent Assets	<u>44,425,040</u>	<u>11,302,920</u>
Total Assets	81,720,409	12,193,039
DEFERRED OUTFLOWS OF RESOURCES		
OPEB Related Outflows	50,868	-
Pension Related Outflows	5,150,060	-
Total Deferred Outflows of Resources	<u>5,200,928</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	86,921,337	12,193,039
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	2,084,340	56,209
Due to Other Governments	235,931	-
Tenant Security Deposits	461,265	17,700
Accrued Payroll	243,430	-
Unearned Revenue	982,554	-
Accrued Interest Payable	11,403	320,747
Notes Payable - Current	8,514	11,527
SBITA Liability, Current Portion	263,758	-
Compensated Absences - Current	52,734	-
Other Current Liabilities	673,240	-
Due to Primary Government	-	14,424
Total Current Liabilities	<u>5,017,169</u>	<u>420,607</u>
NONCURRENT LIABILITIES		
Compensated Absences, Net of Current Portion	476,761	-
Notes Payable, Net of Current Portion	466,079	3,254,209
SBITA Liability, Net of Current Portion	481,005	-
Net Pension Liability	11,464,247	-
Total OPEB Liability	122,449	-
Other Noncurrent Liabilities	172,700	-
Due to Primary Government	-	450,160
Total Noncurrent Liabilities	<u>13,183,241</u>	<u>3,704,369</u>
Total Liabilities	18,200,410	4,124,976
DEFERRED INFLOWS OF RESOURCES		
OPEB Related Inflows	469,176	-
Pension Related Inflows	188,777	-
Total Deferred Inflows of Resources	<u>657,953</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>18,858,363</u>	<u>4,124,976</u>
NET POSITION		
Net Investment in Capital Assets	42,104,704	7,933,195
Restricted	3,688,520	462,942
Unrestricted	22,269,750	(328,074)
Total Net Position	<u>\$ 68,062,974</u>	<u>\$ 8,068,063</u>

See accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF RENO
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION—
BUSINESS-TYPE ACTIVITIES AND DISCRETELY PRESENTED COMPONENT UNIT
YEAR ENDED JUNE 30, 2024**

	Enterprise Fund	Discrete Component Unit
OPERATING REVENUES		
HUD Operating Grants	\$ 65,297,559	\$ -
Rental Income	8,332,868	490,686
Other Government Grants	7,871,015	-
Other Revenue	1,382,569	-
Total Operating Revenues	82,884,011	490,686
OPERATING EXPENSES		
Administrative	10,668,198	139,179
Utilities	1,205,622	85,880
Maintenance	3,049,057	119,586
Tenant Services	669,732	-
General	1,387,011	37,131
Housing Assistance Payments	54,585,295	-
Depreciation and Amortization	3,344,181	442,412
Total Operating Expenses	74,909,096	824,188
OPERATING INCOME (LOSS)	7,974,915	(333,502)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	557,108	241
Interest Expense	(30,519)	(130,360)
Gain on Sale of Capital Assets	51,688	-
Total Nonoperating Revenues (Expenses)	578,277	(130,119)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	8,553,192	(463,621)
Capital Contributions	754,410	-
CHANGE IN NET POSITION	9,307,602	(463,621)
Net Position - Beginning of Year	58,755,372	8,531,684
NET POSITION - END OF YEAR	\$ 68,062,974	\$ 8,068,063

See accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF RENO
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Grants	\$ 70,619,184
Cash Received from Rents	7,378,791
Other Cash Receipts	1,268,005
Cash Payments to Employees for Services	(8,956,868)
Cash Payments to Suppliers for Goods and Services	(5,221,445)
Cash Payments to Landlords	(54,585,295)
Net Cash Provided by Operating Activities	10,502,372
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(11,260,547)
Proceeds from Disposal of Capital Assets	125,949
Capital Grants Received	754,410
Principal Paid on SBITA Liability	(255,999)
Principal Paid on Capital Debt	(4,988)
Interest Paid on Capital Debt	(30,519)
Net Cash Used by Capital and Related Financing Activities	(10,671,694)
CASH FLOWS FROM INVESTING ACTIVITIES	
Repayment of Notes Receivables	33,991
Interest Received	557,108
Net Cash Provided by Investing Activities	591,099
NET INCREASE IN CASH AND INVESTMENTS	421,777
Cash and Investments - Beginning of Year	33,389,056
CASH AND INVESTMENTS - END OF YEAR	\$ 33,810,833
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 7,974,915
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation and Amortization	3,344,181
Provision for Bad Debts	126,548
(Increase) Decrease in:	
Accounts Receivable Other Governments	(607,905)
Accounts Receivable	(1,151,426)
Prepaid Expenses	53,961
Deferred Outflows - Pension	(1,761,413)
Deferred Outflows - OPEB	61,333
Deferred Inflows - Pension	52,991
Deferred Inflows - OPEB	377,404
Increase (Decrease) in:	
Accounts Payable and Accrued Liabilities	1,951,453
Due to Other Governments	(6,400)
Tenant Security Deposits	(43,763)
Compensated Absences	111,759
Unearned Revenue	(1,935,085)
Net Pension Liability	2,608,629
Total OPEB Liability	(654,810)
Net Cash Provided by Operating Activities	\$ 10,502,372

See accompanying Notes to Financial Statements.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Housing Authority of the City of Reno (the Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental agencies. The following is a summary of the more significant policies.

Definition of Reporting Entity

The Authority was established on August 8, 1940 by a resolution of the City of Reno City Council. The Authority is a public body corporate and politically organized pursuant to the laws of Chapter 315 of the state of Nevada. The Authority is governed by a five-member board of commissioners. The City Council appoints the members of the board of commissioners to four-year terms.

Although they are legally separate entities from the Authority, the Washoe Affordable Housing Corporation, Transitional Housing Corporation, Railyard Flats, LLC, and Sutro Management, LLC are reported as if they were part of the Authority because they are solely owned by the Authority and their sole purpose is to work in conjunction with the Authority to assist with the provision of housing for low and moderate income individuals, and the members of the board of commissioners of the Authority act as members of the board of directors of these corporations. Therefore, the financial information of the Washoe Affordable Housing Corporation, the Transitional Housing Corporation, Railyard Flats, LLC, and Sutro Management, LLC are included in the accompanying financial statements as blended component units of the Authority.

Sutro Management, LLC is the .01% general partner of Sutro Affordable Housing, LLC. Sutro Affordable Housing, LLC's purpose is to develop, own and operate an apartment complex (Willie J. Wynn Apartments). The financial information of Sutro Affordable Housing, LLC is included in the accompanying financial statements as a discretely presented component unit of the Authority. Sutro Affordable Housing, LLC has a calendar year-end and accordingly, the amounts included are as of and for the respective year-end that falls within the Authority's June 30, 2024 fiscal year-end. Separate financial statements are issued for the discretely presented component unit, prepared in accordance with Financial Accounting Standards Board (FASB) guidance, and can be obtained by contacting the Director of Administration at the Authority, 1525 East 9th Street, Reno, Nevada 89512.

Effective July 1, 2013, the Authority began participating in HUD's Moving to Work (MTW) Demonstration Program. The MTW program primarily consists of grant funding and expenditures that were received and incurred under the Authority's previous Housing Choice Voucher Program, the Public and Indian Housing Program, and the Capital Fund Program. The program provides the Authority greater flexibility in combining its HUD funding among the Authority's administrative, capital, and development activities. The MTW Program also exempts the Authority from many previous required regulations and reporting requirements.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition of Reporting Entity (Continued)

At June 30, 2024, the Authority was administering the following programs which consisted of 8,477 units of low and moderate-income housing:

	Number of Units
Moving to Work Program:	
Housing Complexes:	
Mineral Manor	144
Tom Sawyer Village	100
Silverada Manor	149
Stead Manor	67
Hawk View Apartments	99
Essex Manor	105
Myra Birch Manor	53
John McGraw Court	34
Vouchers	3,184
Total Units Administered under the Moving to Work Program	3,935
Other Administered Programs:	
Veterans Affairs Special Vouchers	541
Special Allocations	3,174
Business Activities	534
Neighborhood Stabilization Programs I and II	113
Economic Development Initiative - Special Projects	11
Dollar Home Sales	17
Emergency Housing Vouchers	137
Foster Youth Independence Vouchers	15
Total Units Administered under Other Programs	4,542
Total Units Administered at June 30, 2024	8,477

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows) report the financial information of the Authority's operation as a whole.

For financial reporting purposes, the Authority reports all of its operations as a single business-type activity in a single-enterprise housing fund. Therefore, for the Authority the government-wide and fund financial statements are the same. These basic financial statements are presented in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place. Nonexchange transactions are those in which the Authority receives value without directly giving equal value in exchange. These transactions include revenues from federal, state, and local assistance programs. Revenues from these sources are recognized in the fiscal year in which all eligibility requirements have been met.

Program revenues include grants and contributions that are restricted to the operations of a particular program. Revenues that are not classified as program revenues are presented as general revenues. Revenues such as rents and other miscellaneous fees are recorded as operating revenues. Revenues such as governmental grants and investments earnings are recorded as nonoperating revenues. Operating expenses for proprietary funds include the cost of sales and services, housing assistance payments to landlords, administrative expenses, and depreciation on capital assets. Expenses not meeting this definition are reported as nonoperating expenses.

Estimates

Management of the Authority has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare the financial statements. Actual results may differ from those estimates.

Budgets and Budgetary Accounting

Each year the Authority's board of commissioners adopts an operating budget. This budget may be revised during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of adoption of the annual budget by the Authority's board of commissioners.

Assets, Liabilities, and Net Position

Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows all highly liquid cash and investments with a maturity of three months or less when purchased and cash restricted by federal governmental requirements are considered cash and cash equivalents.

Cash and cash equivalents include amounts in demand deposits and savings accounts. All of the Authority's investments can be converted to cash in a relatively short amount of time. Therefore, all cash and investments and amounts of restricted cash are reported in the statement of cash flows.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position (Continued)

Restricted Assets

Restricted cash, cash equivalents, and investments, represent deposits that are used for replacement reserves, security deposit payable amounts to tenants, and amounts that are required by grants from HUD to be used only to provide housing assistance for individuals and families that meet various income, age, and employment standards.

Receivables

All receivables are reported at their gross value and are reduced by an allowance for doubtful accounts if such an amount is considered applicable.

Prepaid Assets

Payments to vendors for goods and services that will benefit periods beyond the fiscal year-end are recorded as prepaid assets.

Capital Assets

Capital assets which include land, buildings, improvements, and furniture and equipment, are reported at historical costs. Contributed capital assets are recorded at acquisition value at the time received. Interest expense during any development periods is capitalized.

Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterments are charged to the property accounts.

Depreciation is charged to operations using the straight-line method based on the useful life of the related asset. The estimated useful lives of the various asset categories are as follows:

Buildings	30 Years
Improvements	15 Years
Equipment	5 to 10 Years

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position (Continued)

Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay.

Regular full-time employees earn from 13 to 29 vacation days per year depending upon their length of employment. Each employee also earns 13 sick leave days per year. Unused annual leave may be accumulated not to exceed between 26 – 58 days. Unused sick leave will be allowed to accumulate up to 188 days; however, upon termination one half of sick leave accrued to a maximum 50 days is paid to the employee. An employee terminating employment shall be paid for any accumulated annual and sick leave at their current hourly rate of pay.

Taxes

The Authority is exempt from federal and state income taxes. The Authority is also exempt from property taxes but makes payments in lieu of taxes on its public housing units.

Net Position

Net position represents the differences between assets and deferred outflows and liabilities and deferred inflows. Net position consists of net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets consists of capital assets, net of depreciation, reduced by outstanding balances of borrowings used for the construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position includes separate sections for deferred outflows and inflows of resources. These separate sections represent a consumption or acquisition of net position that applies to future periods and will not be recognized as outflows (expenses) or inflows (revenues) until that time.

Pensions

For purposes of measuring the net pension liability (NPL) and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position (FNP) of the Authority's Public Employees' Retirement System of Nevada (PERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability for the plans, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an actuarial valuation conducted by the Authority and are accounted for in accordance with the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*.

NOTE 2 CASH AND INVESTMENTS

Policies

Nevada law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under Nevada law this collateral is held in a separate investment pool by another institution in the Authority's name and places the Authority ahead of general creditors of the institution.

The Authority and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments* or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system.

The Authority's investments are carried at fair value as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end, and it includes the effects of those adjustments in income for that fiscal year.

Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Classification

Cash and money market mutual funds investments are classified in the financial statements as shown below based on whether or not their use is restricted under the terms of the Authority debt instruments or agency agreements. Cash and investments as of June 30, 2024 are as follows:

Cash and Cash Equivalents	\$ 24,603,483
Money Market Mutual Funds	9,207,350
Total Cash and Investments	\$ 33,810,833

The money market mutual funds are carried at amortized cost. Cash and investments are considered to be liquid assets for purposes of measuring cash flows.

Custodial Credit Risk

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

The \$24,603,483 of cash and cash equivalents consists of \$23,791,708 maintained on deposit in banks. Of the amounts deposited into bank checking and savings and money market accounts, \$1,250,000 is covered by federal deposit insurance. As of June 30, 2024, the JP Morgan Chase Bank account was under-collateralized by \$858,434. All other deposits were fully collateralized.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Authority's investments to market rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investment Type	12 Months or Less	One to Five Years	More than Five Years	Total
Money Market Mutual Funds	\$ 9,207,350	\$ -	\$ -	\$ 9,207,350

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Disclosures of Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual rating as of June 30, 2024 for the Money Market Mutual Funds was AAAM by Standard and Poor's and Aaa-mf by Moody's.

Discretely Presented Component Unit – Sutro Affordable Housing, LLC

The \$849,825 of cash and cash equivalents consists solely of funds maintained in a checking account with Wells Fargo, \$250,000 of which is covered by federal deposit insurance.

NOTE 3 NOTES RECEIVABLE

The following is a summary of the Authority's changes in notes receivable for the fiscal year ended June 30, 2024:

	Balance 6/30/2023	Disbursements	Receipts/ Forgiveness	Balance 6/30/2024	Current Portion
Homeownership Notes	\$ 145,991	\$ -	\$ (33,991)	\$ 112,000	\$ 24,000
Sutro Affordable Housing, LLC	351,000	-	-	351,000	-
Total Notes Receivable	<u>\$ 496,991</u>	<u>\$ -</u>	<u>\$ (33,991)</u>	<u>\$ 463,000</u>	<u>\$ 24,000</u>

The Authority issued 40 forgivable 0% interest homeownership loans from 2011 to 2015. The original loan amounts are \$15,000 per note and are forgivable at \$1,000 per annum. If the properties are sold in advance to the 15-year forgiveness period, the full unforgiven principal balance is collected. The outstanding balance on the homeownership notes at June 30, 2024 was \$112,000.

On April 15, 2019, the Authority issued a seller carry-back note to Sutro Affordable Housing, LLC in the principal amount of \$401,000. The outstanding principal balance of the note bears interest from the date of disbursement at 2.89% compounded annually. Commencing on June 1, 2021, and on June 1 of each year thereafter, repayments of the outstanding principal balance and accrued interest on the note are due in an amount equal to 33.33% of cash flow, first to accrued interest and second to principal. The outstanding balance on the note at June 30, 2024 was \$351,000.

The Authority has an inter-company loan of \$4,553,878 that is eliminated within the Authority-wide financial statements. The loan is in connection with funding for Railyard Flats, LLC, to develop and operate certain real property. As of June 30, 2024, the entire loan balance is outstanding.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 CAPITAL ASSETS

Enterprise Fund

The following is a summary of the Authority's changes in capital assets for the fiscal year ended June 30, 2024:

	Balance 6/30/2023	Additions	Deletions	Transfers and Adjustments	Balance 6/30/2024
Not Being Depreciated:					
Land	\$ 8,550,052	\$ 1,054,251	\$ -	\$ (1)	\$ 9,604,302
Construction in Progress	492,833	8,950,646	(74,261)	(104)	9,369,114
Total Not Being Depreciated/Amortized	9,042,885	10,004,897	(74,261)	(105)	18,973,416
Depreciable					
Buildings and Improvements	89,677,862	911,558	-	(158,011)	90,431,409
Equipment	3,032,262	344,092	-	177,134	3,553,488
Right-of-Use Asset - SBITA	1,345,887	-	-	-	1,345,887
Total Depreciable/Amortizable Capital Assets	94,056,011	1,255,650	-	19,123	95,330,784
Less Accumulated Depreciation:					
Buildings and Improvements	(64,983,055)	(2,728,420)	-	(19,018)	(67,730,493)
Equipment	(1,628,099)	(257,284)	-	-	(1,885,383)
Right-of-Use Asset - SBITA	(343,807)	(358,477)	-	-	(702,284)
Total Accumulated Depreciation/Amortization	(66,954,961)	(3,344,181)	-	(19,018)	(70,318,160)
Total Capital Assets, Being Depreciated/Amortized, Net	27,101,050	(2,088,531)	-	105	25,012,624
Total Capital Assets, Net	<u>\$ 36,143,935</u>	<u>\$ 7,916,366</u>	<u>\$ (74,261)</u>	<u>\$ -</u>	<u>\$ 43,986,040</u>

Discretely Presented Component Unit – Sutro Affordable Housing, LLC

The following is a summary of Sutro Affordable Housing, LLC's changes in capital assets for the fiscal year ended December 31, 2023:

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023
Not Being Depreciated:				
Land	\$ 1,394,064	\$ -	\$ -	\$ 1,394,064
Total Not Being Depreciated	1,394,064	-	-	1,394,064
Depreciable				
Buildings and Improvements	11,121,757	-	-	11,121,757
Equipment	229,671	-	-	229,671
Total Depreciable Capital Assets	11,331,590	-	-	11,351,428
Less Accumulated Depreciation:				
Buildings and Improvements	(889,302)	(346,472)	-	(1,235,774)
Equipment	(214,847)	(95,940)	-	(310,787)
Total Accumulated Depreciation	(1,104,149)	(442,412)	-	(1,546,561)
Total Capital Assets, Being Depreciated, Net	10,227,441	(442,412)	-	9,804,867
Total Capital Assets, Net	<u>\$ 11,621,505</u>	<u>\$ (442,412)</u>	<u>\$ -</u>	<u>\$ 11,198,931</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 5 LONG-TERM LIABILITIES

Enterprise Fund

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24	Current Portion
Notes from Direct Borrowings	\$ 479,581	\$ -	\$ (4,988)	\$ 474,593	\$ 8,514
Compensated Absences	417,736	134,189	-	551,925	52,734
SBITA Liability	1,000,762	-	(255,999)	744,763	263,758
Total	<u>\$ 1,898,079</u>	<u>\$ 134,189</u>	<u>\$ (260,987)</u>	<u>\$ 1,771,281</u>	<u>\$ 325,006</u>

Discretely Presented Component Unit – Sutro Affordable Housing, LLC

The following is a summary of changes in Sutro Affordable Housing, LLC's long-term liabilities due to the Authority for the year ended December 31, 2023:

	Balance 12/31/22	Additions	Deletions	Balance 12/31/23	Current Portion
Due to RHA	\$ 408,615	\$ 41,545	\$ -	\$ 450,160	\$ -
Total Due to Primary Government	<u>\$ 408,615</u>	<u>\$ 41,545</u>	<u>\$ -</u>	<u>\$ 450,160</u>	<u>\$ -</u>

NOTE 6 LONG-TERM DEBT

Enterprise Fund

Notes from direct borrowings at June 30, 2024 consist of the following:

Note payable to the City of Reno, due September 1, 2036, secured by a deed of trust on real estate located in Sparks, Nevada. Interest accrues at 1% per annum on the unpaid balance until September 1, 2036, at which time the remaining principal balance and accrued interest will be forgiven. There is no annual required payment of interest or principal. The outstanding balance at June 30, 2024 was \$162,893.

