

SUBMITTAL TO THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 13.1
(ID # 29420)

MEETING DATE:
Tuesday, December 16, 2025

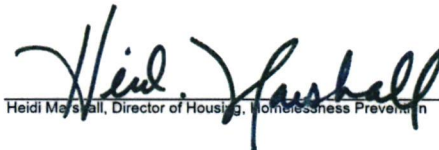
FROM : HOUSING AUTHORITY

SUBJECT: HOUSING AUTHORITY (HACR): Receive and File Annual Comprehensive Financial Report for the Fiscal Year Ending June 30, 2025; All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Receive and file the Annual Comprehensive Financial Report for the fiscal year ending June 30, 2025, including the Independent Auditor's Report, for Housing Authority of the County of Riverside.

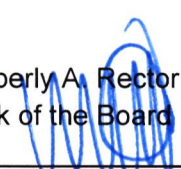
ACTION:Consent


Heidi Marshall, Director of Housing, Homelessness Prevention 12/4/2025

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Commissioner Spiegel, seconded by Commissioner Perez and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: Medina
Date: December 16, 2025
xc: HACR

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Housing Authority of the County of Riverside (HACR) was established in 1942 under the U.S. Housing Act of 1937 and the State of California Housing Authority Law of 1938 and currently operates as a component unit of the County of Riverside. HACR's governing body is the County of Riverside Board of Supervisors serving as the Housing Authority Board of Commissioners.

HACR is responsible for administering the County's federally funded Housing Choice Voucher Program (Section 8), which includes both tenant-based vouchers and project-based vouchers, Moderate Rehabilitation Program, and Veteran Affairs Supportive Housing Program. Further, HACR took over programs of the former Redevelopment Agencies for the County of Riverside and City of Coachella. The purpose of these programs is to combat homelessness, to provide decent and safe housing, to expand the supply of affordable housing, and to increase homeownership opportunities for low- and moderate-income households.

California Government Code Section 26909 requires an annual audit to be conducted by a certified public accountant of every special district within a County. Further, California Government Code Section 53891 requires the resulting financial transactions be reported to the State Controller. Additionally, California Code of Regulations Section 1131.2 sets the minimum requirements for conducting those audits in accordance with the Government Accounting Standards Board (GASB).

HACR's audited financial results are included in the countywide Annual Comprehensive Financial Report (ACFR) as a component unit and, also prepares its own ACFR for itself as a separate agency. The HACR ACFR provides readers with comprehensive information including statistical data, such as demographic and economic information, in addition to financial information for HACR for the year. The annual audit is performed by an external entity to ensure compliance with GASB. Davis Farr LLP prepared an audit report for HACR for the fiscal year ending June 30, 2025, and rendered an unmodified opinion.

ATTACHMENT:

- Housing Authority of County of Riverside Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2025


Stacey Pena, EO Management Analyst 12/8/2025


Aaron Gettis, Chief of Deputy County Counsel 12/7/2025



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025



**HOUSING AUTHORITY of the
County of Riverside**

HOUSING AUTHORITY
of the County of Riverside
a component unit of the County of Riverside
in the State of California



**Annual Comprehensive
Financial Report**

For the Fiscal Year Ended June 30, 2025
Prepared by Fiscal Team

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INTRODUCTORY SECTION



December 16, 2025

The Honorable Board of Commissioners
Housing Authority of the County of Riverside
5555 Arlington Avenue, Riverside, CA 92504

Members of the Board:

The Housing Authority of the County of Riverside (the Authority), a component unit of the County of Riverside, hereby submits its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025, in accordance with the provisions of Section 25253 of the Government Code of the State of California. Our mission at the Authority is to empower individuals and families by providing affordable housing solutions. Our goal is to create stable environments where everyone can thrive and have a place to call home.