Note payable to the City of Reno-Washoe County Home Consortium, due April 1, 2041, secured by a junior deed of trust on real property located at 7900 Golden Valley Road, Reno, Nevada. Interest accrues on the note at 1.0% per annum as of May 1, 2026, with required annual principal and interest payments of \$10,000 beginning May 1, 2027. The balance outstanding on the loan at June 30, 2024 was \$150,000.

Note payable to the City of Reno-Washoe County Home Consortium, due April 1, 2033, secured by a junior deed of trust on real property located at 7900 Golden Valley Road, Reno, Nevada. Interest accrues on the note at a rate of 8.6% on the first \$200,000 and 3.0% on the remaining \$60,000 per annum. Required annual principal and interest payments are \$8,514. The balance outstanding on the loan at June 30, 2024 was \$161,700.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Enterprise Fund (Continued)

Notes from direct borrowings debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Required Payments</u>
2025	8,514	4,751	\$ 13,265
2026	8,770	4,495	13,265
2027	17,533	5,732	23,265
2028	17,804	5,461	23,265
2029	18,168	5,097	23,265
2030-2034	96,620	19,705	116,325
2035-2039	270,158	43,061	313,219
2040-2044	33,748	1,012	34,760
Total	<u>\$ 471,315</u>	<u>\$ 89,314</u>	<u>\$ 560,629</u>

Discretely Presented Component Unit – Sutro Affordable Housing, LLC

The following is a summary of changes in Sutro Affordable Housing, LLC's long-term debt from direct borrowings for the year ended December 31, 2023:

	<u>Balance 12/31/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/23</u>	<u>Current Portion</u>
Direct Borrowings:					
HOME Loan	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ -
LIHTF Loan	400,000	-	-	400,000	-
RHA Loan	351,000	-	-	351,000	-
AHP Loan	440,000	-	-	440,000	-
Wells Fargo Permanent Loan	1,085,618	-	(10,882)	1,074,736	11,527
Total	<u>\$ 3,276,618</u>	<u>\$ -</u>	<u>\$ (10,882)</u>	<u>\$ 3,265,736</u>	<u>\$ 11,527</u>

Notes from direct borrowings at December 31, 2023 consist of the following:

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with the City of Reno in the amount of \$1,000,000 (the HOME Loan). Under the terms of the agreement, the HOME Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears simple interest at a rate of 3% per annum. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2023 and 2022, the outstanding principal balance of the HOME Loan was \$1,000,000 and \$1,000,000, respectively, and accrued interest was \$141,369 and \$111,369, respectively. During 2023 and 2022, interest expense was \$30,000 and \$30,558, respectively.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Unit – Sutro Affordable Housing, LLC (Continued)

On April 15, 2019, Sutro Affordable Housing, LLC entered into a second promissory note with the City of Reno in the amount of \$400,000 (the LIHTF Loan). Under the terms of the agreement, the LIHTF Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears simple interest at a rate of 3% per annum. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2023 and 2022, the outstanding principal balance of the LIHTF Loan was \$400,000 and accrued interest was \$56,548 and \$44,548, respectively. During the 2023 and 2022, interest expense was \$12,000.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with RHA in the amount of \$401,000 (the RHA Loan). Under the terms of the agreement, the RHA Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears interest at a rate of 2.89%, compounded annually. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2023 and 2022, accrued interest was \$55,459 and \$44,042, respectively. During 2023 and 2022, interest expense was \$11,417 and \$11,790, respectively.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with Wells Fargo Financial National Bank in the amount of \$440,000 (the AHP Loan) from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program (AHP). Under the terms of the agreement, the AHP Loan is secured by a deed of trust on the Project, bears interest at a rate of 3% per annum and payment is due in full on April 15, 2049. As of December 31, 2023 and 2022, the outstanding principal balance of the AHP Loan was \$440,000 and accrued interest was \$62,203 and \$49,003, respectively. During 2023 and 2022 interest expense was \$13,200.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a loan commitment with Wells Fargo Bank, National Association (Wells Fargo) in the amount of \$1,100,000 (the Permanent Loan). The Permanent Loan is secured by a deed of trust on the Project, bears interest at a rate of 5.77% per annum and matures on July 1, 2039. During 2023 and 2022, interest expense was \$62,303 and \$62,916. As of December 31, 2023 and 2022, the outstanding principal balance was \$1,074,736 and \$1,085,618, respectively, and accrued interest was \$5,168 and \$5,220, respectively.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority has entered into subscription based-information technology arrangements (SBITAs) with two software vendors, Laserfiche and Yardi. The SBITA arrangements expire at various dates through 2027 and provide for renewal options.

As of June 30, 2024, SBITA assets and the related accumulated amortization totaled \$1,345,887 and \$358,477, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Required Payments</u>
2025	263,758	14,494	\$ 278,252
2026	271,753	6,499	278,252
2027	209,252	-	209,252
Total	<u>\$ 744,763</u>	<u>\$ 20,993</u>	<u>\$ 765,756</u>

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Subject to Change
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HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave up to a maximum of two years of earned vacation hours and to accumulate earned but unused sick leave up to a maximum of 400 hours. This leave will be used in future periods or paid to employees upon separation from the Authority: vacation hours are payable at the employee's payroll rate and sick leave is payable at one-half the employee's payroll rate. Combined long-term and short-term accrued vacation and sick leave totaling \$529,495 has been valued and recorded by the Authority as of June 30, 2024.

NOTE 9 EMPLOYEES RETIREMENT PLAN

General Information about the Pension Plan

Plan Descriptions – Public Employee Retirement System of Nevada (PERS) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system. The system was established by the Nevada Legislature in 1947, effective July 1, 1948. The system is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report (ACFR) available on the PER's website at www.nvpers.org under QuickLinks – Publications.

Benefits Provided – Benefits, as required by the Nevada Revised Statutes, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. The system offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Vesting – Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with 30 years of service.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 EMPLOYEES RETIREMENT PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation, however, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit up to 90% of average compensation.

The Plan's provisions and benefits in effect at June 30, 2024 are summarized as follows:

	Miscellaneous Plans	
	Prior to January 1, 2010	On or After January 1, 2010
Hire Date	2.67% @ 65	2.5% at 65
Benefit Formula	5 Years of Service	5 Years of Service
Benefit Vesting Formula	Monthly for Life	Monthly for Life
Benefit Payments	2.5% to 2.67%	2.5%
Monthly Benefits, as a Percent of Eligible Compensation	21.50%	28.1%
Retirement Age	65	65

Contributions – The Authority, for establishing and amending the obligation to make contribution and member contribution rates, is set by stature. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one or two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS286.421 and 286.450.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

Effective July 1, 2021, the regular employer-pay contribution (EPC) rate is 29.75%.

The Authority's employer and employee contractually required contributions to the plan were \$1,769,077 for the period ended June 30, 2024. Employer contributions were \$884,538 for the period ended June 30, 2024.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 EMPLOYEES RETIREMENT PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

Net Pension Liability – The net pension liability (NPL) was measured as of June 30, 2023, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The NPL of \$11,464,247 is measured as a proportionate share of the NPL of \$18,252,905,291 (or .062810%).

The employer allocation percentage of the NPL was based on the total contributions due on wages paid during the measurement period. Each employer’s proportion of the NPL is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2023.

Deferred Inflows/Outflows – For the year ended June 30, 2024, the Authority recognized a pension expense of \$900,207. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 884,538	\$ -
Differences Between Actual and Expected Experience	1,494,295	-
Changes in Assumptions	1,074,418	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	107,305
Adjustment Due to Differences in Proportions	1,696,809	81,472
Total	<u>\$ 5,150,060</u>	<u>\$ 188,777</u>

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Of the \$5,150,060 reported as deferred outflows of resources, \$884,538 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ended June 30,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2025	\$ 662,404
2026	583,453
2027	2,470,732
2028	270,272
2029	89,884

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 EMPLOYEES RETIREMENT PLAN (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability – The System’s net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions:

Discount Rate	7.25%
Inflation Rate	2.50%
Productivity Pay Increases	0.50% plus
Projected Salary Increases	4.20% to 9.10%, for regular members varying by years of service
Other Assumptions	Same as those used in the June 30, 2023 funding actuarial valuation

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience review issued September 10, 2021.

Discount Rate – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan’s current funding policy and cost-sharing mechanism between employers and members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine total pension liability as of June 30, 2023.

The following was the System’s board adopted policy target asset allocation as of June 30, 2023:

Asset Class	Allocation	Long-Term Expected Arithmetic Real Rate of Return*
U.S. Stocks	42.0 %	5.50 %
International Stocks	18.0	5.50 %
U.S. Bonds	28.0	0.75 %
Private Markets	12.0	6.65 %
Total	<u>100.0 %</u>	

*As of June 30, 2023 PERS’ Long-term inflation assumption was 2.50%

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 EMPLOYEES RETIREMENT PLAN (CONTINUED)

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

The following presents the Authority’s proportionate share of the net pension liability, calculated using the discount rate of 7.25%, as well as what the Authority’s proportionate share of the net pension liability/ (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	Discount Rate – 1% (6.25%)	Current Discount Rate (7.25%)	Discount Rate +1% (8.25%)
Plan’s Pension Liability	\$ 17,840,052	\$ 11,464,247	\$ 6,202,336

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued PERS ACFR, available on the PERS website.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Information

Eligible retirees may receive coverage through the Public Employee Benefit Program (PEBP). PEBP is an agent multiple-employer defined benefit plan administered by the nine member governing board that provides medical, prescription, dental, vision, and life insurance benefits to retirees. Eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the Authority is obligated to provide postemployment benefits is limited to eligible employees who retired from the Authority prior to September 1, 2008. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Public Employee Benefit Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701 or by calling (775) 684-7000. There are no assets accumulated in a trust that meets GASB 75 criteria.

Benefits Provided

The Authority is required to provide a subsidy based on years of service for its retirees that have enrolled in the PEBP. The subsidy is paid on a pay-as-you-go basis and is based on years of service and medical plan elected.

Employees Covered by Benefit Terms

As of July 1, 2023, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefit Payments	9
Active Plan Members	-
Total Plan Members	9

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Contributions

The contribution requirements of plan members and the Authority are established and may be amended through Authority ordinances. The Authority contributed \$-0- beyond the pay-as-you-go cost for the period ending on the June 30, 2024 measurement date. For the year ending June 30, 2024, total Authority premiums plus implicit costs for the retiree medical program were \$66,066.

OPEB Liability

The Authority's OPEB liability of \$122,449 was measured as of June 30, 2024, and the total OPEB liability used to calculate the new OPEB liability was determined by an actuarial valuation as of July 1, 2023.

	Total OPEB Liability
Balance for June 30, 2023	\$ 777,259
Service Cost	-
Interest	30,454
Changes in Benefit Terms	(124,563)
Changes in Assumptions	(9,762)
Difference Between Expected and Actual Experience	(484,933)
Employer Contributions to Trust	-
Benefit Payments Withdrawn from Trust	-
Benefit Payments including Implicit Cost	(66,006)
Net Changes in OPEB Liability	<u>(654,810)</u>
Total OPEB Liability - End of Period	<u>\$ 122,449</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Valuation Date	July 1, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset-Valuation Method	Market Value of Assets at the Measurement Date
Investment Rate of Return	N/A
Discount Rate	4.21% net of OPEB plan investment expense, including inflation
Municipal Bond Rate	4.21% as of June 30, 2024 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG)
Inflation Rate	2.50% as of June 30, 2024 and for future periods
Compensation Increases	3.00% annually as of June 30, 2024 and for future periods
Cost of Living Adjustment	N/A
Pre-Retirement Mortality	General: PubG-2010 Mortality Table for Employees projected generationally with scale MP-2020
Post-Retirement Mortality	General: PubG-2010 Mortality Table for Healthy Annuitants projected generationally with scale MP-2020
Disabled Mortality	General: PubG-2010 Mortality Table for Disabled Annuitants projected generationally with scale MP-2020

The actuarial assumptions used to calculate the actuarial accrued liability and the service cost primarily reflect the latest experience studies published by the SOA.

The Authority has not established a formal Investment Policy. There are no assets in a trust and this is a pay-as-you-go plan.

Sensitivity of the Authority's OPEB Liability to Changes in the Discount Rate

The following presents the Authority's OPEB liability calculated using the discount rate of 4.09%, as well as what the Authority's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

	1% Decrease (3.09%)	Current Discount (4.09%)	1% Increase (5.09%)
Total OPEB Liability	\$ 133,291	\$ 122,449	\$ 113,032

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions (Continued)

Sensitivity of the Authority's OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the Authority's OPEB liability as well as what the Authority's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	\$ 711,151	\$ 122,449	\$ 133,092

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Authority recognized a reduction in OPEB expense of \$216,073. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 29,758	\$ 456,482
Changes of Assumptions	21,110	12,694
Total	\$ 50,868	\$ 469,176

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

Year Ending June 30,	Amount
2025	(80,168)
2026	(103,546)
2027	(117,291)
2028	(117,303)

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 WASHOE AFFORDABLE HOUSING CORPORATION 401(K) PROFIT SHARING PLAN

Washoe Affordable Housing Corporation (Washoe), a blended component unit of the Authority, has established a 401(k) profit sharing plan. Eligible contributions include employee salary deferrals including Roth 401(k) deferrals, rollover contributions, employer matching contributions, and employer profit sharing contributions. Washoe employees, that are not union employees, are eligible when they have completed six months of service and have attained age 21. For the fiscal year ending June 30, 2024, three employees participated in the plan. Employee and employer contributions of \$12,579 and \$10,662, respectively, were made during the fiscal year ending June 30, 2024. Plan assets totaled \$132,206 as of June 30, 2024.

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**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS

	Washoe Affordable Housing Corporation	Transitional Housing Corporation	Railyard Flats, LLC	Sutro Management, LLC	Blended Component Unit Total	Total Primary Government	Eliminations	Total
ASSETS								
Cash and Investments	\$ 4,344,567	\$ 24,406	\$ 2,869,597	\$ 55,224	\$ 7,293,794	\$ 26,517,039	\$ -	\$ 33,810,833
Other Current Assets	235,585	-	243,997	-	479,582	3,004,954	-	3,484,536
Noncurrent Assets	-	-	-	-	-	439,000	-	439,000
Capital Assets	11,515	-	4,524,306	-	4,535,821	39,450,219	-	43,986,040
Interprogram Due from	-	-	-	-	-	2,751,095	(2,751,095)	-
Deferred Outflows	-	-	-	-	-	5,200,928	-	5,200,928
Total Assets and Deferred Outflows	<u>\$ 4,591,667</u>	<u>\$ 24,406</u>	<u>\$ 7,637,900</u>	<u>\$ 55,224</u>	<u>\$ 12,309,197</u>	<u>\$ 77,363,235</u>	<u>\$ (2,751,095)</u>	<u>\$ 86,921,337</u>
LIABILITIES								
Current Liabilities	\$ 28,145	\$ -	\$ 1,309,123	\$ -	\$ 1,337,268	\$ 3,679,901	\$ -	\$ 5,017,169
Noncurrent Liabilities	-	-	4,553,878	-	4,553,878	8,629,363	-	13,183,241
Interprogram Due To	-	-	55,529	-	55,529	2,695,566	(2,751,095)	-
Deferred Inflows	-	-	-	-	-	657,953	-	657,953
Total Liabilities and Deferred Inflows	<u>28,145</u>	<u>-</u>	<u>5,918,530</u>	<u>-</u>	<u>5,946,675</u>	<u>15,662,783</u>	<u>(2,751,095)</u>	<u>18,858,363</u>
NET POSITION								
Net Investment in Capital Assets	11,515	-	(149,703)	-	(138,188)	46,796,770	(4,553,878)	42,104,704
Restricted	-	-	-	-	-	3,688,520	-	3,688,520
Unrestricted	4,552,007	24,406	1,869,073	55,224	6,500,710	11,215,162	4,553,878	22,269,750
Total Net Position	<u>4,563,522</u>	<u>24,406</u>	<u>1,719,370</u>	<u>55,224</u>	<u>6,362,522</u>	<u>61,700,452</u>	<u>-</u>	<u>68,062,974</u>
Total Liabilities and Net Position	<u>\$ 4,591,667</u>	<u>\$ 24,406</u>	<u>\$ 7,637,900</u>	<u>\$ 55,224</u>	<u>\$ 12,309,197</u>	<u>\$ 77,363,235</u>	<u>\$ (2,751,095)</u>	<u>\$ 86,921,337</u>

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**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 12 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS
(CONTINUED)**

	Washoe Affordable Housing Corporation	Transitional Housing Corporation	Railyard Flats, LLC	Sutro Management, LLC	Blended Component Unit Total	Total Primary Government	Eliminations	Total
OPERATING REVENUES								
Grants	\$ 26,546,743	\$ -	\$ 1,725,000	\$ -	\$ 28,271,743	\$ 74,985,838	\$ (30,089,007)	\$ 73,168,574
Rental Income	-	-	-	-	-	8,332,868	-	8,332,868
Other Revenue	145,713	-	-	-	145,713	4,492,296	(3,255,440)	1,382,569
Total Operating Revenue	26,692,456	-	1,725,000	-	28,417,456	87,811,002	(33,344,447)	82,884,011
OPERATING EXPENSES								
Administrative	716,025	-	5,630	-	721,655	12,006,173	(2,059,630)	10,668,198
Utilities	3,456	-	-	-	3,456	1,202,166	-	1,205,622
Maintenance	20,312	-	-	-	20,312	3,028,745	-	3,049,057
Tenant Services	-	-	-	-	-	669,732	-	669,732
General Expenses	102,582	-	-	-	102,582	32,569,246	(31,284,817)	1,387,011
Housing Assistance Payments	27,074,817	-	-	-	27,074,817	27,510,478	-	54,585,295
Depreciation	3,025	-	-	-	3,025	3,341,156	-	3,344,181
Total Operating Expenses	27,920,217	-	5,630	-	27,925,847	80,327,696	(33,344,447)	74,909,096
Operating Income (Loss)	(1,227,761)	-	1,719,370	-	491,609	7,483,306	-	7,974,915
Total Nonoperating Revenues/(Expenses)	29,479	10,551	-	14,424	54,454	523,823	-	578,277
Income (Loss) Before Capital Grants	(1,198,282)	10,551	1,719,370	14,424	546,063	8,007,129	-	8,553,192
Capital Grants	-	-	-	-	-	754,410	-	754,410
Operating Transfer	1,725,000	-	-	-	1,725,000	(1,725,000)	-	-
CHANGE IN NET POSITION	526,718	10,551	1,719,370	14,424	2,271,063	7,036,539	-	9,307,602
Total Net Position - Beginning of Year	4,036,804	13,855	-	40,800	4,091,459	54,663,913	-	58,755,372
TOTAL NET POSITION - END OF YEAR	<u>\$ 4,563,522</u>	<u>\$ 24,406</u>	<u>\$ 1,719,370</u>	<u>\$ 55,224</u>	<u>\$ 6,362,522</u>	<u>\$ 61,700,452</u>	<u>\$ -</u>	<u>\$ 68,062,974</u>
Net Cash Provided (Used) by:								
Operating Activities	\$ 484,136	\$ -	\$ -	\$ -	\$ 484,136	\$ 10,018,236	\$ -	\$ 10,502,372
Capital and Related Financing Activities	-	-	2,869,597	-	2,869,597	(13,541,291)	-	(10,671,694)
Investing Activities	29,479	10,551	-	14,424	54,454	536,645	-	591,099
Net Increase / (Decrease) in Cash and Cash Equivalents	513,615	10,551	2,869,597	14,424	3,408,187	(2,986,410)	-	421,777
Cash and Cash Equivalents - Beginning of Year	3,830,952	13,855	-	40,800	3,885,607	29,503,449	-	33,389,056
Cash and Cash Equivalents - End of Year	<u>\$ 4,344,567</u>	<u>\$ 24,406</u>	<u>\$ 2,869,597</u>	<u>\$ 55,224</u>	<u>\$ 7,293,794</u>	<u>\$ 26,517,039</u>	<u>\$ -</u>	<u>\$ 33,810,833</u>

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 JOINT POWERS AGREEMENTS

Property and Liability Insurance

The Authority participates in a joint venture under a Joint Powers Agreement (JPA) with the Housing Authorities Risk Retention Pool (HARRP). HARRP was formed to provide property and liability insurance coverage for member housing authorities. The relationship between the Authority and HARRP is such that HARRP is not a component unit of the Authority for financial reporting purposes.

The Authority is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. Settlements have not exceeded insurance coverage in each of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior fiscal year.

NOTE 14 CONTINGENT LIABILITIES

Federal Grants

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

Pending Legal Matters

As of REPORT DATE, the date that the financial statements were available to be issued, the Authority had outstanding litigation cases that had not yet been resolved. The Authority has assessed the likelihood of such cases resulting in monetary settlement to be minimal and as such has not recorded an associated liability as fiscal year-end.

REQUIRED SUPPLEMENTARY INFORMATION

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**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

Last 10 Years*

Measurement Date Year Ended	Authority's Proportion of Net Pension Liability	Authority's Proportion Share of Net Pension Liability	Authority Covered Payroll	Authority's Proportion Share of Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the total Pension Liability
June 30, 2015	0.049868%	\$ 5,714,641	\$ 2,853,604	200%	75.1%
June 30, 2016	0.048670%	\$ 6,549,310	\$ 2,948,118	222%	72.2%
June 30, 2017	0.048180%	\$ 6,407,288	\$ 2,943,630	218%	74.4%
June 30, 2018	0.047640%	\$ 6,497,107	\$ 3,158,514	206%	75.2%
June 30, 2019	0.047350%	\$ 6,457,140	\$ 3,251,213	199%	76.5%
June 30, 2020	0.046590%	\$ 6,489,729	\$ 3,337,524	194%	77.0%
June 30, 2021	0.049490%	\$ 4,512,737	\$ 3,437,650	131%	86.5%
June 30, 2022	0.049050%	\$ 8,855,618	\$ 4,130,166	214%	75.1%
June 30, 2023	0.062810%	\$ 11,464,247	\$ 4,254,071	269%	76.2%

*Fiscal year ending June 30, 2015 was the first year of implementation, therefore only nine years are shown.

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**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS**

Last 10 Years

Fiscal Year Ended	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered - Payroll	Contributions as a Percentage of Covered - Payroll
June 30, 2015	\$ 367,402	\$ (367,402)	\$ -	\$ 2,853,604	25.8%
June 30, 2016	\$ 412,737	\$ (412,737)	\$ -	\$ 2,948,118	28.1%
June 30, 2017	\$ 398,113	\$ (466,731)	\$ (68,618)	\$ 2,943,630	29.4%
June 30, 2018	\$ 441,894	\$ (441,894)	\$ -	\$ 3,158,514	14.0%
June 30, 2019	\$ 455,857	\$ (455,857)	\$ -	\$ 3,251,213	14.0%
June 30, 2020	\$ 485,731	\$ (485,731)	\$ -	\$ 3,337,524	14.6%
June 30, 2021	\$ 517,458	\$ (517,458)	\$ -	\$ 3,437,650	15.1%
June 30, 2022	\$ 540,359	\$ (540,359)	\$ -	\$ 3,636,992	14.9%
June 30, 2023	\$ 727,094	\$ (727,094)	\$ -	\$ 4,888,027	14.9%
June 30, 2024	\$ 884,538	\$ (884,538)	\$ -	\$ 5,343,743	16.6%

Valuation Date

June 30, 2023

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

Individual Entry Age Normal

Amortization Method

Level Percentage of Payroll

Asset Valuation Method

Market value of assets less unrecognized returns in each of the last five years.

Inflation

2.50%

Payroll Growth

3.50%, including inflation

Salary Increase

Regular: 4.20% to 9.10%, depending on service
Rates include inflation and productivity increases

Investment Rate of Return

7.25%

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF CHANGES IN THE AUTHORITY'S NET OPEB LIABILITY AND RELATED RATIOS**

Valuation Date Measurement Date For the Reporting Period and Fiscal Year Ending on:	Last 10 Years*						
	July 1, 2023 June 30, 2024	July 1, 2021 June 30, 2023	July 1, 2021 June 30, 2022	July 1, 2019 June 30, 2021	July 1, 2019 June 30, 2020	July 1, 2017 June 30, 2019	July 1, 2017 June 30, 2018
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Service Cost	\$ -	\$ 7,218	\$ 7,744	\$ 7,182	\$ 6,281	\$ 15,551	\$ 13,829
Interest	30,454	31,865	25,909	26,767	26,809	27,584	23,976
Changes of Benefit Terms	(124,563)	-	-	-	-	-	-
Difference Between Expected and Actual Experience	(484,933)	-	(119,934)	-	138,343	-	113,274
Changes in Assumptions	(9,762)	-	(8,544)	-	98,140	-	-
Benefit Payments	(66,006)	(66,736)	(68,888)	(62,559)	(63,505)	(48,647)	(50,739)
Net Changes in OPEB Liability	(654,810)	(27,653)	(163,713)	(28,610)	206,068	(5,512)	100,340
Total OPEB Liability - Beginning of Period	777,259	804,912	968,625	997,235	791,167	796,679	663,411
Prior Period Adjustment	-	-	-	-	-	-	32,928
Total OPEB Liability - End of Period	<u>\$ 122,449</u>	<u>\$ 777,259</u>	<u>\$ 804,912</u>	<u>\$ 968,625</u>	<u>\$ 997,235</u>	<u>\$ 791,167</u>	<u>\$ 796,679</u>
Covered Employee Payroll	5,182,393	4,254,071	4,130,166	3,437,650	3,337,524	3,687,965	3,580,549
Plan NOL as % of Covered Employee Payroll	2.36%	18.27%	19.49%	28.18%	29.88%	21.45%	22.25%

*Information prior to fiscal year 2018 was not available. The Authority will accumulate each year until ten years of data becomes available.

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**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS**

	Last 10 Years*						
	June 30,2024	June 30,2023	June 30,2022	June 30,2021	June 30,2020	June 30,2019	June 30,2018
Service Cost	\$ -	\$ 7,218	\$ 7,744	\$ 7,182	\$ 6,281	\$ 15,551	\$ 13,829
30 Year Level Dollar Amortization of NOL	4,810	30,056	31,126	46,555	47,930	23,999	27,259
Actuarial Determined Contribution	4,810	37,274	38,870	53,737	54,211	39,550	41,088
Contributions in Relation to the Actuarially Determined Contribution	(66,006)	(66,736)	(68,888)	(62,559)	(63,505)	(39,550)	(41,088)
Contribution Deficiency	<u>\$ (61,196)</u>	<u>\$ (29,462)</u>	<u>\$ (30,018)</u>	<u>\$ (8,822)</u>	<u>\$ (9,294)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 5,182,393	\$ 4,254,071	\$ 4,130,166	\$ 3,437,650	\$ 3,337,524	\$ 3,687,965	\$ 3,580,549
Contribution as a % of Covered Employee Payroll	1.27%	1.57%	1.67%	1.82%	1.90%	1.07%	1.15%
Discount Rate	4.21%	4.09%	4.09%	2.75%	2.75%	3.50%	3.50%

*Information prior to fiscal year 2018 was not available. The Authority will accumulate each year until ten years of data becomes available.

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OTHER SUPPLEMENTARY INFORMATION

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**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>Department of Housing and Urban Development (HUD)</u>				
Direct Programs:				
Section 8 Project Based Cluster:				
Section 8 Housing Assistance Payments Program	14.195	N/A	\$ -	\$ 28,271,743
Total Section 8 Project-Based Cluster			-	28,271,743
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers – COVID-19 Emergency Housing Vouchers	14.871	N/A	-	1,383,636
Total Housing Voucher Cluster			-	1,383,636
Resident Opportunities Supportive Services	14.870	N/A	-	131,222
Moving to Work Demonstration (MTW) Program:				
MTW Demonstration Program for Low Rent	14.881	N/A	-	1,807,284
MTW Demonstration Program for Capital Fund	14.OPS	N/A	-	909,483
MTW Demonstration Program for HCV Program	14.CFP	N/A	-	33,454,143
Total MTW Program	14.HCV	N/A	-	36,170,910
Total U.S. Department of Housing and Urban Development			-	65,957,511
<u>Department of Treasury</u>				
Pass-through from the Nevada Housing Division:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not available	-	5,381,192
Pass-through from the Washoe County HOME Consortium:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not available	-	950,000
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			-	6,331,192
Total Department of Treasury			-	6,331,192
<u>Federal Communications Commission</u>				
Direct Program:				
Affordability Connectivity Program	32.008	N/A	-	10,097
Total Affordability Connectivity Program			-	10,097
Total Federal Communications Commission			-	10,097
Total Expenditures of Federal Awards			\$ -	\$ 72,298,800

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Housing Authority of the City of Reno (the Authority) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

The Authority has elected to not use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 SUBRECIPIENTS

The Authority did not pass-through any federal awards to subrecipients. The Authority was a recipient of COVID-19 Coronavirus State and Local Fiscal Recovery Funds which was a federal award passed through from another entity for the year ended June 30, 2024. See the accompanying schedule.

NOTE 5 NONCASH FEDERAL ASSISTANCE

The Authority did not receive any noncash federal assistance for the year ended June 30, 2024.

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	Section 8 Housing Assistance Payments	Shelter Plus Care	Neighborhood Stabilization Program	Family Self Sufficiency	Coronavirus State and Local Fiscal Recovery Funds	State and Local	Housing Investment Partnerships
CURRENT ASSETS													
Cash:													
111	Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ 573,826	\$ -	\$ 14,610	\$ 4,810,560	\$ -	\$ -	\$ -	\$ 664,982
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	-	-
113	Other restricted	53,268	-	-	-	3,632,058	-	-	-	3,194	630,474	-	-
114	Tenant security deposits	203,800	-	-	-	-	-	-	105,651	-	-	-	7,830
100	Total cash	257,068	-	-	-	4,205,884	-	14,610	4,916,211	3,194	630,474	-	672,812
Accounts and notes receivable:													
121	PHA Projects	-	-	-	-	11,659	-	-	-	-	-	-	-
122	HUD other projects	377,067	-	-	-	21,642	-	-	-	-	-	-	-
124	Other government	-	-	-	-	-	-	-	-	-	-	-	-
125	Miscellaneous	52,178	-	-	-	40,768	-	645	11,707	-	920,427	-	344
126	Tenants	72,495	-	-	-	298,546	-	-	60,916	-	-	-	-
126.1	Allowance for doubtful accounts - tenants	(23,130)	-	-	-	(272,744)	-	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	(40,806)	-	-	-	-
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	24,000	-	-	-	-
128	Fraud Recovery	11,812	-	-	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	490,422	-	-	-	99,871	-	645	55,817	-	920,427	-	344
131	Investments - unrestricted	33,365	-	-	-	722,186	-	-	720,044	-	-	-	-
142	Prepaid expenses and other assets	53,440	-	-	-	15,398	-	-	24,526	-	-	-	-
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	-	-	-	-	-	-	-	-	-	-
150	Total current assets	834,295	-	-	-	5,043,339	-	15,255	5,716,598	3,194	1,550,901	-	673,156
NONCURRENT ASSETS													
Fixed assets:													
161	Land	2,273,745	-	-	-	-	-	-	2,901,945	-	-	-	143,190
162	Buildings	55,574,191	-	-	-	96,852	-	-	13,953,993	-	-	-	1,511,643
163	Furniture, equipment and mach - dwellings	1,441,070	-	-	-	105,696	-	-	48,971	-	-	-	-
164	Furniture, equipment and mach - admin.	723,807	-	-	-	261,204	-	-	188,766	-	-	-	24,228
165	Leasehold Improvements	404,505	-	-	-	-	-	-	-	-	-	-	-
166	Accumulated depreciation	(49,863,212)	-	-	-	(240,775)	-	-	(5,749,632)	-	-	-	(673,404)
167	Construction in progress	197,917	-	-	-	-	-	-	-	-	4,340,860	-	-
160	Total fixed assets, net of accumulated depreciation	10,752,023	-	-	-	212,977	-	-	11,344,043	-	4,340,860	-	1,005,657
171	Notes, loans and mortgages receivable - noncurrent	-	-	-	-	-	-	-	88,000	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-	-	-	-	-
180	Total noncurrent assets	10,752,023	-	-	-	212,977	-	-	11,432,043	-	4,340,860	-	1,005,657
200	Deferred Outflow of Resources	1,244,063	-	-	-	2,796,537	-	-	237,683	-	-	-	3,641
TOTAL ASSETS AND DEFERRED													
290	OUTFLOWS OF RESOURCES	\$ 12,830,381	\$ -	\$ -	\$ -	\$ 8,052,853	\$ -	\$ 15,255	\$ 17,386,324	\$ 3,194	\$ 5,891,761	\$ -	\$ 1,682,454

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Affordability Connectivity Program	Emergency Housing Vouchers	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
CURRENT ASSETS												
Cash:												
111	Unrestricted	\$ 31,555	\$ -	\$ 6,106,114	\$ 7,238,182	\$ 119,812	\$ -	\$ -	\$ -	\$ 19,559,641	\$ 369,183	\$ 19,928,824
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	-
113	Other restricted	-	-	6,957	-	-	-	256,626	-	4,582,577	462,942	5,045,519
114	Tenant security deposits	15,146	-	128,838	-	-	-	-	-	461,265	17,700	478,965
100	Total cash	46,701	-	6,241,909	7,238,182	119,812	-	256,626	-	24,603,483	849,825	25,453,308
Accounts and notes receivable:												
121	PHA Projects	-	-	-	-	-	-	-	-	11,659	-	11,659
122	HUD other projects	-	13,786	-	202,292	-	-	-	-	614,787	-	614,787
124	Other government	-	-	519,935	248,271	-	-	-	-	768,206	-	768,206
125	Miscellaneous	2,357	-	608,512	2,460	18,272	-	32,019	-	1,689,689	-	1,689,689
126	Tenants	8,239	-	15,622	-	12,193	-	4,106	-	472,117	8,958	481,075
126.1	Allowance for doubtful accounts - tenants	-	-	(4,229)	-	-	-	-	-	(300,103)	-	(300,103)
126.2	Allowance for doubtful accounts - other	(6,280)	-	-	-	-	-	(2,063)	-	(49,149)	-	(49,149)
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	-	24,000	-	24,000
128	Fraud Recovery	-	-	-	-	-	-	-	-	11,812	-	11,812
129	Accrued interest receivable	-	-	61,332	-	-	-	-	-	61,332	-	61,332
120	Total receivables, net of allowances for uncollectibles	4,316	13,786	1,201,172	453,023	30,465	-	34,062	-	3,304,350	8,958	3,313,308
131	Investments - unrestricted	-	-	7,307,784	55,612	368,359	-	-	-	9,207,350	-	9,207,350
142	Prepaid expenses and other assets	22,968	-	8,024	26,559	29,271	-	-	-	180,186	31,336	211,522
143	Inventories	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	2,751,095	-	-	-	-	(2,751,095)	-	-	-
150	Total current assets	73,985	13,786	17,509,984	7,773,376	547,907	-	290,688	-	37,295,369	890,119	38,185,488
NONCURRENT ASSETS												
Fixed assets:												
161	Land	322,400	-	3,175,863	787,159	-	-	-	-	9,604,302	1,394,064	10,998,366
162	Buildings	1,965,370	-	15,867,603	40,161	1,027,091	-	-	-	90,026,904	11,121,757	101,148,661
163	Furniture, equipment and mach - dwellings	2,515	-	137,776	-	10,460	-	-	-	1,746,488	229,671	1,976,159
164	Furniture, equipment and mach - admin.	25,755	-	111,963	62,761	1,754,403	-	-	-	3,152,887	-	3,152,887
165	Leasehold Improvements	-	-	-	-	-	-	-	-	404,505	-	404,505
166	Accumulated depreciation	(796,045)	-	(10,893,114)	(91,407)	(2,010,571)	-	-	-	(70,318,160)	(1,546,561)	(71,864,721)
167	Construction in progress	-	-	529,098	3,737,147	564,092	-	-	-	9,369,114	-	9,369,114
160	Total fixed assets, net of accumulated depreciation	1,519,995	-	8,929,189	4,535,821	1,345,475	-	-	-	43,986,040	11,198,931	55,184,971
171	Notes, loans and mortgages receivable - noncurrent	-	-	4,904,878	-	-	-	-	(4,553,878)	439,000	-	439,000
174	Other assets	-	-	-	-	-	-	-	-	-	103,989	103,989
180	Total noncurrent assets	1,519,995	-	13,834,067	4,535,821	1,345,475	-	-	(4,553,878)	44,425,040	11,302,920	55,727,960
200	Deferred Outflow of Resources	4,160	-	350,543	-	564,301	-	-	-	5,200,928	-	5,200,928
TOTAL ASSETS AND DEFERRED												
290	OUTFLOWS OF RESOURCES	\$ 1,588,140	\$ 13,786	\$ 31,694,594	\$ 12,309,197	\$ 2,457,683	\$ -	\$ 290,688	\$ (7,304,973)	\$ 86,921,337	\$ 12,193,039	\$ 99,114,376

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	Section 8 Housing Assistance Payments	Shelter Plus Care	Neighborhood Stabilization Program	Family Self Sufficiency	Coronavirus State and Local Fiscal Recovery Funds	State and Local	Housing Investment Partnerships
CURRENT LIABILITIES													
312	Accounts payable <= 90 days	\$ 173,764	\$ -	\$ -	\$ -	\$ 53,356	\$ -	\$ -	\$ 8,763	\$ -	\$ 226,677	\$ -	\$ 1,493
321	Accrued wage/payroll taxes payable	39,331	-	-	-	87,721	-	-	6,278	-	-	-	46
322	Accrued compensated absences - current	12,559	-	-	-	34,749	-	-	921	-	-	-	10
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-
333	Accounts payable - Other Government	235,931	-	-	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	203,800	-	-	-	-	-	-	105,651	-	-	-	7,830
342	Unearned revenues	26,134	-	-	-	4,952	-	-	53,488	-	630,474	-	107
343	Current portion of LT debt - capital projects	-	-	-	-	-	-	-	-	-	-	-	-
344	Current portion of LT debt- operating	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	69,065	-	-	-	243,368	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	60,943	-	-	-	400	-	-	-	-	179,333	-	-
347	Interprogram - due to	1,791,028	-	-	-	80,070	-	-	-	-	571,487	-	-
310	Total current liabilities	2,612,555	-	-	-	504,616	-	-	175,101	-	1,607,971	-	9,486
NONCURRENT LIABILITIES													
351	Long-term debt, net of current - capital	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	2,204	-	-	-	170,496	-	-	-	-	-	-	-
354	Accrued compensated absences - noncurrent	113,119	-	-	-	312,775	-	-	10,426	-	-	-	81
357	Accrued Pension and OPEB Liabilities	2,771,538	-	-	-	6,230,167	-	-	529,511	-	-	-	8,111
350	Total noncurrent liabilities	2,886,861	-	-	-	6,713,438	-	-	539,937	-	-	-	8,192
300	Total liabilities	5,499,416	-	-	-	7,218,054	-	-	715,038	-	1,607,971	-	17,678
400	Deferred Inflow of Resources	157,384	-	-	-	353,779	-	-	30,068	-	-	-	460
	Total Liabilities and Deferred Inflow of Resources	5,656,800	-	-	-	7,571,833	-	-	745,106	-	1,607,971	-	18,138
NET POSITION													
508.4	Net investment in capital assets	10,752,023	-	-	-	212,977	-	-	11,344,043	-	3,934,850	-	1,005,657
511.4	Restricted net position	53,268	-	-	-	3,632,058	-	-	-	3,194	-	-	-
512.4	Unrestricted net position	(3,631,710)	-	-	-	(3,364,015)	-	15,255	5,297,175	-	348,940	-	658,659
513	Total net position	7,173,581	-	-	-	481,020	-	15,255	16,641,218	3,194	4,283,790	-	1,664,316
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 12,830,381	\$ -	\$ -	\$ -	\$ 8,052,853	\$ -	\$ 15,255	\$ 17,386,324	\$ 3,194	\$ 5,891,761	\$ -	\$ 1,682,454