The report contains financial statements that have been prepared in conformity with the United States generally accepted accounting principles (GAAP) prescribed for governmental entities. Responsibility for the accuracy of the data, the completeness, and fairness of the presentation, including all disclosures, rests with the management of the Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the Authority and a component unit of the Authority. All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

The Authority's Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The management's discussion and analysis (MD&A) immediately follows the report of the independent auditors and provides a narrative, overview, and analysis of the basic financial statements. The MD&A was designed to complement this letter of transmittal and should be read in conjunction with it.

The financial reporting for the Authority includes all the activities of the primary government, the Authority and its component unit, Riverside Community Housing Corp. (RCHC). The RCHC is a separate

legal entity and assists low- and moderately-low-income families with their housing needs. For a more detailed overview of the Authority's component unit, see the MD&A and the Note 01 to the basic financial statements.

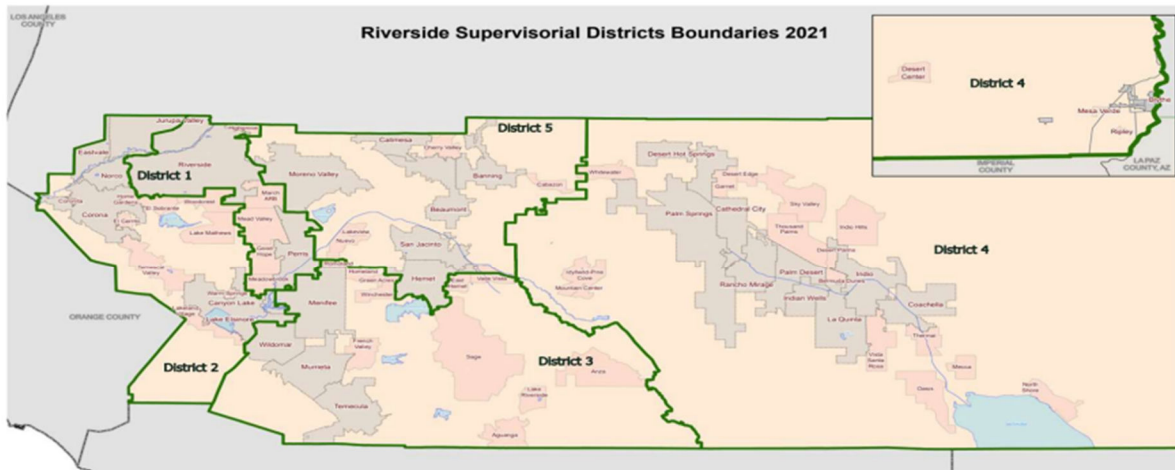
Davis Farr, Certified Public Accountants has issued an unmodified ("clean") opinion on the Authority's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

PROFILE OF THE GOVERNMENT

The County is the fourth largest county by area in the State. It encompasses more than 7,300 square miles and extends nearly 184 miles across Southern California, from the Arizona border west to within 10 miles of the Pacific Ocean. It is situated east of Los Angeles and Orange Counties, south of San Bernardino County, and north of San Diego and Imperial Counties.

There are 28 incorporated cities located within the County. The latest city to be incorporated was Jurupa Valley on July 1, 2011. The largest cities in the County are Riverside (the County seat) with a population of 316,690, Moreno Valley 207,146, Corona 156,615, Menifee 111,560, and Murrieta 109,177. Estimated population figures are developed by the California State Department of Finance, and each year it is revised on January 1, with a revised estimate for the prior year. The total County population as of January 1, 2024, was reported as 2,442,378, an increase of 0.6% as compared to the revised estimate for January 1, 2023. Approximately 16.5% of the residents live in unincorporated areas.

The Riverside County Board of Supervisors oversees the activities of the Authority as the Authority Board of Commissioners (the Board). The Board consists of an elected supervisor from each of the five districts. The Board Commissioners serve four-year terms and annually elect a Chairman and Vice-Chairman. Please see the detail information about the Commissioners at page 4.



Source: Riverside County Board of Supervisors

FACTORS AFFECTING ECONOMIC CONDITION

State and Local Economy

The Governor's proposal to balance the budget and reflect a positive operating reserve in fiscal year 2025-26 includes reductions in program funding, internal borrowing from special funds, delays and pauses in funding, and fund shifts. These decisions are necessary to stabilize California's financial plan and prevent continued shortfalls.