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Affordability Connectivity Program	Emergency Housing Vouchers	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
CURRENT LIABILITIES												
312	Accounts payable <= 90 days	\$ 1,207	\$ -	\$ 369,091	\$ 1,195,618	\$ 48,499	\$ -	\$ 5,872	\$ -	\$ 2,084,340	\$ 56,209	\$ 2,140,549
321	Accrued wage/payroll taxes payable	92	3,922	70,464	21,519	12,184	-	1,873	-	243,430	-	243,430
322	Accrued compensated absences - current	20	-	325	-	4,150	-	-	-	52,734	-	52,734
325	Accrued interest payable	-	-	11,403	-	-	-	-	-	11,403	320,747	332,150
333	Accounts payable - Other Government	-	-	-	-	-	-	-	-	235,931	-	235,931
341	Tenant security deposits	15,146	-	128,838	-	-	-	-	-	461,265	17,700	478,965
342	Unearned revenues	3,816	-	6,957	-	-	-	256,626	-	982,554	-	982,554
343	Current portion of LT debt - capital projects	-	-	8,514	-	263,758	-	-	-	272,272	11,527	283,799
344	Current portion of LT debt - operating	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-	312,433	-	312,433
346	Accrued Liabilities - Other	-	-	-	120,131	-	-	-	-	360,807	14,424	375,231
347	Interprogram - due to	239,195	13,786	-	55,529	-	-	-	(2,751,095)	-	-	-
310	Total current liabilities	259,476	17,708	595,592	1,392,797	328,591	-	264,371	(2,751,095)	5,017,169	420,607	5,437,776
NONCURRENT LIABILITIES												
351	Long-term debt, net of current - capital	-	-	466,078	4,553,878	481,006	-	-	(4,553,878)	947,084	3,254,209	4,201,293
353	Noncurrent liabilities - other	-	-	-	-	-	-	-	-	172,700	450,160	622,860
354	Accrued compensated absences - noncurrent	162	-	2,864	-	37,334	-	-	-	476,761	-	476,761
357	Accrued Pension and OPEB Liabilities	9,269	-	780,943	-	1,257,157	-	-	-	11,586,696	-	11,586,696
350	Total noncurrent liabilities	9,431	-	1,249,885	4,553,878	1,775,497	-	-	(4,553,878)	13,183,241	3,704,369	16,887,610
300	Total liabilities	268,907	17,708	1,845,477	5,946,675	2,104,088	-	264,371	(7,304,973)	18,200,410	4,124,976	22,325,386
400	Deferred Inflow of Resources	528	-	44,346	-	71,388	-	-	-	657,953	-	657,953
	Total Liabilities and Deferred Inflow of Resources	269,435	17,708	1,889,823	5,946,675	2,175,476	-	264,371	(7,304,973)	18,858,363	4,124,976	22,983,339
NET POSITION												
508.4	Net investment in capital assets	1,519,995	-	8,318,758	(138,188)	600,711	-	-	4,553,878	42,104,704	7,933,195	50,037,899
511.4	Restricted net position	-	-	-	-	-	-	-	-	3,688,520	462,942	4,151,462
512.4	Unrestricted net position	(191,290)	(3,922)	21,486,013	6,500,710	(318,504)	-	26,317	(4,553,878)	22,269,750	(328,074)	21,941,676
513	Total net position	1,328,705	(3,922)	29,804,771	6,362,522	282,207	-	26,317	-	68,062,974	8,068,063	76,131,037
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 1,598,140	\$ 13,786	\$ 31,694,594	\$ 12,309,197	\$ 2,457,683	\$ -	\$ 290,688	\$ (7,304,973)	\$ 86,921,337	\$ 12,193,039	\$ 99,114,376

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	Section 8 Housing Assistance Payments	Shelter Plus Care	Neighborhood Stabilization Program	Family Self Sufficiency	Coronavirus State and Local Fiscal Recovery Funds	State and Local	Housing Investment Partnerships
REVENUE													
70300	Net tenant rental revenue	\$ 3,028,574	\$ -	\$ -	\$ -	\$ 2,742	\$ -	\$ -	\$ 1,288,525	\$ -	\$ -	\$ -	\$ 102,950
70400	Tenant revenue - other	217,611	-	-	-	89	-	-	15,434	-	-	-	1,488
70500	Total tenant revenue	3,246,185	-	-	-	2,831	-	-	1,303,959	-	-	-	104,438
70600	HUD PHA operating grants	-	1,807,284	33,454,143	155,073	-	28,271,743	-	-	-	-	-	-
706.10	Capital grants	-	-	-	754,410	-	-	-	-	-	-	-	-
70710	Management fee	-	-	-	-	-	-	-	-	-	-	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other governmental grants	-	-	-	-	-	-	-	-	-	6,331,192	1,455,000	-
71100	Investment income - unrestricted	46,941	-	-	-	(3)	-	-	132,828	-	-	-	-
71400	Fraud recovery	9,173	-	-	-	100,879	-	-	756	-	-	-	-
71500	Other revenue	220,322	-	-	-	272,163	-	780	6,232	-	200,000	-	46,501
71600	Gain or loss on sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total revenue	3,522,621	1,807,284	33,454,143	909,483	375,870	28,271,743	780	1,443,775	-	6,531,192	1,455,000	150,939
EXPENSES													
Administrative:													
91100	Administrative salaries	655,691	-	-	-	2,967,718	-	-	119,287	-	-	49,511	770
91200	Auditing fees	47,997	-	-	-	11,624	-	-	-	-	-	-	-
91300	Management fee	728,530	-	-	-	361,875	-	-	108,649	-	-	-	9,701
91310	Bookkeeping fee	-	-	-	-	224,385	-	-	10,080	-	-	-	900
91400	Advertising	1,579	-	-	-	1,156	-	-	-	-	-	-	-
91500	Employee benefit contributions - admin	527,551	-	-	-	1,755,823	-	-	166,190	-	-	28,007	2,957
91600	Office expense	438,082	-	-	-	362,944	-	-	94,006	-	-	1,807	-
91700	Legal expense	19,036	-	-	-	-	-	-	2,556	-	-	-	52
91800	Travel	9,865	-	-	-	12,121	-	-	-	-	-	-	-
91900	Other	171,371	-	-	-	241,044	-	-	14,807	-	105	-	-
	Total administrative	2,599,702	-	-	-	5,938,690	-	-	515,575	-	105	79,325	14,380
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-
Tenant services:													
92100	Salaries	112,754	-	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions	61,900	-	-	-	-	-	-	-	-	-	-	-
92400	Other	298,343	-	-	-	45,235	-	-	-	-	-	-	-
	Total tenant services	472,997	-	-	-	45,235	-	-	-	-	-	-	-
Utilities:													
93100	Water	147,687	-	-	-	-	-	-	6,189	-	-	-	-
93200	Electricity	114,351	-	-	-	-	-	-	3,961	-	-	-	463
93300	Gas	87,882	-	-	-	-	-	-	5,611	-	-	-	187
93600	Sewer	415,772	-	-	-	-	-	-	44,510	-	-	-	6,073
93800	Other utilities expense	3,152	-	-	-	-	-	-	406	-	-	-	1
	Total utilities	768,844	-	-	-	-	-	-	60,677	-	-	-	6,724
Ordinary maintenance and operations:													
94100	Labor	582,421	-	-	-	-	-	-	138,606	-	-	-	4,009
94200	Materials and other	181,933	-	-	-	159	-	-	33,481	-	413	-	1,638
94300	Contracts	895,801	-	-	-	8,666	-	-	80,731	-	-	-	4,671
94500	Employee benefits contribution	324,979	-	-	-	-	-	-	-	-	-	-	-
	Total ordinary maintenance and operations	1,985,134	-	-	-	8,825	-	-	252,818	-	413	-	10,318

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Affordability Connectivity Program	Emergency Housing Vouchers	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
REVENUE												
70300	Net tenant rental revenue	\$ 186,436	\$ -	\$ 3,424,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,033,932	\$ 489,909	\$ 8,523,841
70400	Tenant revenue - other	6,779	-	57,535	-	-	-	-	-	298,936	777	299,713
70500	Total tenant revenue	193,215	-	3,482,240	-	-	-	-	-	8,332,868	490,686	8,823,554
70600	HUD PHA operating grants	-	127,300	-	-	-	-	1,482,016	-	65,297,559	-	65,297,559
706.10	Capital grants	-	-	-	-	-	-	-	-	754,410	-	754,410
70710	Management fee	-	-	-	-	1,356,197	-	-	(1,356,197)	-	-	-
70730	Bookkeeping fee	-	-	-	-	535,793	-	-	(535,793)	-	-	-
70800	Other governmental grants	-	-	-	28,271,743	-	10,097	-	(28,197,017)	7,871,015	-	7,871,015
71100	Investment income - unrestricted	-	-	271,202	54,454	51,686	-	-	-	557,108	241	557,349
71400	Fraud recovery	1,387	-	-	-	-	-	2,369	-	114,564	-	114,564
71500	Other revenue	1,626	-	3,431,370	145,713	167,836	-	30,902	(3,255,440)	1,268,005	-	1,268,005
71600	Gain or loss on sale of capital assets	-	-	51,688	-	-	-	-	-	51,688	-	51,688
70000	Total revenue	196,228	127,300	7,236,500	28,471,910	2,111,512	10,097	1,515,287	(33,344,447)	84,247,217	490,927	84,738,144
EXPENSES												
Administrative:												
91100	Administrative salaries	1,539	83,720	179,610	255,428	601,333	-	67,607	-	4,982,214	21,695	5,003,909
91200	Auditing fees	-	-	-	7,598	4,613	-	-	-	71,832	-	71,832
91300	Management fee	21,342	-	197,526	-	-	-	14,508	(1,356,197)	85,934	54,453	140,387
91310	Bookkeeping fee	1,980	-	3,780	285,600	-	-	9,068	(535,793)	-	-	-
91400	Advertising	-	-	935	-	1,258	-	-	-	4,928	42	4,970
91500	Employee benefit contributions - admin	4,116	46,694	149,005	69,529	372,818	-	34,044	-	3,156,734	16,812	3,173,546
91600	Office expense	48,756	-	104,305	66,708	289,213	-	787	(167,640)	1,238,968	-	1,238,968
91700	Legal expense	176	-	8,895	1,450	147,628	-	-	-	179,793	12,762	192,555
91800	Travel	-	-	942	16,025	27,330	-	-	-	66,283	-	66,283
91900	Other	-	-	28,839	19,317	406,029	-	-	-	881,512	33,415	914,927
	Total administrative	77,909	130,414	673,837	721,655	1,850,222	-	126,014	(2,059,630)	10,666,198	139,179	10,807,377
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-
Tenant services:												
92100	Salaries	-	-	-	-	11,012	-	-	-	123,766	-	123,766
92300	Employee benefit contributions	-	-	-	-	-	-	-	-	61,900	-	61,900
92400	Other	-	-	83,369	-	-	-	57,119	-	484,066	-	484,066
	Total tenant services	-	-	83,369	-	11,012	-	57,119	-	669,732	-	669,732
Utilities:												
93100	Water	2,080	-	41,954	295	2,079	-	-	-	200,284	3,816	204,100
93200	Electricity	2,795	-	38,762	1,888	26,010	-	-	-	188,230	53,429	241,659
93300	Gas	743	-	25,762	599	4,534	-	-	-	125,318	3,981	129,299
93600	Sewer	9,878	-	207,340	672	251	-	-	-	684,496	24,654	709,150
93800	Other utilities expense	43	-	3,690	2	-	-	-	-	7,294	-	7,294
	Total utilities	15,539	-	317,508	3,456	32,874	-	-	-	1,205,622	85,880	1,291,502
Ordinary maintenance and operations:												
94100	Labor	2,425	-	201,148	205	-	-	-	-	928,814	24,598	953,412
94200	Materials and other	2,797	-	110,730	40	2,776	-	-	-	333,967	5,975	339,942
94300	Contracts	6,151	-	341,405	20,067	103,805	-	-	-	1,461,297	89,013	1,550,310
94500	Employee benefits contribution	-	-	-	-	-	-	-	-	324,979	-	324,979
	Total ordinary maintenance and operations	11,373	-	653,283	20,312	106,581	-	-	-	3,049,057	119,586	3,168,643

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	Section 8 Housing Assistance Payments	Shelter Plus Care	Neighborhood Stabilization Program	Family Self Sufficiency	Coronavirus State and Local Fiscal Recovery Funds	State and Local	Housing Investment Partnerships
EXPENSES (Continued)													
96110	Property insurance	\$ 199,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,620	\$ -	\$ -	\$ -	\$ 2,533
96120	Liability insurance	15,197	-	-	-	-	-	-	2,182	-	-	-	193
96130	Worker's Compensation	13,569	-	-	-	29,878	-	-	2,609	-	-	420	65
96140	All other insurance	28,157	-	-	-	1,669	-	-	4,835	-	-	-	280
96100	Total insurance premiums	256,250	-	-	-	31,547	-	-	38,246	-	-	420	3,071
General expenses:													
96200	Other general expenses	19,558	-	-	-	3,297,042	28,271,743	-	-	-	-	-	-
96210	Compensated absences	15,415	-	-	-	105,829	-	-	343	-	-	-	-
96300	Payment in lieu of taxes	240,146	-	-	-	-	-	-	537	-	-	-	37
96400	Bad debt - tenant rents	34,925	-	-	-	-	-	-	39,212	-	-	-	-
96500	Bad debt - Mortgages	-	-	-	-	-	-	-	26,000	-	-	-	-
96000	Total general expenses	310,044	-	-	-	3,402,871	28,271,743	-	66,092	-	-	-	37
96710	Interest of mortgage payable	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-
96700	Total interest expense and amortization	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total operating expenses	6,392,971	-	-	-	9,427,168	28,271,743	-	933,408	-	518	79,745	34,530
97000	Excess of operating revenue over operating expenses	(2,870,350)	1,807,284	33,454,143	909,483	(9,051,298)	-	780	510,367	-	6,530,674	1,375,255	116,409
97300	Housing assistance payments	-	-	-	-	24,801,915	-	-	-	-	-	1,375,255	-
97350	HAP Portability-in	-	-	-	-	136,072	-	-	-	-	-	-	-
97400	Depreciation expense	1,478,934	-	-	-	59,931	-	-	558,661	-	-	-	69,731
90000	Total expenses	7,871,905	-	-	-	34,425,086	28,271,743	-	1,492,069	-	518	1,455,000	104,261
Other financing sources (uses):													
10010	Operating transfer in	662,156	-	-	-	37,036,508	-	-	11,824	-	125,733	-	-
10020	Operating transfer out	(662,156)	(1,807,284)	(33,454,143)	(909,483)	(865,598)	-	-	(1,211,952)	-	(2,790,039)	-	-
10093	Transfers between Program and Project - In	2,716,767	-	-	-	-	-	-	-	-	-	-	-
10094	Transfers between Program and Project - Out	-	-	-	-	(2,716,767)	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	2,716,767	(1,807,284)	(33,454,143)	(909,483)	33,454,143	-	-	(1,200,128)	-	(2,664,306)	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ (1,632,517)	\$ -	\$ -	\$ -	\$ (595,073)	\$ -	\$ 780	\$ (1,248,422)	\$ -	\$ 3,866,368	\$ -	\$ 46,678

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Affordability Connectivity Program	Emergency Housing Vouchers	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
EXPENSES (Continued)												
96110	Property insurance	\$ 5,572	\$ -	\$ 95,256	\$ 301	\$ -	\$ -	\$ -	\$ -	\$ 331,609	\$ -	\$ 331,609
96120	Liability insurance	425	-	7,106	-	-	-	-	-	25,103	-	25,103
96130	Worker's Compensation	38	808	9,525	2,904	4,166	-	683	-	64,665	-	64,665
96140	All other insurance	618	-	10,297	-	10,385	-	-	-	56,241	-	56,241
96100	Total insurance premiums	6,653	808	122,184	3,205	14,551	-	683	-	477,618	-	477,618
General expenses:												
96200	Other general expenses	-	-	1,321	99,375	2,625	-	521	(31,284,817)	407,368	29,761	437,129
96210	Compensated absences	-	-	-	-	12,602	-	-	-	134,189	-	134,189
96300	Payment in lieu of taxes	186	-	380	2	-	-	-	-	241,288	-	241,288
96400	Bad debt - tenant rents	6,361	-	13,169	-	4,818	-	2,063	-	100,548	-	100,548
96500	Bad debt - Mortgages	-	-	-	-	-	-	-	-	26,000	-	26,000
96000	Total general expenses	6,547	-	14,870	99,377	20,045	-	2,584	(31,284,817)	909,393	29,761	939,154
96710	Interest of mortgage payable	-	-	8,264	-	22,255	-	-	-	30,519	130,360	160,879
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	7,370	7,370
96700	Total interest expense and amortization	-	-	8,264	-	22,255	-	-	-	30,519	137,730	168,249
96900	Total operating expenses	118,021	131,222	1,873,315	848,005	2,057,540	-	186,400	(33,344,447)	17,010,139	512,136	17,522,275
97000	Excess of operating revenue over operating expenses	78,207	(3,922)	5,363,185	27,623,905	53,972	10,097	1,328,887	-	67,237,078	(21,209)	67,215,869
97300	Housing assistance payments	-	-	-	27,074,817	-	-	1,170,442	-	54,422,429	-	54,422,429
97350	HAP Portability-in	-	-	-	-	-	-	26,794	-	162,866	-	162,866
97400	Depreciation expense	81,602	-	553,601	3,025	538,696	-	-	-	3,344,181	442,412	3,786,593
90000	Total expenses	199,623	131,222	2,426,916	27,925,847	2,596,236	-	1,383,636	(33,344,447)	74,939,615	954,548	75,894,163
Other financing sources (uses):												
10010	Operating transfer in	-	-	4,581,430	1,725,000	583,560	-	-	(44,726,211)	-	-	-
10020	Operating transfer out	-	-	(3,015,459)	-	-	(10,097)	-	44,726,211	-	-	-
10093	Transfers between Program and Project - In	-	-	-	-	-	-	-	(2,716,767)	-	-	-
10094	Transfers between Program and Project - Out	-	-	-	-	-	-	-	2,716,767	-	-	-
10100	Total other financing sources (uses)	-	-	1,565,971	1,725,000	583,560	(10,097)	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ (3,395)	\$ (3,922)	\$ 6,375,555	\$ 2,271,063	\$ 98,836	\$ -	\$ 131,651	\$ -	\$ 9,307,602	\$ (463,621)	\$ 8,843,981

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2024**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	Section 8 Housing Assistance Payments	Shelter Plus Care	Neighborhood Stabilization Program	Family Self-Sufficiency	Coronavirus State and Local Fiscal Recovery Funds	State and Local	Housing Investment Partnerships
Memo Account Information													
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	8,825,554	-	-	-	2,111,202	-	14,475	17,918,095	3,194	417,422	-	1,619,317
11040	Prior period adjustments, equity transfers correction	(19,456)	-	-	-	(1,035,109)	-	-	(28,455)	-	-	-	(1,679)
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit months available	9,012	-	-	-	35,820	-	-	1,512	-	-	-	108
11210	Number of unit months leased	8,226	-	-	-	30,125	-	-	1,339	-	-	-	103
11270	Excess cash	(2,341,972)	-	-	-	-	-	-	-	-	-	-	-
11620	Building purchases	671,377	-	-	-	-	-	-	-	-	-	-	-
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	Affordability Connectivity Program	EHV	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
Memo Account Information											
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000	\$ 102,000
11030	Beginning equity	1,327,984	-	23,428,353	4,091,459	(896,349)	(105,334)	-	58,755,372	8,531,684	67,287,056
11040	Prior period adjustments, equity transfers correction	4,116	-	863	-	1,079,720	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-
11190	Unit months available	264	-	4,416	38,088	-	1,644	-	90,864	528	91,392
11210	Number of unit months leased	225	-	4,021	36,275	-	1,256	-	81,570	513	82,083
11270	Excess cash	-	-	-	-	-	-	-	(2,341,972)	-	(2,341,972)
11620	Building purchases	-	-	-	-	-	-	-	671,377	-	671,377
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-

**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 Reno
Reno, Nevada

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 and the discretely presented component unit of the Housing Authority of the City of Reno (the Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated REPORT DATE. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit as described in our report the Authority's financial statements. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component unit or that are reported on separately by those auditors who audited the financial statements of the discretely presented component unit.