The unemployment rate indicates the health of the job market reflecting economy. Southern California counties have experienced a similar trend, with most counties having a small increase in the unemployment rates as of June 2025. The June 2025 unemployment rate is 6.0% in Riverside County, California.¹ Riverside County's 2025 labor market seems comparable to that of 2024 according to the historical unemployment rates.² However, California faces a shortfall in tax revenue that will likely result in some consolidation of state and local government employment this calendar year.³

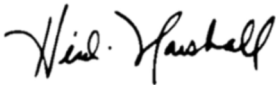
Financial Reporting Awards

The Government Finance Officers Association (GFOA) of the United States and Canada has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Housing Authority of the County of Riverside for its ACFR for the fiscal year ended June 30, 2024. This was the very first year the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

Acknowledgments

The preparation of this ACFR could not have been accomplished without the dedicated service of the entire staff of the Authority's fiscal team. Additionally, I would like to extend my gratitude to the Board of Commissioners for their leadership in creating stable environments where everyone can thrive and have a place to call home and in improving the well-being and opportunities for all those we serve while promoting the growth of vibrant communities. Finally, I would like to thank our independent auditors, Davis Farr, Certified Public Accountants for their efforts throughout this audit engagement.

Respectfully,



Heidi Marshall

Director

¹ Federal Reserve Bank of St. Louis, October 1, 2025, Unemployment Rate in Riverside County, CA; <https://fred.stlouisfed.org/series/CARIVE5URN>

² Employment Development Department, Labor Market Information Division, October 2025; <http://www.labormarketinfo.edd.ca.gov>

³ California Economic Forecast, Mark Schniepp, June 2025; <https://californiaforecast.com/june-2025/>

Board of Commissioners



V. Manuel Perez | Chair | *Fourth District* | district4@rivco.org | (951)955-1040

The Fourth District is geographically the largest district in Riverside County, covering the eastern two-thirds of the County. Within the Fourth District are the cities of Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs and Rancho Mirage. Unincorporated communities in the district include Bermuda Dunes, Cahuilla Hills, Carver Tract, Chiriaco Summit, Colorado River Communities, Desert Center, Desert Edge, Desert Palms, Eagle Mountain, Fern Valley, Garner Valley, Idyllwild, Indio Hills, Lake Tamarisk, Mecca, Mesa Verde, Mountain Center, North Palm Springs, North Shore, Oasis, Pine Cove, Ripley, Snow Creek, Sky Valley, Thermal, Thousand Palms, Vista Santa Rosa, Whitewater and Windy Point.



Chuck Washington | Vice-Chair | *Third District* | district3@rivco.org | (951)955-1030

The Third District covers the southwest portion of Riverside County, stretching from Anza to Temecula. It includes the cities of Menifee, Murrieta, Temecula, and Wildomar. The district also includes the unincorporated communities of Aguanga, Anza Valley, De Luz, East Hemet, French Valley, Green Acres, Homeland, La Cresta, Lake Riverside, Romoland, Sage, Tenaja and Winchester, as well as parts of Valle Vista.



Jose Medina | *First District* | district1@rivco.org | (951)955-1010

The First District encompasses the cities of Riverside, Perris and Wildomar. The district also covers the unincorporated communities of DeLuz, Good Hope, Highgrove, La Cresta, March Air Reserve Base, Mead Valley, and Meadowbrook.



Karen Spiegel | *Second District* | district2@rivco.org | (951)955-1020

The Second District includes the cities of Canyon Lake, Corona, Eastvale, Lake Elsinore, Norco, and Jurupa Valley. Unincorporated communities include Canyon Ridge, Coronita, El Cariso, El Cerrito, Gavilan Hills, Home Gardens, Lake Hills, Lake Mathews, Lakeland Village, Rancho Capistrano, Rancho Carrillo, Temescal Valley, Victoria Grove, Warm Springs and Woodcrest.

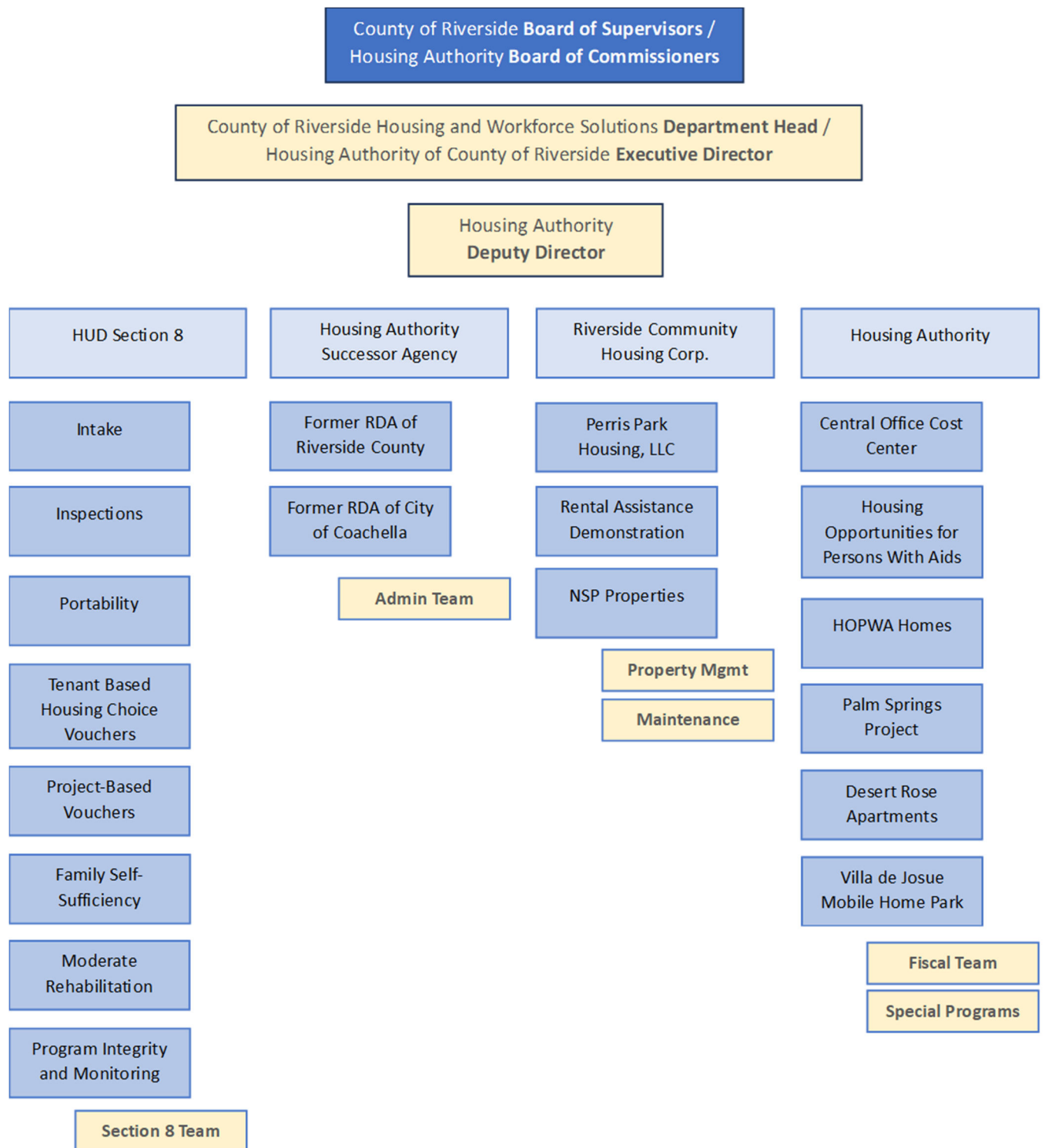


Yxstian Gutierrez | *Fifth District* | district5@rivco.org | (951)955-1050

The Fifth District includes the cities of Banning, Beaumont, Calimesa, Hemet, Moreno Valley and San Jacinto. The district also encompasses the unincorporated communities of Cabazon, Cherry Valley, Lakeview, Nuevo, Reche Canyon and San Timoteo Canyon.