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 the Authority's internal control.

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

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

Purpose of This Report

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

CliftonLarsonAllen LLP

Baltimore, Maryland
REPORT DATE

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

Board of Commissioners
Housing Authority of the City of Reno
Reno, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the City of Reno'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 June 30, 2024. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 Auditors' 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.

Other Matter – Federal Expenditures Not included in the Compliance Audit

The Authority's basic financial statements include the operations of a discretely presented component unit which may have received federal awards which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2024. Our audit, described above, did not include the operations of the discretely presented component unit because other auditors were engaged to perform audits of compliance, if applicable.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority'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.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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 a deficiency 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 a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority'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.

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.

CliftonLarsonAllen LLP

Baltimore, Maryland
REPORT DATE

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Numbers

14.881
21.027

Name of Federal Program or Cluster

Moving to Work Demonstration Program
Coronavirus State and Local Fiscal Recovery
Funds

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

\$ 2,168,964

Auditee qualified as low-risk auditee?

 x yes _____ no

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Federal Award Findings and Questioned Costs

2024 – 001

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Moving to Work Demonstration Program

Assistance Listing Number: 14.881

Federal Award Identification Number and Year: NV001VO - 2024

Award Period: July 1, 2023 – June 30, 2024

Compliance Requirement: Eligibility

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: Beneficiaries must be “low-income families,” as defined in Section 3(b)(2) of the 1937 Housing Act (42 USC 1437a(b)(2)) (Section 204(b) of Pub. L. No. 104-134 (42 USC 1437f (note))).

Condition: The Authority was unable to provide adequate income supporting documentation.

Questioned costs: Unable to determine.

Context: Exceptions were noted in 5 out of 40 files tested for eligibility requirements. For 2 of the 40 files tested for public housing eligibility, the tenants change in income was not updated in the HUD-50058. For 3 of 40 files tested for public housing eligibility, a portion of the tenant’s income was not supported by 3rd party documentation.

Cause: The Authority did not sufficiently monitor controls to ensure compliance with eligibility requirements.

Effect: The Authority is not in compliance with federal regulations regarding eligibility. Tenant rent may have been miscalculated due to using stale/inaccurate information in the rent calculation.

Repeat Finding: No.

Recommendation: We recommend that Reno Housing Authority reviews the controls in place to ensure that income entered into the HUD-50058 is accurate and supported through 3rd party verification.

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2024**

2024 – 001 (Continued)

Views of responsible officials: There is no disagreement with the audit finding.

Draft
Subject to Change
2/21/25

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 4

February 25, 2025

SUBJECT: Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)

A. Discussion and possible approval of increases to RHA Credit Card Limits for authorized users. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

RHA provides business credit cards to certain executive, leadership, and professional positions within the agency and at Washoe Affordable Housing Corporation (WAHC). These cards are used to pay for a range of items including, but not limited to, approved agency-related travel and training, office supplies, RHA events, maintenance needs, and other administrative costs. Given the continued increase in costs for items, the current limits are insufficient and finance staff must micro-manage balances to ensure room for new charges; especially in instances where authorized users are registering multiple staff for training and/or booking travel. As a result, the below listed increased limits are recommended for approval.

Position	Current Credit Limit	Proposed Credit Limit
Executive Director	\$2,500	\$5,000
Deputy Executive Director	\$2,500	\$5,000
Executive Admin Assistant	\$1,500	\$3,000
Director of HR	\$1,500	\$3,000
Director of Rental Assistance	\$1,500	\$3,000
Director of Resident Services	\$1,500	\$3,000
Director of Asset Management	\$1,500	\$3,000
Director of Development	\$1,500	\$3,000
WAHC Contract Administrator	\$1,500	\$3,000
WAHC Compliance Officer	\$1,500	\$3,000
WAHC Compliance Officer	\$1,500	\$3,000

These proposed new limits will provide a greater ability to meet agency needs while still restricting the total amount of charges any one authorized user can accrue.

Staff Recommendation and Motion:

Staff recommend the Board of Commissioners motion to approve the new credit card limits as proposed.

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 5

February 25, 2025

SUBJECT: Commissioner Reports (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 6

February 25, 2025

SUBJECT: Executive Director/Secretary's Report. (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion

A. Update on Agency Activities

- RHA's public housing, project-based assistance, Silverada Manor, and Pilgrim's Rest Senior Apartments waitlists will be open March 3, 2025, at 8 am PT, through April 25, 2025, at 5 pm PT. Once open, applicants can apply through RHA's website at www.renoha.org, via our kiosks in the main office lobby and Downtown Reno Library, or by contacting our office for assistance. While applying does not guarantee immediate housing, it is the first step in our process and interested community members are encouraged to apply for any and all waitlists that are of interest. Staff have notified community partners about the upcoming opening and posted an advertisement in the *Reno Gazette Journal*.
- RHA completed its FY24 audit with CliftonLarsonAllen (CLA) and is working to upload a final version of the audit to the federal clearinghouse by March 31, 2025. A presentation by CLA on the agency's financial statements is included as an item on this agenda.
- Commissioners are reminded that contingency funds must be allocated by June 30, 2025. Funds must be allocated to a non-profit organization or governmental agency/program. Unallocated funds do not carry over. Requests to allocate contingency funds should be emailed to the Executive Director.
- The Reno Aces Foundation commemorated its \$5,000 donation to RHA's Golden Grocery with a check presentation and photo on February 21, 2025. This is the Foundation's inaugural round of funding and RHA was selected from over 50 applicants to receive one of 12 grant awards. Funds will enable RHA to expand the supply of items available at the pantry and serve more seniors.
- Affordable housing day at the Nevada Legislature is scheduled for April 22, 2025. Staff from RHA will participate. Although the final schedule is not yet available, the day will include visits with legislators, legislative speakers, and information sharing on affordable housing initiatives, data, challenges, and successes.
- RHA is working with Bethel Community Church, owner of Pilgrim's Rest Senior Apartments, to restructure their existing debt to the agency. The prior workout arrangement did not account for repayment of debt within a specified period of time while still allowing for new operations and maintenance cost accruals. The proposed new structure will provide a Promissory Note for repayment of \$109,000 over ten years.
- As indicated in the January board packet, RHA anticipates removing screen doors from its public housing properties. Upon review of 2024 work orders just for Mineral Manor, work orders related to screen doors account for over 16% of tasks. These are costly and time-

consuming repairs that are negatively impacting the agency budget, keeping maintenance staff from other needed repairs, and will adversely impact HUD inspections. HUD does not require screen doors. Screen doors at Myra Birch will be excepted as they are designed to provide an additional level of security. Residents were notified of the upcoming change. Reasonable accommodation will be provided where deemed necessary.

- RHA held a “sneak peek” open house for residents of John McGraw and Silver Sage Apartments to view a newly renovated apartment. Numerous tenants stopped by and provided overwhelming positive feedback on the renovation. A formal grand reopening will be scheduled later this year when the property is fully completed.

B. Rental Assistance Voucher Programs/Asset Management

Rental Assistance

Voucher Type	Total Voucher Baseline	Vouchers Leased as of 2/3/25	Percent Leased	Vouchers Issued Not Yet Leased
Housing Choice Voucher	2,638	2,327	90%	43
VASH	446	386	87%	36
VASH – pending PBV awards	95	0	0%	0
EHV	108	104	96%	3
FYI	15	11	73%	3

Number HQS Inspections Conducted	Jan 2025	268
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City of Sparks Eviction Prevention Program

Total Funding Awarded	Total Assistance Approved as of 2/14/25	Number of Households Approved as of 2/14/25	Percent Funding Spent
\$1,455,000	\$1,039,263	219	75%

Homeless Prevention Program

Total Funding Available (\$155,027.87 pending)	Total Assistance Approved as of 2/14/25	Number of Households Approved as of 2/14/25	Percent Funding Spent
\$161,024.00	\$161,024.00	59	100%

Housing Choice Vouchers (HCV)

Description: Vouchers used by clients to lease a unit in Washoe County of their choosing. Applicants are pulled from the RHA HCV Waitlist. These vouchers also include Project Based Vouchers. The RHA has chosen to project-base 113 of our HCV’s to assist special populations obtain housing. Of the total 117 PBV units, 64 are assigned to RHA-owned properties.

Lease-Up Expectations: Although our total voucher allocation is 2703 (increased from 2554 due to the Silverada RAD conversion), HUD has set the agency's leasing expectation at 2638 (a.k.a. RHA's MTW Baseline), which is the maximum leasing expectation set by HUD when RHA signed its MTW Contract. Funds provided by HUD to support the HCV program are also used to support the agency's MTW activities and therefore full lease up of all 2703 vouchers is not expected or suggested by HUD.

Veteran's Affairs Supporting Housing Vouchers (VASH)

Description: Vouchers allocated by HUD with an ongoing partnership with the VA to serve homeless veterans. The VA provides case management services to participants. The VA makes direct referrals to RHA of eligible clients and the RHA provides a VASH voucher. Currently, RHA has project-based 138 of these vouchers.

Emergency Housing Vouchers (EHV)

Description: Vouchers allocated by HUD for the specific purpose of assisting homeless individuals or families or those at risk of homelessness in obtaining housing. RHA is partnering with five local agencies (Catholic Charities, Health Plan of Nevada, Washoe County Human Services-Our Place, Washoe County Housing and Homeless Services-Cares Campus, and Volunteers of America) that have experience providing services to this population. Direct referrals for the program must come from the regional Continuum of Care (CoC) coordinated entry system through the partner agency.

Lease-Up Expectations: HUD allows RHA to cumulatively lease to the 137 vouchers that were originally allocated. 29 vouchers were previously leased and moved off and have been removed from the baseline, leaving 108 vouchers available.

Foster Youth to Independence Vouchers (FYI)

Description: Voucher allocated by HUD for the specific purpose of assisting foster youth aging out of the foster care system. RHA is partnering with Washoe County Human Services and Eddy House to provide direct referrals and case management to clients.

Asset Management

- Maintenance has been working on leaf removal from the sites and in the gutters. While cleaning out the gutters they are inspecting them and making any necessary repairs. With the 1st phase of McGraw/Silver Sage ending, maintenance started preparing the vacancy turn schedule to ensure the temporary units are ready for the phase 2 residents to move in. During the month of January, the maintenance team attended Asbestos Awareness training.
- Management attended Rent Café training in January in preparation for going live with the online portal. Rent Café registration letters were sent out to all public housing residents at the beginning of February. Management sent out notices to all residents informing them that maintenance will start removing screen doors starting in March. Management also prepared the leasing schedule for all phase 1 and 2 moves that will occur in February for McGraw and Silver Sage residents.

- Public Housing ended the month of November with 158 vacancies for an overall occupancy rate of 74.00% across all sites. 100 of those are from Hawk View which has completed permanent relocation of all residents in preparation for demolition. Out of the 158 vacancies, 24 of the vacancies are being used by residents of Stead, McGraw, and Silver Sage who have been temporarily relocated while rehabilitation is being completed in their units. Once we have closed on the Hawk View project, those units will be pulled from the public housing portfolio and will no longer be counted in the vacancy rate. Without Hawk View vacancies, public housing has an occupancy rate of 88.58%. While that is still an unusually high vacancy rate for our agency, we have been holding vacancies at all our complexes for temporary relocation. RHA is working on completing substantial rehabilitation or demolition on 3 of the 7 public housing complexes which started in 2024.

C. Update on Resident Services

Senior Services

Golden Groceries Food Pantry at Tom Sawyer:

- Held on January 16th, serving 43 clients.
- Resident Services received \$5,000 from the Reno Aces Foundation to support the Golden Groceries program.

Workshops and Events:

- **Young at Heart Dance Class** at Willie J. Wynn: Ongoing every Tuesday with an average of 6 participants each week
- **Basic Money Management 3-Part Workshop** at Willie J. Wynn on January 31st, attended by 10 residents.

Resident Council Activities:

- **Resident Council Training for 2025** was conducted. The session included a review of the Resident Council Handbook and expectations for the new year.

Workforce Development & Family Self-Sufficiency (FSS) Program

Workshops and Events:

- **Understanding Taxes 101 Workshop** on January 8th, in combination with FSS and Start Smart, 17 participants, including 6 non-FSS residents.

Youth Programs

Start Smart Program:

- **Understanding Taxes 101 Workshop** on January 8th, in combination with FSS and Start Smart, 17 participants, including 6 non-FSS residents.
- **TMCC College Planning workshop:** Truckee Meadows Community College (TMCC) hosted a Jump Start and Summer Bridge program workshop, providing residents with information on early college opportunities and academic readiness. The session helped participants explore

pathways to earning college credits and transitioning smoothly into higher education, supporting Resident Services' commitment to academic success.

Youth Activities & Upcoming Events:

- **Bike Camp Enrollment** (January 28 - February 7): 10 youth enrolled.
- **First Tee Program:** 14 enrolled, with 25 total youth and parents' spots available.
- **Girls STEM Camp Enrollment:** Ongoing until 20 spots are filled.
- **Summer Camp Enrollment:** Begins March 17, 2025.
- **Bike Camp:** Scheduled for March 24 - 28, 2025.
- **First Tee Spring Camp:** Runs from March 25 - April 15, 2025 (4 Tuesday sessions).

Upcoming Projects & Events

- Resident Services is pleased to welcome two Master of Social Work (MSW) interns from the University of Nevada, Reno's School of Social Work. These interns will work closely with Resident Services programs, assisting with client outreach, case management, resource navigation, and program development.
- **Community Health and Wellness Program at WJW**
- **Anti-Fraud and Money Management Workshop at Willie J. Wynn**
- **Senior Fitness Program & Dietary Approaches to Stop Hypertension (DASH) Workshop at Tom Sawyer.**
- **Blood Pressure Check at Willie J. Wynn**
- **Strengthening Families Workshop Series** March-April 2025.
- **Golden Groceries Food Pantry at Tom Sawyer:** February 6 & 20, 2025.

D. Update on Government & Public Affairs Activities

- 2025 RHA Calendars were mailed to residents, clients, and partners
- RHA's Resident Newsletter is currently printing and will be distributed this month.
- Worked with the Reno Aces Foundation to schedule a photo and check presentation to commemorate the \$5,000 grant provided to RHA.
- Recruited for a Public Affairs Specialist, previously the Media Specialist position.

E. Update on Development Department Activities

Silverada Manor

- Interior renovations of residential building and community building are proceeding on schedule.

- Pavilion notified RHA and Brinshore of a delay in electrical switch gear delivery that may cause a delay for Phase 2 construction scheduled for fall of this year. Several different solutions are being explored to minimize the delay.

Hawk View

- Demolition began on February 12, 2025, and should be complete by mid-April.
- Project financial closing targeted for February 26, 2025.

Stead Manor

- Phase 1 interior demolition and abatement, subfloor replacement, and roofing replacement or complete. Plenum aims to complete installation and window replacement by the end of February.

McGraw Court/Silver Sage Court

- Phase 1 was completed in late February. Residents were invited to an open house on February 13 to see a fully renovated unit. Residents all offered positive feedback.
- Phase 1 residents began moving back to their units on February 18. Phase 2 residents will begin temporary relocation on February 24. Relocation will be complete by the first week of March.
- Phase 2 construction will begin by mid-March and is scheduled to be complete by mid-June.

Carville Court

- RHA's Master Plan amendment and upzoning request had its second hearing and approval by Reno City Council on February 12. The next, and final, step is for the changes to be ratified by the Regional Planning Governing Board in mid-March.
- H+K Architects and JKAE are set to submit architectural services proposal for the project on March 4th.
- RHA released a Request for Qualifications (RFQ) for a CMAR for the project on February 21st.
- RHA received award notification from the Nevada Supportive Housing at the end of January and has since submitted requested budget updates. No further award information has been shared as of mid-February.
- No update on HUD CoC BUILDS application.

Essex Manor

- Development Department has finalized scope of work and will be requesting a proposal for engineering services and issue an IFB for general contractors by the end of March.

Capital Fund

- Mineral Manor ADA Lobby door project started and completed the week of February 18-21.

Reno Avenue

- Development Department met with Wood Rodgers to discuss potential predevelopment work needed for the project in mid-February and requested a proposal to be received by mid-March.

2026 I Street

- Application for the parcel was submitted to the City of Sparks on January 14th. No update on the status of the application as of the February Board meeting.

F. Update on Information Technology Activities

Yardi Implementation

- Final Go Live tasks for Rent Café are in process.

Other Projects

- **Laptop Replacement:** The laptop replacement project is progressing smoothly and is about 75% complete.
- **Cybersecurity:** Evaluation of the organization's cybersecurity posture is in process.
- **Kiosks:** We received three satisfaction surveys for Mineral Manor and two for the Downtown Reno Library. The Mineral Manor kiosk saw an increase in sessions, going from 57 to 72. Meanwhile, the Downtown Reno Library kiosk had a significant drop, in sessions going from 36 to 18.

G. Update on MTW Activities

FY 2026 Annual MTW Plan

- RHA's draft FY 2026 Annual MTW Plan is currently available for public review and comment until March 25, 2025. A public hearing to receive comments on the draft plan is scheduled for March 6, 2025.
- New initiatives under consideration and included in the plan are (1) Direct Rental Assistance, (2) an alternative inspection policy for newly constructed or substantially rehabilitated properties, (3) limiting LIHTC assisted units to RHA's Basic Payment Standard, and (4) allowing for the direct referral to waiting list from one of RHA's Continuum of Care partners.
- An overview of each of the four proposed MTW initiatives has been presented to members of RHA's Resident Advisory Board and Resident Councils. These meetings provide current residents with an opportunity to review and provide comments and/or concerns on each of the proposed MTW initiatives prior to the Public Hearing.

Direct Rental Assistance

- RHA's MTW Initiatives & Housing Policy Manager and Policy & Planning Analyst worked closely with the Housing Solutions Lab at the NYU Furman Center to finalize a grant proposal to Arnold Ventures. This proposal seeks funding to cover NYU's evaluation on the impact of DRA on household and agency-level outcomes. The team from NYU should find out mid-March if funding for their grant proposal will be awarded.

Needs Assessment Survey

- In partnership with Resident Services staff, RHA's Policy & Planning Analyst and MTW Initiatives & Housing Policy Manger, drafted and finalized a needs assessment survey. All assisted households in RHA's Public Housing and Rental Assistance programs will soon be invited to participate in this survey. Staff anticipates the results from this survey will provide us with a better understanding of the current needs of our residents and allow them to provide feedback on different programs that they would like to see offered in the future. Data from this survey will help staff identify gaps in current programs, guide us as we create programs specifically tailored to RHA's clients, and provide us with baseline data needed to pursue future grant opportunities.

MTW Initiative Focus Group

- Currently, RHA's Annual MTW Report provides a lot of number driven data, but the overall human element of our activities has been minimal. To better understand the impact of RHA's MTW initiatives on the households we serve, RHA's MTW team is developing new ways to gather information directly from the residents themselves. Recently, current and past participants of RHA's "Provide incentives to \$0 HAP households" initiative were invited to participate and share their experiences with this activity. In the coming months, staff will invite those who have expressed interest in participating to an informal, candid discussion on this specific initiative. The data collected through this focus group will be used to report on the "people" piece of the activity while allowing our clients to discuss changes they could be made to make the initiative more successful.

H. Update on Legal Inquiries

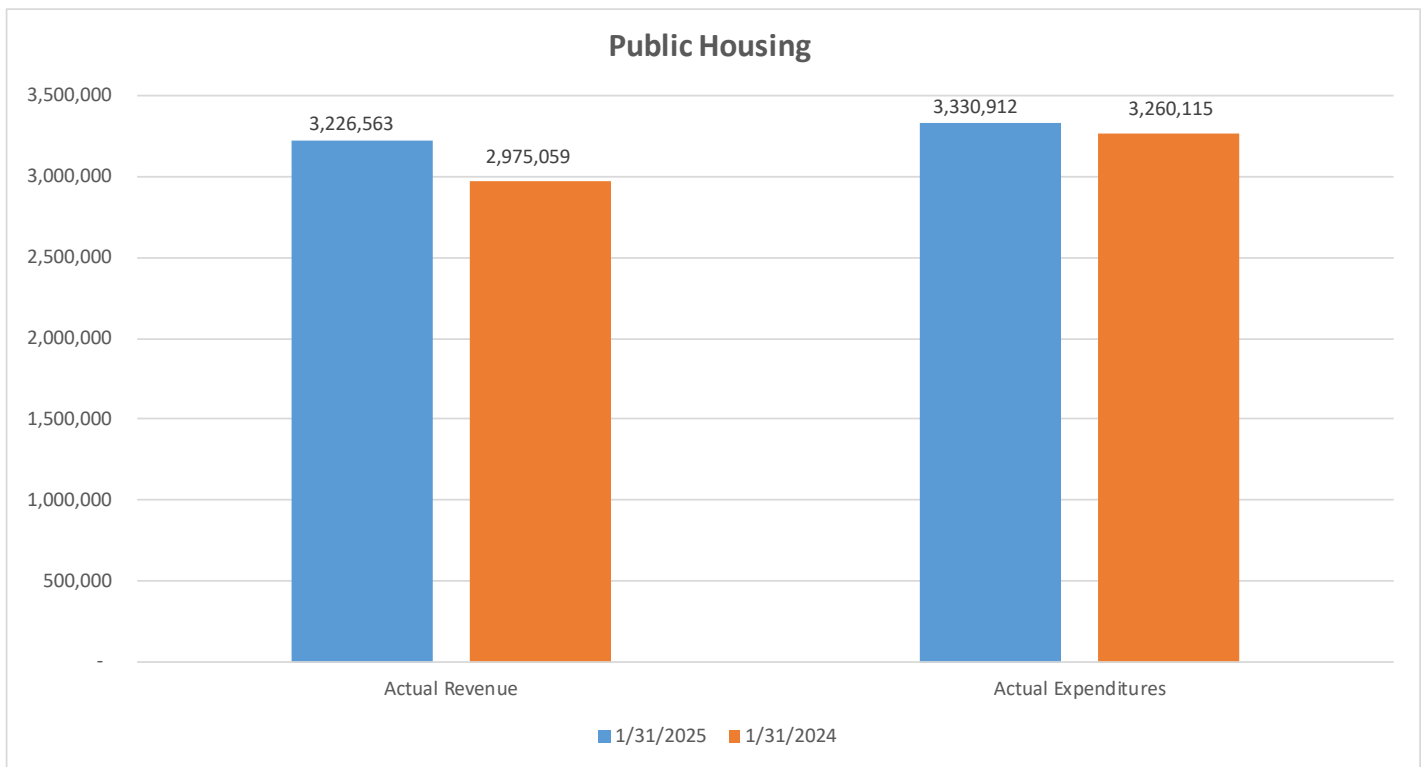
No legal updates.

I. Financials

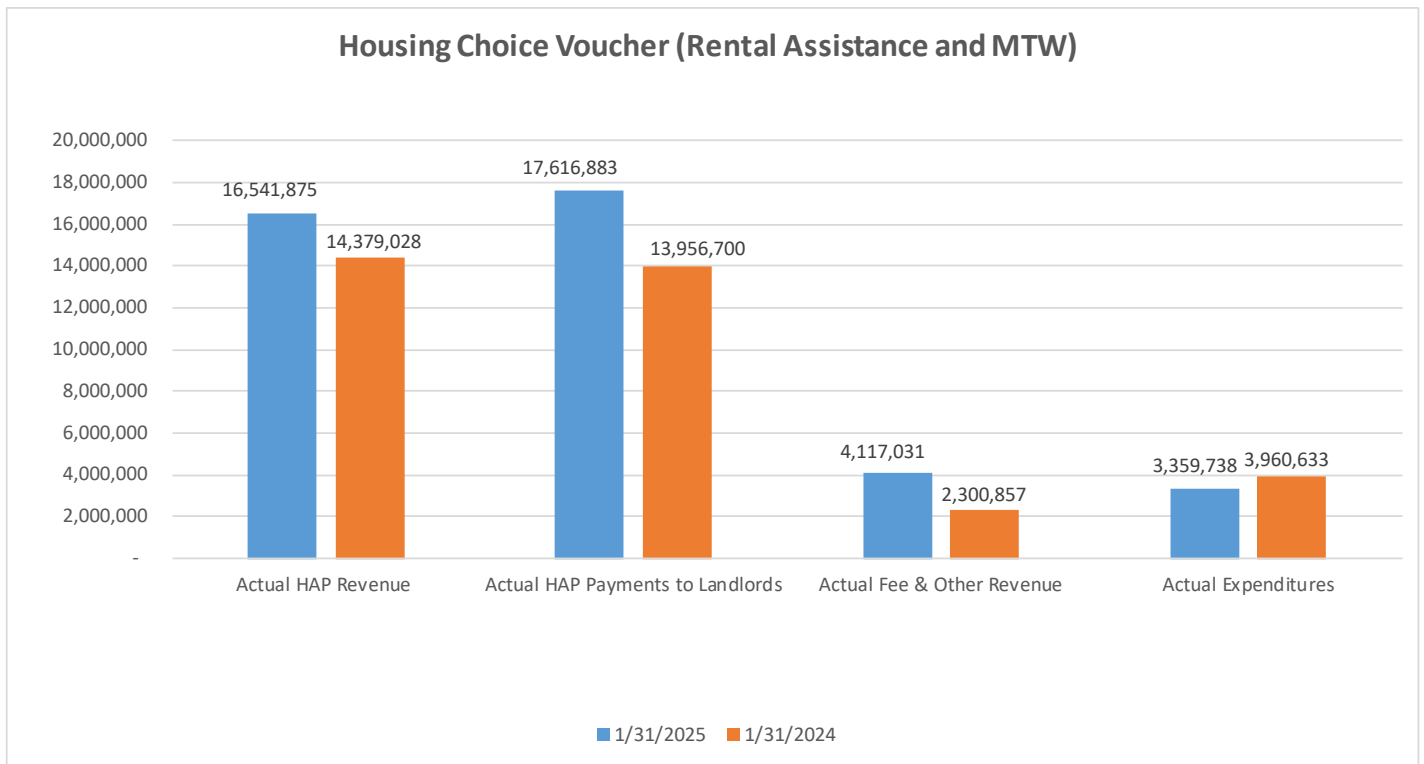
See attached graphics on the following pages.

**ENTITY-WIDE FINANCIAL REPORT
FOR THE 7 MONTHS ENDED JANUARY 31, 2025**

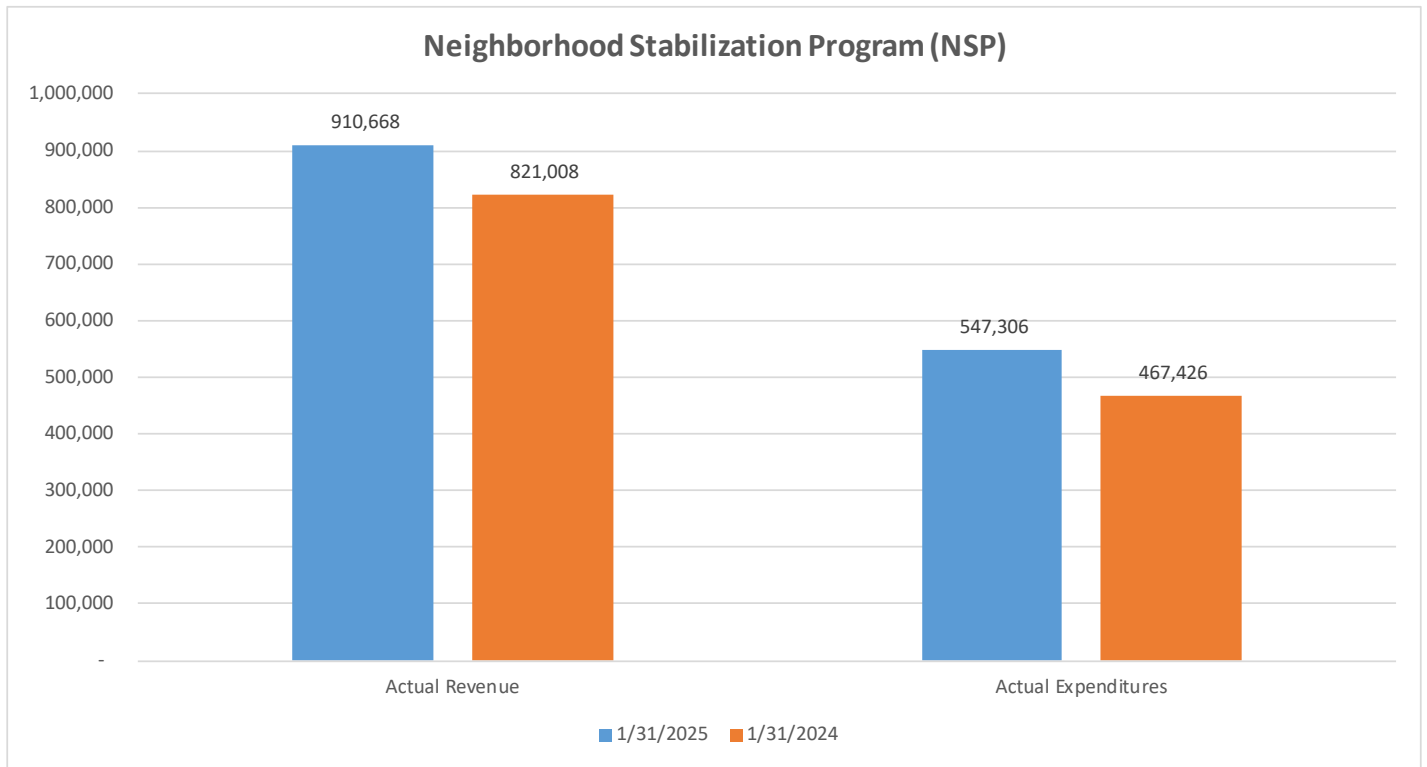
Public Housing	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual Revenue	3,226,563	2,975,059	251,504	8.45%
Budgeted Revenue	2,778,486	3,082,554	(304,069)	-9.86%
Actual Expenditures	3,330,912	3,260,115	70,797	2.17%
Budgeted Expenditures	3,018,520	3,857,346	(838,826)	-21.75%
Actual Surplus (deficit)	(104,349)	(285,057)	180,707	-63.39%



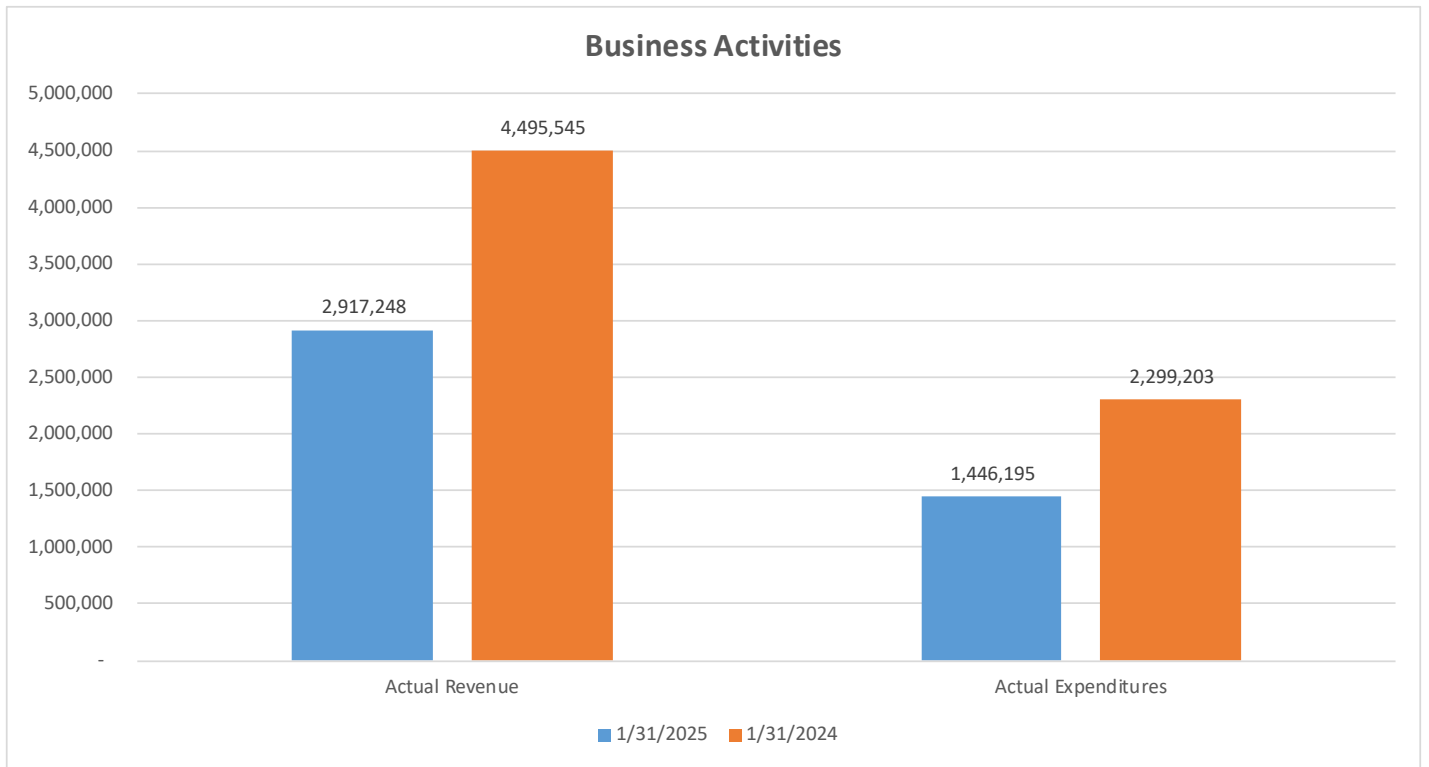
Housing Choice Voucher (Rental Assistance and MTW)	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual HAP Revenue	16,541,875	14,379,028	2,162,847	15.04%
Budgeted HAP Revenue	16,492,385	16,304,264	188,121	1.15%
Actual HAP Payments to Landlords	17,616,883	13,956,700	3,660,183	26.23%
Budgeted HAP Payments to Landlords	15,025,283	14,405,971	619,312	4.30%
<i>HAP Surplus (Deficit)</i>	<i>(1,075,008)</i>	<i>422,328</i>	<i>(1,497,336)</i>	<i>0.00%</i>
Actual Fee & Other Revenue	4,117,031	2,300,857	1,816,173	78.93%
Budgeted Fee & Other Revenue	2,345,273	1,751,040	594,233	33.94%
Actual Expenditures	3,359,738	3,960,633	(600,895)	-15.17%
Budgeted Expenditures	3,815,763	3,050,054	765,709	25.10%
<i>Unrestricted Profit (Loss)</i>	<i>757,293</i>	<i>(1,659,776)</i>	<i>2,417,068</i>	<i>-145.63%</i>
Actual Surplus (deficit)	(317,715)	(1,237,447)	919,733	-74.32%



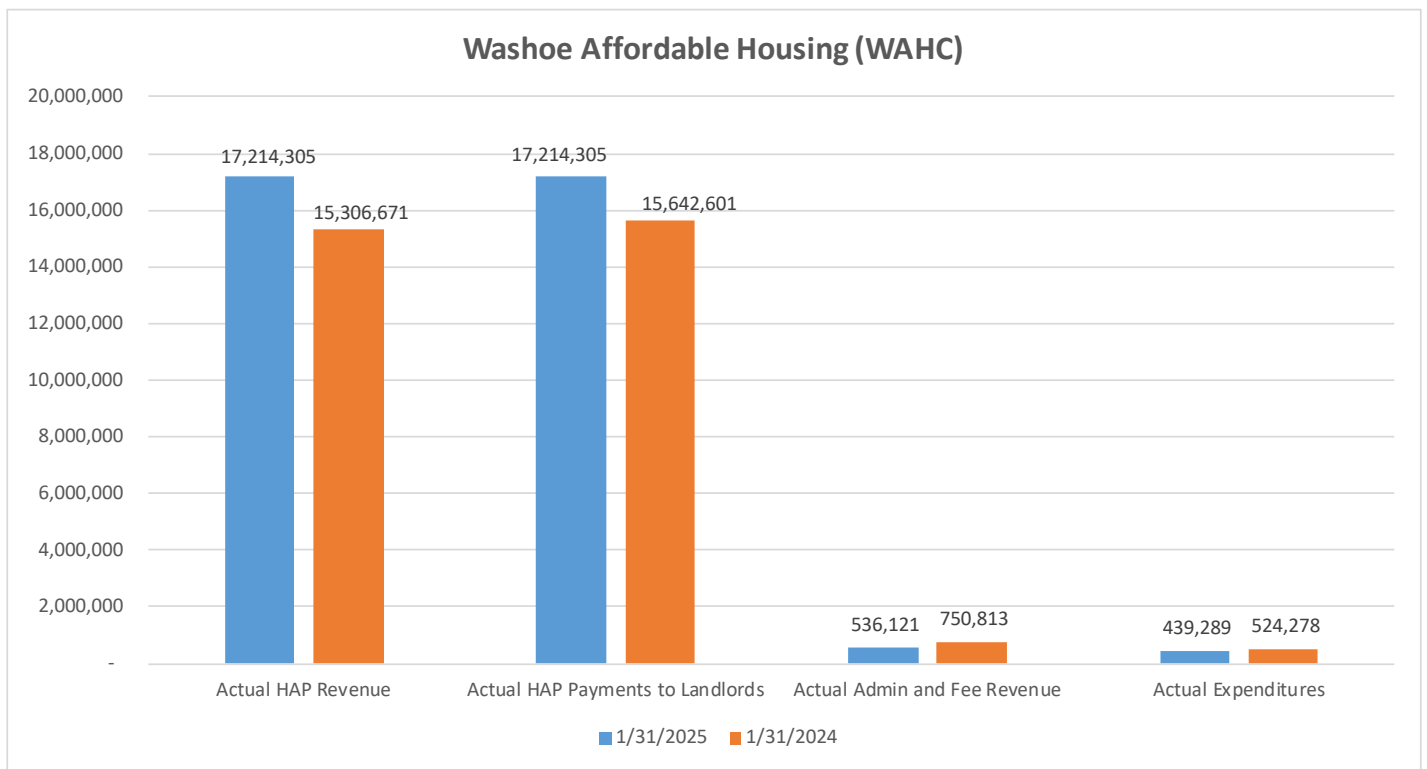
Neighborhood Stabilization Program (NSP)	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual Revenue	910,668	821,008	89,660	10.92%
Budgeted Revenue	849,611	823,718	25,893	3.14%
Actual Expenditures	547,306	467,426	79,880	17.09%
Budgeted Expenditures	572,313	489,992	82,321	16.80%
Actual Restricted Surplus (deficit)	363,362	353,582	9,780	2.77%



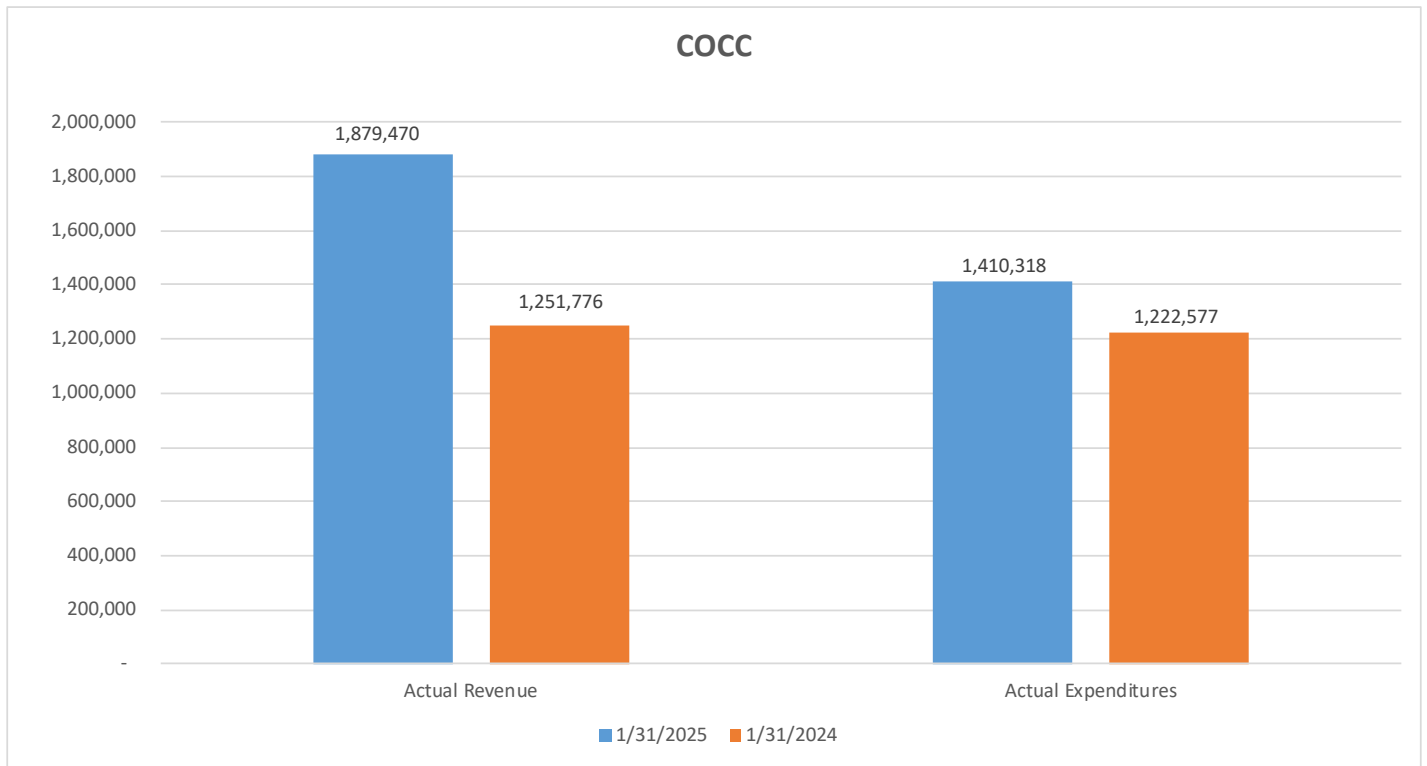
Business Activities	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual Revenue	2,917,248	4,495,545	(1,578,297)	-35.11%
Budgeted Revenue	2,524,777	2,313,458	211,319	9.13%
Actual Expenditures	1,446,195	2,299,203	(853,008)	-37.10%
Budgeted Expenditures	1,317,094	987,630	329,464	33.36%
Actual Unrestricted Surplus (deficit)	1,471,053	2,196,342	(725,288)	-33.02%



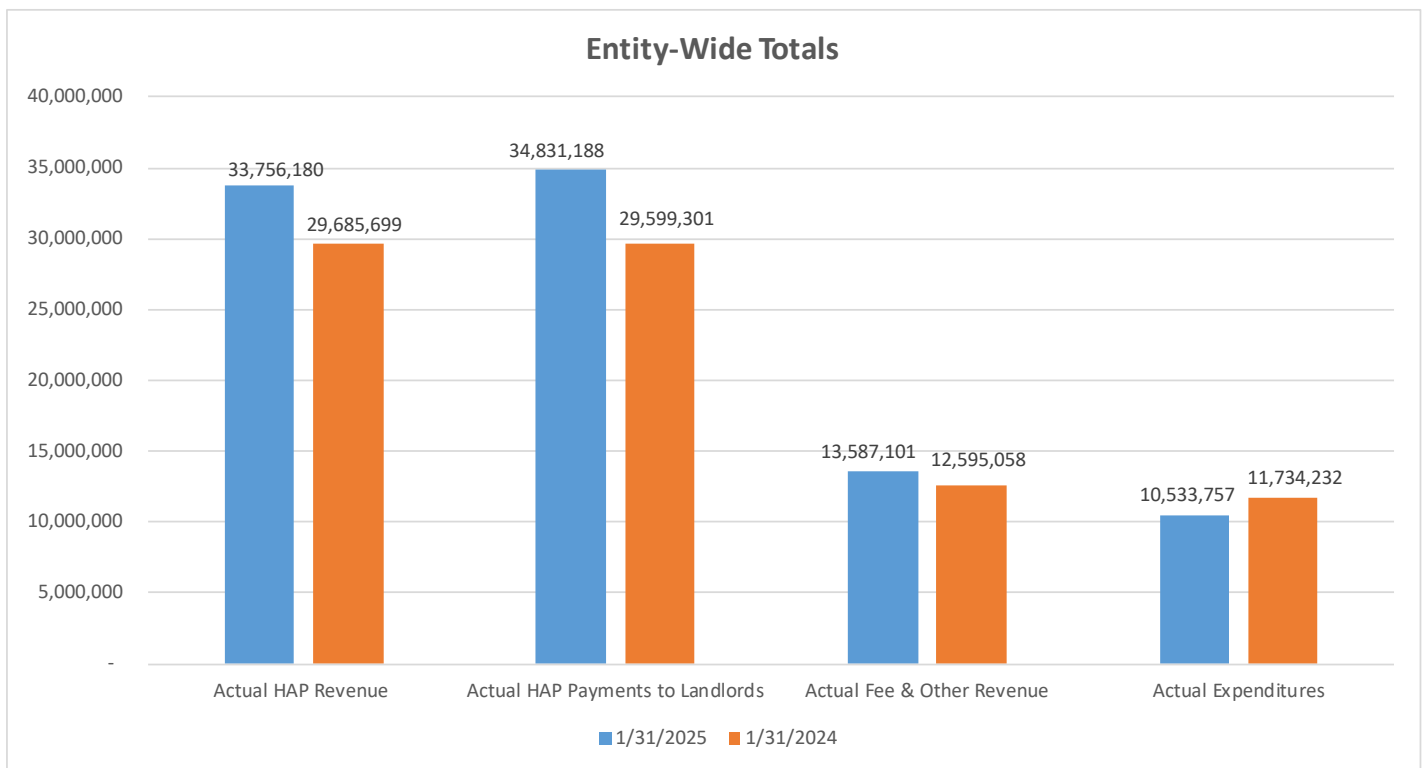
Washoe Affordable Housing (WAHC)	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual HAP Revenue	17,214,305	15,306,671	1,907,635	12.46%
Budgeted HAP Revenue	15,364,187	15,642,601	(278,414)	-1.78%
Actual HAP Payments to Landlords	17,214,305	15,642,601	1,571,704	10.05%
Budgeted HAP Payments to Landlords	15,364,187	15,642,601	(278,414)	-1.78%
<i>HAP Surplus (Deficit)</i>	-	<i>(335,931)</i>	335,931	0.00%
Actual Admin and Fee Revenue	536,121	750,813	(214,691)	-28.59%
Budgeted Admin and Fee Revenue	709,023	601,540	107,483	17.87%
Actual Expenditures	439,289	524,278	(84,989)	-16.21%
Budgeted Expenditures	541,126	462,226	78,900	17.07%
<i>Unrestricted Profit (Loss)</i>	<i>96,833</i>	<i>226,534</i>	(129,702)	-57.25%
Actual Surplus (deficit)	96,833	(109,396)	206,229	-188.52%



COCC	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual Revenue	1,879,470	1,251,776	627,694	50.14%
Budgeted Revenue	1,624,987	1,276,274	348,713	27.32%
Actual Expenditures	1,410,318	1,222,577	187,741	15.36%
Budgeted Expenditures	2,086,686	1,812,611	274,075	15.12%
Actual Unrestricted Surplus (deficit)	469,153	29,199	439,954	1506.74%



Entity-Wide Totals	1/31/2025	1/31/2024	Variance	Variance Percentage
Actual HAP Revenue	33,756,180	29,685,699	4,070,481	13.71%
Budgeted HAP Revenue	31,856,572	31,946,865	(90,293)	-0.28%
Actual HAP Payments to Landlords	34,831,188	29,599,301	5,231,887	17.68%
Budgeted HAP Payments to Landlords	30,389,470	30,048,572	340,898	1.13%
<i>HAP Surplus (Deficit)</i>	<i>(1,075,008)</i>	<i>86,398</i>	<i>(1,161,405)</i>	<i>-1344.26%</i>
Actual Fee & Other Revenue	13,587,101	12,595,058	992,043	7.88%
Budgeted Fee & Other Revenue	10,832,157	9,848,585	983,572	9.99%
Actual Expenditures	10,533,757	11,734,232	(1,200,475)	-10.23%
Budgeted Expenditures	11,351,502	10,659,858	691,643	6.49%
<i>Unrestricted Profit (Loss)</i>	<i>3,053,344</i>	<i>860,825</i>	<i>2,192,519</i>	<i>254.70%</i>
Actual Surplus (deficit)	1,978,336	947,223	1,031,113	108.86%



RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 7

February 25, 2025

SUBJECT: Discussion and possible approval of the State of Nevada 2025 Account for Affordable Housing Grant Agreement which provides \$155,027.87 to support RHA's Homeless Prevention Program. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

Since 2017, Washoe Affordable Housing Corporation (WAHC) has received State of Nevada Affordable Housing Trust Fund monies from the Nevada Housing Division (NHD) for the Homeless Prevention Program (HPP). HPP has provided emergency rental assistance to eligible households throughout Washoe County since its inception. In June 2024, with approval from RHA's Board of Commissioners, RHA began administering this assistance. At that time, RHA also applied for additional funding from NHD to continue, and possibly further expand, the program in FY25. In February 2025, RHA received the 2025 Account for Affordable Housing Grant Agreement to receive and begin administering the SFY 2025 award of \$155,027.87.

As approved by the Board in December 2024, the award for \$155,027.87 will be used to assist households making at or below 60% of the Area Median Income (AMI) with:

- Approximately \$36,431.55 in Rental Assistance through HPP's Motel Assistance program, which will provide up to 60 days of rent in a motel to households at risk of or experiencing homelessness who are working with designated community partners on a plan for long-term housing stability.
 - Examples of this assistance may include but are not limited to motel stays after fleeing a domestic violence situation or when their previous unit was closed down due to Health Department or Code Enforcement actions.
 - This assistance will shorten or prevent shelter stays, increasing their success once a long-term housing solution can be identified.
 - Applications for this program would come directly from designated community partners.
- Approximately \$72,863.10 in Rapid Rehousing through HPP's Application Fee, Holding Fee, and Security Deposit Assistance program, which will provide households who are at risk of or experiencing homelessness up to two application fees, up to two holding fees, and one security deposit in order to assist them with securing long-term housing.
 - This assistance will shorten or prevent shelter stays, increasing their chance of success in the long-term housing unit they have selected.
 - Applications for this program would come directly from designated community partners whose scope of services includes homeless services.

- Approximately \$36,431.55 in Homelessness Prevention through HPP's Emergency Rental Assistance program, which will provide up to two months of rent and/or utility arrears to households containing a Transition Aged Youth (TAY) who are at risk of experiencing homelessness in the upcoming 30 days due to a recent financial hardship which has caused them to fall behind in their rent and/or utilities.
 - This assistance will prevent the household from experiencing homelessness and utilizing the limited number of youth shelter beds available in the community.
 - Applications for this program would come directly from designated community partners whose scope of services includes homeless services for TAY.

RHA will continue to allocate six percent (6%) of funds to support administrative costs, totaling up to \$9,301.67.

The updated HPP Administrative Plan, which details the above programs, has been submitted to the Nevada Housing Division and is awaiting approval.

Staff Recommendation and Motion:

Staff recommends the Board of Commissioners motion to approve the 2025 Account for Affordable Housing Grant Agreement to administer the Homeless Prevention Program as presented and authorize RHA's Executive Director to execute the Agreement.

2025 ACCOUNT FOR AFFORDABLE HOUSING GRANT AGREEMENT

This 2025 Account for Affordable Housing Grant Agreement is made and entered into on this _____ day of _____, 2025, (“Effective Date”) by and between the State of Nevada, Department of Business and Industry, Nevada Housing Division (“Division”), and Housing Authority of the City of Reno, a housing authority, (“Grantee”) collectively the “Parties.”

WHEREAS, the Division is the administering agency for the Account for Affordable Housing (“Account”) created pursuant to Nevada Revised Statutes (“NRS”) 319.500; and

WHEREAS, the Division is responsible for the planning, administration, implementation, and evaluation of the Account for Affordable Housing Program (“Program”) as set forth in NRS 319.510 and Nevada Administrative Code (“NAC”) 319.885 through 319.950, inclusive; and

WHEREAS, Grantee is a political subdivision of the State of Nevada; and

WHEREAS, the Division desires to assist the Grantee by providing funds from the Account (“Funds”) to assist Grantee with qualified Program activities.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants, and agreements herein, the Parties hereto do hereby agree as follows:

I. Scope of Services.

- A. The Division will grant SFY 2025 Funds to Grantee in an amount not to exceed \$155,027.87 to assist Grantee with qualified Program activities, as more particularly described in Exhibit A, attached hereto and incorporated herein. Money must be made available to individuals and families whose income is at or below 60% of the area median income of the county in which the individual or family resides.
- B. All funds must be expended between July 1, 2024, and June 30, 2027, (“Expenditure Period”). Pursuant to NAC 319.948, if Funds have not been expended by June 30, 2027, (“Expenditure Date”), the Funds must be returned to the Division. Upon written request by the Grantee and for good cause, the Division may extend the Expenditure Period for not more than 1 year. Written requests for extension must be submitted within 60 days of the Expenditure Date to be considered by the Division. In the event the Grantee and/or the Division anticipate the total amount of Funds allocated for this Agreement will not be expended by the Expenditure Date, the Division reserves the right to recapture that portion and reallocate funds for other projects/programs operated under the Program.
- C. Grantee agrees that any program costs, with regard to the distribution of Funds pursuant to this Agreement unless otherwise specified, exceeding \$155,027.87 will be the responsibility of Grantee. An amount not to exceed six percent (6%) of the Funds conveyed pursuant to this Agreement may be used for project delivery costs. Any ongoing activity costs such as maintenance and operations shall be the sole responsibility of Grantee.

- D. Before disbursing Funds on behalf of any recipient, Grantee agrees to enter into an agreement by way of a signed application with the recipient.
- E. Changes in this Article I, Scope of Services, as outlined herein must be in accordance with NRS 319 and NAC 319, and made by written amendment to this Agreement, and approved by both Parties.

II. Division General Conditions.

- A. Grantee has requested the financial support of the Division that is provided for in this Agreement to assist Grantee with qualified Program activities, as more particularly described in Exhibit A. The Division shall have no relationship whatsoever with the services provided, except the provision of financial support, monitoring, and the receipt of such reports as are provided for herein. To the extent, if at all, that any relationship to such services on the part of the Division may be claimed or found to exist, Grantee shall be an independent contractor only.
- B. Grantee will provide the Division with client usage records per activity on a quarterly basis during the period of this Agreement. Such report shall include, without limitation, the following data:
 - 1. Total clients served;
 - 2. Racial breakdown of clients served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian or other Pacific Islander;
 - 3. If the client is Hispanic or not;
 - 4. Number of percentage of low-income and very low-income clients;
 - 5. Number of clients with disabilities served;
 - 6. Number of senior citizens served;
 - 7. Number of female head of households served;
 - 8. Number of persons in each household served; and
 - 9. Rent charged for each household served.
- C. Grantee will not use any portion of the Funds provided by this Agreement for any activities other than qualified Program activities.
- D. If the Division determines that Funds have been expended on ineligible costs, Grantee shall repay to the Division, along with any fees, interest, or other funds, the amount of Funds expended on ineligible costs.
- E. Grantee may not assign or delegate any of its rights, interests, or duties under this Agreement without the prior written consent of the Division. Any such assignment or delegation made without the required consent shall be voidable by the Division, and may, at the option of the Division, result in the forfeiture of all financial support provided herein.
- F. Grantee shall allow duly authorized representatives of the Division to conduct such occasional reviews, audits, and onsite monitoring of activities as the Division deems to be

appropriate in order to determine:

1. Whether the objectives of the Program are being achieved;
 2. Whether the Program is being conducted in an efficient and effective manner;
 3. Whether management control systems and internal procedures have been established to meet the objectives of the Program;
 4. Whether the financial operations of the Program are being conducted properly; and
 5. Whether the periodic reports to the Division contain accurate and reliable information.
- G. Visits by the Division to Project shall be announced in advance of those visits and shall occur during normal operating hours. The representatives of the Division may request, and, if such a request is made, shall be granted, access to all of the records related to the Program. Records with respect to the Program shall be made available for audit, examination and review by the Division, the Attorney General's Office, contracted independent auditors, or any combination thereof. The representatives of the Division may, from time to time, interview recipients of the Program who volunteer to be interviewed.
- H. Grantee will protect, defend, indemnify, and save and hold harmless the Division from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons, caused by the negligence, gross negligence or intentional act of Grantee or its agents pursuant to this Agreement.
- I. Grantee will not use any Funds or other resources which are supplied by the Division in litigation against any person, natural or otherwise, or in its own defense in any such litigation and also to agree to notify the Division of any legal action which is filed by or against it in conjunction with this Program.
- J. Grantee agrees that no public officer or public employee of Grantee may seek or accept any gifts, service, favor, employment, engagement, emolument, or economic opportunity which would tend improperly to influence a reasonable person in that position to depart from the faithful and impartial discharge of the public duties of that position.
- K. Grantee agrees that no public officer or public employee of Grantee may use his or her position in government to secure or grant any unwarranted privilege, preference, exemption or advantage for himself or herself, any member of his or her household, any business entity in which he or she has a significant pecuniary interest or any other person. As used herein, "unwarranted" means without justification or adequate reason.
- L. Grantee agrees that no public officer or public employee of Grantee may participate as an agent of Grantee in the negotiation or execution of a contract between Grantee and any private business in which he or she has a significant pecuniary interest.
- M. Grantee agrees that no public officer or public employee of Grantee may suppress any report or other document because it might tend to affect unfavorably his or her pecuniary interests.
- N. Grantee, and any subgrantee, shall be bound by all county ordinances, and state and federal

statutes, conditions, regulations, and assurances which are applicable to the entire Program or are required by the Division.

- O. Any material breach of this section may, in the discretion of the Division, result in forfeiture of all unexpended Funds received by Grantee pursuant to this Agreement, or any part thereof.
- P. No officer, employee or agent of the Division shall have any interest, direct or indirect, financial, or otherwise, in any contract or subcontract or the proceeds thereof, for any of the work to be performed pursuant to the activity during the period of service of such officer, employee or agent, for one year thereafter.
- Q. Grantee agrees that it shall not enter into any agreement, written or oral, with any contractor if the contractor or subcontractor is listed on the Federal or State of Nevada Consolidated List of Debarred, Suspended, and Ineligible Contractors.

III. Financial Management.

- A. Grantee agrees, and shall require any subgrantee to agree, that all costs of any activity receiving funds pursuant to this Agreement, shall be recorded by budget line items and be supported by checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges, and that all checks, payrolls, time records, invoices, contracts, vouchers, orders or other accounting documents which pertain, in whole or in part, to the activity shall be thoroughly identified and readily accessible to the Division.
- B. Funds provided to the Grantee pursuant to this Agreement are expendable beginning on the Effective Date. This Agreement will commence upon the Effective Date. Funds must be expended by the Expenditure Date. Funds will be disbursed on a drawdown basis. Grantee shall submit draw requests to the Division as needed, with supporting documentation. Division shall have 30 days to process such draw request. Payments will be made by the Division to the Grantee in the form of reimbursement for monies already spent on eligible Project costs.
- C. Grantee agrees that excerpts or transcripts of all checks, payrolls, time records, invoices, contracts, vouchers, orders, and other accounting documents related to or arguably related to the activity will be provided upon request to the Division.
- D. Grantee shall comply with the Single Audit Act and 2 CFR Part 200, Subpart F, and shall provide the Division with a copy of the complete audit report. When complying with the Single Audit Act and 2 CFR Part 200, Subpart F, the audit must include funds that were disbursed from the Account and require all subgrantees and subrecipients who must comply with the Single Audit Act to include Trust Funds.

IV. Default and Remedies.

- A. The following shall constitute an event of default under this Agreement: Any breach of this Agreement, or Declaration after the expiration of any notice and cure periods set forth in

Paragraph B of this Article IV.

- B. Upon the occurrence of an event of default listed above, the Division will provide Grantee notice of the default and Grantee shall have 30 days from the date of the notice to cure the default. If the Grantee does not cure the default, the entire outstanding balance, including principal and interest, becomes immediately due and owing. The Division may proceed to protect and enforce its rights by mandamus or other suit, actions, or proceeding at law or in equity. No remedy conferred by this Agreement is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy existing at law or equity or by statute. No delay or omission of the Division to exercise any right or remedy accruing on an event of default shall impair any such right or remedy or constitute a waiver of any such event of default or an acquiescence therein.

V. Miscellaneous.

- A. All notices, demands, requests, or other communications required or permitted under this Agreement shall be in writing and sent by first class, regular, registered, or certified mail, commercial delivery service, overnight courier, or facsimile transmission, air or other courier, or hand delivery to the party to be notified addressed as follows:

To the Division: 1830 E. College Parkway
Suite 200
Carson City, Nevada 89706
Attn: Administrator
Telephone: (775) 687-2249
Facsimile: (775) 687-4040
E-mail: nhdinfo@housing.nv.gov

To the Grantee: Housing Authority of the City of Reno
1525 E 9th Street
Reno, NV 89512

Any such notice, demand, request, or communication shall be deemed to have been given and received for all purposes under this Agreement:

1. Three business days after the same is deposited in any official depository or receptacle of the United States Postal Service first class, or if applicable, certified mail, return receipt requested, postage prepaid;
2. On the date of transmission when delivered by facsimile transmission, provided any transmission received after 4:00 p.m., local time, as evidenced by the time shown on such transmission, shall be deemed to have been received the following business day;
3. On the next business day after the same is deposited with a nationally recognized overnight delivery service that guarantees overnight delivery; and
4. On the date of actual delivery to such party by any other means; provided, however, if the day such notice, demand, request or communication shall be deemed to have been given and received as aforesaid is not a business day, such

notice, demand, request or communication shall be deemed to have been given and received on the next business day.

- B. Each Party has cooperated in the drafting and preparation of this Agreement and, therefore, the Agreement shall not be construed against either Party as its drafter.
- C. This Agreement constitutes the legal, valid, and binding obligations of the Parties enforceable against the Parties in accordance with its respective terms.
- D. This Agreement shall be governed by and enforceable in accordance with the laws of the State of Nevada.
- E. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.
- F. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.
- G. All references to the singular shall include the plural and all references to gender shall include the masculine, feminine, as well as the neuter, and vice versa, as the context requires.
- H. In connection with any litigation, including appellate proceedings arising under this Agreement or any related agreement contemplated herein, the prevailing party or parties in such litigation shall be entitled to recover reasonable attorney fees and other legal costs and expenses from the non-prevailing party or parties.
- I. This Agreement may be signed by the Parties hereto in counterparts with the same effect as if the signatories to each counterpart signed as a single instrument. All counterparts (when taken together) shall constitute an original of this Agreement.
- J. Each Party represents and warrants to the other Party that:
 - 1. It has the full right, power and authority to enter into this Agreement, to grant any rights and licenses hereunder and to perform its obligation hereunder;
 - 2. The execution of this Agreement by its representative whose signatures are set forth at the end hereof has been duly authorized by all methods or corporate action of the Parties; and
 - 3. Execution and delivery by such Party of this Agreement shall constitute the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.
- K. Each Party irrevocably and unconditionally waives any right it may have to a trial by jury and respect any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

- L. The transactions described in this Agreement may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

VI. Modification or Revocation of Agreement.

- A. The Division and Grantee will amend or otherwise revise this Agreement should a modification be required under NRS 319 or NAC 319.
- B. In the event that any of the Funds for any reason are terminated or withheld from the Division or otherwise not forthcoming, the Division or Grantee may revoke this Agreement.
- C. The Division may suspend or terminate this Agreement if Grantee fails to comply with any of this Agreement's terms.
- D. This Agreement constitutes the entire Agreement between the Parties and may only be modified by a written amendment signed by the parties, or as otherwise set forth in the terms of the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby
NEVADA HOUSING DIVISION:

By: _____
Steve Aichroth, Administrator
Nevada Housing Division

GRANTEE:

Housing Authority of the City of Reno

By: _____ Date: _____

EXHIBIT A

Homeless Prevention Program fund allocation:

Rental Assistance **\$36,431.55**

Rapid Rehousing **\$72,863.10**

Homelessness Prevention **\$36,431.55**

Admin **\$9,301.67**

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 8

February 25, 2025

SUBJECT: Legislative update and potential Board direction to the RHA Executive Director.
(For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

The 83rd State of Nevada Legislative Session began on February 3, 2025. A number of housing-related bills have already been drafted and scheduled for hearings in appropriate committees. Flynn Guidici is assisting RHA with bill tracking and related matters during the session. In addition, RHA staff are participating in legislative update calls with the Nevada Housing Coalition.

The listed bills below are items of interest to RHA and warrant discussion.

- **Assembly Bill 62** – Proposed by the State’s Advisory Committee for Affordable Housing. RHA’s Executive Director is a member of the Committee. The Bill amends the existing statutes for the State Transferable Tax Credit (STTC) to 1) enable use of STTC in transactions utilizing a ground lease structure and 2) increase the allotment of STTC to \$100,000,000. Current language prohibits accessing STTC in transactions using a ground lease structure which effectively prevents RHA and the Southern Nevada Regional Housing Authority (SNRHA) from using this resource. Modifying the language enables RHA and SNRHA to receive allocations of STTC as a source of gap financing for its Low Income Housing Tax Credit, bond financed public housing conversions since HUD requires the public housing authority to retain site control which is typically evidenced through a long-term ground lease. Increasing the allotment will maintain the availability of STTC for future affordable housing projects throughout Nevada. The Bill had its first reading on February 20, 2025, in the Assembly Committee on Revenue. RHA’s Executive Director submitted the attached letter of support for the Bill.
- **Assembly Bill 103** – Sponsored by Assemblyman PK O’Neill. The Bill, as introduced, revises the compensation of housing authority commissioners to up to \$250 per meeting. This was requested by Nevada Rural Housing (NRH). However, as this Bill opens Chapter 315, RHA is working with SNRHA and NRH to request amendments to the chapter and create a separate section, as previously presented to RHA’s Board, for RHA and to request general clean up of outdated references. As part of this, Assemblywoman Anderson is interested in modifying the structure and composition of RHA’s board. RHA’s Board Chair and Executive Director, along with the City of Reno’s Public Affairs representative and Flynn Guidici, are meeting with the Assemblywoman on February 24th to further discuss this matter.
- **Assembly Bill 68** – Referred to the Assembly Committee on Commerce and Labor, the Bill relates to consumer reporting and requires certain landlords (those with greater than 15 units) to make a written offer to a tenant to report positive rental payment information to at least one consumer reporting agency which meets certain criteria. While staff supports the intent of the Bill, further analysis is needed to determine the potential administrative and cost burdens on

RHA and whether RHA should offer amendments and/or oppose the Bill as written. Staff are discussing potential concerns with Flynn Guidici and the other PHAs.

- Senate Bill 99 – Referred to the Senate Committee on Government Affairs, this Bill authorizes, under certain circumstances, certain governing bodies of a city or county to impose linkage fees on certain developers. The Bill provides Washoe County to receive linkage fees from certain developments within the Lake Tahoe Region which would be used by the County to support the creation of affordable housing within that same geographic area. The Bill is supported by Washoe County Commissioner Alexis Hill. RHA's Executive Director has reviewed the Bill and believes the linkage fees could have a positive impact on the ability to construct affordable housing in the aforementioned area and recommends supporting the Bill.

Other bills that have been identified to watch include Senate Bill 107 which revises provisions regarding discrimination in housing and Assembly Bill 37 which revises definitions of affordable housing to more clearly define income level targets attached to attainable and workforce housing. Additionally, staff has heard that several bills, including the Governor's Bill, will propose continued funding for emergency rental assistance. Staff will be tracking these bills and believe RHA is a natural fit for these programs given its focus on housing, countywide footprint, and successful history and experience in administering rental assistance. Staff are currently analyzing our data to be ready to demonstrate RHA's successful history of effectively and efficiently operating these types of programs.

The full text of all referenced bills are available online via the State's legislative website. While RHA's Executive Director will try to bring legislative items to the Board for input and action ahead of time, due to the timing of legislative hearings versus the timing of monthly Board meetings, this may not always be possible. Therefore, the Executive Director may provide support or opposition to a bill when it is believed it is in the best interests of the Authority and will then update the Board of Commissioners at the next Board meeting.

Staff Recommendation and Motion:

The Board may motion to support, oppose, or provide further directions on any bills discussed.



Executive Director
Hilary Lopez, Ph.D.

Reno Housing Authority, 1525 East 9th Street, Reno, NV 89512

775.786.1712 Fax 385.770.7166 TDD

775.329.3630 RenoHA.org

February 20, 2025

Chairperson Shea Backus
Assembly Committee on Revenue
State of Nevada
Via email: AsmREV@asm.state.nv.us

RE: Letter of Support for Assembly Bill 62

Dear Members of the Assembly Committee on Revenue:

The Housing Authority of the City of Reno (RHA) strongly supports the proposed changes to Assembly Bill 62 which provide for continued funding for the State Transferable Tax Credit (STTC) and the ability to use STTC to construct or renovate affordable housing using a ground lease structure. The STTC is an important source of gap financing in Low Income Housing Tax Credit (LIHTC) developments which deliver needed affordable and attainable housing to lower income Nevadans.

Given the ongoing shortage of affordable housing in Washoe County, and throughout the State, it is imperative that the STTC remain available as a source of financing. High construction and financing costs, increased land costs, and other market factors continue to push up the price of developing and operating rent-restricted housing for our most vulnerable families. While developers maximize conventional loans and private equity in their LIHTC transactions, there typically remains a financing gap filled by sources such as federal HOME funding, National Housing Trust Funds, the State Account for Affordable Housing, and the State's Growing Affordable Housing Program. However, given the limited availability of these resources, there is not enough funding to fully meet the demand. This ultimately impedes the ability to move much-needed affordable housing developments forward. Through the provision and sale of STTC, the State provides one more tool for affordable housing developers; a tool which enables access to the financial resources necessary to provide the "but for" monies needed to start these projects.

Additionally, adopting the proposed change in Section 1.6.a.1 remedies language that currently prevents public housing authorities (PHAs) equal access to STTC. The US Department of Housing and Urban Development (HUD) requires PHA to retain control of public housing units converted through its Rental Assistance Demonstration (RAD) and other disposition programs. These programs allow a PHA to redevelop or renovate its aging public housing properties by leveraging outside funding with its HUD resources, thereby providing the full funding needed to preserve these critical housing units for generations to come. In LIHTC funded developments, this control is

If you are a person with a disability who requires a special accommodation in order to have equal access to any RHA program, please contact our office. If you are a person with limited English proficiency, contact our office to receive assistance in your preferred language.

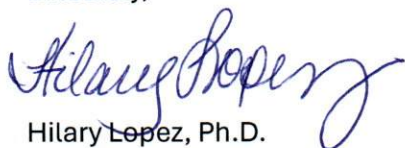


Por favor contacte la Autoridad de Viviendas de Reno si usted necesita este documento traducido o si usted tiene alguna pregunta. Si usted es una persona discapacitada que necesita una acomodacion especial, para poder tener igual acceso a los Programas de RHA, por favor contacte a nuestra oficina. Si usted es una persona con limitado lenguaje en Inglés, por favor contacte nuestra oficina, para recibir asistencia en su language de preferencia.

typically evidenced through the use of a long-term ground lease. However, the current STTC statute does not allow for developments using this structure to receive an allocation of STTC. This effectively prevents RHA from accessing these resources for projects targeted at improving and protecting housing for our region's most vulnerable households.

During this time of immense need for more affordable housing throughout our state, I hope you will continue to allocate STTC and amend the statute to provide all entities the ability to deliver the long-term housing solutions required to sustainably house Nevada's low-income seniors, veterans, disabled households, families, and individuals. Your consideration of Assembly Bill 62 is appreciated.

Sincerely,



Hilary Lopez, Ph.D.
Executive Director

If you are a person with a disability who requires a special accommodation in order to have equal access to any RHA program, please contact our office. If you are a person with limited English proficiency, contact our office to receive assistance in your preferred language.



Por favor contacte la Autoridad de Viviendas de Reno si usted necesita este documento traducido o si usted tiene alguna pregunta. Si usted es una persona discapacitada que necesita una acomodacion especial, para poder tener igual acceso a los Programas de RHA, por favor contacte a nuestra oficina. Si usted es una persona con limitado lenguaje en Inglés, por favor contacte nuestra oficina, para recibir asistencia en su lenguaje de preferencia.

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 9

February 25, 2025

SUBJECT: Discussion of the Draft Development Principles to be used as part of RHA evaluation of potential development opportunities. (Discussion Only)

FROM: Executive Director

RECOMMENDATION: Discussion

Background:

RHA has undertaken a significant number of development projects in the past two (2) years and has a robust pipeline of projects projected for the next five (5) years. Due to the high need to preserve existing affordable housing and bring new units to the community, the agency expects there will be many more opportunities for projects in the future. To ensure that RHA pursues the appropriate opportunities and develops high quality projects, staff have drafted a set of Development Principles to guide the agency's efforts and assist in analyzing and deciding between various potential development opportunities.

An initial draft of the principles was presented to the Board at the January 2024 meeting. Based on feedback received, RHA staff revised and simplified the principles. The drafted principles align with prior Board discussions on strategic planning and presented development pipelines, previously approved considerations around land acquisition, and indicated agency overarching, one-year, and longer-term goals.

The revised Development Principles have been included with this report for Board review.

Development & Preservation Guiding Principles

2025

Preservation

- 1) RHA commits to preserving the Agency's public housing portfolio and will prioritize the repositioning of this portfolio to preserve these important affordable housing assets.
- 2) RHA will develop Capital Improvement Plans (CIP) and/or other measures to ensure the long-term preservation of its community benefit portfolio and work with the Board of Commissioners to set aside funds to meet the identified priority capital needs of these properties.
- 3) RHA will pursue financially feasible and rational strategies that ensure the long-term preservation of the Agency's existing portfolio, including HUD's Rental Assistance Demonstration (RAD) Program, HUD Section 18 Demolition and Disposition, recapitalization, traditional debt, and other strategies.

New Development

- 1) RHA will make data driven decisions regarding the development and acquisition of new affordable housing that are based on the unmet demand for affordable housing in Washoe County.
- 2) New development opportunities will undergo a cost-benefit analysis and help staff determine the ability to leverage funding when selecting between projects.
- 3) RHA will strive to change the expectations of what affordable housing looks like by developing its properties to the highest financially feasible standards possible.

RHA's Role

- 1) To the greatest extent possible, RHA will self-develop the agency's new development and preservation projects.
- 2) RHA will leverage the expertise of selected professional consultants throughout the predevelopment and constructions phases of a project.
- 3) RHA will revisit its development pipeline at least annually and adjust projects as needed to take advantage of one-time funding or other unforeseen opportunities that advance the Agency's goals.

Resident Relocation

- 1) When temporary or permanent relocation is required for a development project, RHA will strive to cause minimal disruption to impacted households and will proactively communicate with residents throughout development activities.

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 10

February 25, 2025

SUBJECT: Additional Items (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Additional Items:

- a) General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)
- b) Reports on conferences and training. (Discussion)
- c) Old and New Business. (Discussion)
- d) Request for Future Agenda Topics (Discussion)
- e) Schedule of next meetings. The following dates have been scheduled in advance but are subject to change at any time: Tuesday, March 25, 2025, and Tuesday, April 22, 2025. (For Possible Action)