The Board of Supervisors is the governing body of the County, certain special districts, and the **Housing Authority**. The Board enacts ordinances and resolutions, adopts the annual budget, approves contracts, appropriates funds, determines land use zoning for the unincorporated areas, as well as appoints certain County officers and members of various boards and commissions. The Board of Supervisors meets in the County Administrative Center Board Chambers located at 4080 Lemon Street, 1st Floor, Riverside 92501. You may contact the Clerk of the Board at (951) 955-1069 or visit the office at 4080 Lemon Street, 1st Floor, Suite 127, Riverside, CA 92501 for further details. Board agendas and other information is available online at <https://rivcocob.org/>.

Organization Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Housing Authority of the County of Riverside
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the County of Riverside
Riverside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Housing Authority of the County of Riverside ("the Authority") as of and for the year June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2025, 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 following discretely presented component unit : Perris Park Apartments, L.L.C. Collectively, this entity represents 100 percent, 100 percent, and 100 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those financial statements, which were prepared in accordance with *Accounting Standards Codification* as issued by the Financial Accounting Standards Board, were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for discretely presented component units, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The financial statements of the discretely presented component unit was not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

The financial statements for the year ended June 30, 2025 reflect certain prior period adjustments as described further in note 15 to the financial statements. As described further in note 2 to the financial statements, during the year ended June 30, 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis*, and *Schedule of the Pension Plan's Proportionate Share of Net Pension Liability and Related Ratios*, and *Schedule of the Pension Plan 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
November 21, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Housing Authority of the County of Riverside (Authority) Annual Comprehensive Financial Report presents a narrative overview and analysis of the Authority's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal beginning on page i and the Authority's basic financial statements beginning on page 4.

FINANCIAL HIGHLIGHTS

At the end of the fiscal year, the Authority's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$155.6 million (net position). The net position included \$2.3 million of net investment in capital assets, \$.7 million of restricted resources for Authority's ongoing obligations related to programs with external restrictions, and \$152.6 million of unrestricted resources.

The capital assets of \$49.4 million, net of accumulated depreciation of \$47.2 million, for the current fiscal year is a decrease of \$1.0 million from prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management's discussion and analysis (MD&A) is intended to serve as an introduction to the Authority's basic financial statements which are comprised of the following two components: (1) entity-wide financial statements and (2) notes to financial statements.

In addition to the basic financial statements, *Required Supplementary Information* is included to provide additional detail to support the basic financial statements.

The entity-wide financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner like a private-sector business. The **Statement of Net Position** presents financial information on all the Authority's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or declining. The Statement of Net Position is on page 4.

The **Statement of Revenues, Expenses, and Changes in Net Position** presented on page 5 provides information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. For example, HUD grants are recorded when accrued but not yet collected, and when expenditures for compensated absences are accrued, but not yet paid.

The entity-wide financial statements distinguish functions of the Authority that are principally supported by federal, state, and city grants, and relatively a smaller portion of intergovernmental revenues

(governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include four major activities: HUD Section 8 programs funded by U.S. Department of Housing and Urban Development (HUD) grants, Special programs funded by mostly State of California including Housing Authority's administrative activities, Housing Authority Successor Agency, and Riverside Community Housing Corp. (RCHC) (a not-for-profit corporation). The entity-wide financial statements provide information regarding the Authority's component unit, RCHC, for which the Authority is financially accountable as the primary government. Although the component unit is legally a separate entity, it is, in substance, a material element of the Authority's operations. Accordingly, the financial information from RCHC is combined with financial information of the primary government.

The Authority uses **Proprietary funds** to account for grant collections and its distributions, and charges for internal services, such as fleet services, information services, central mail services, legal counsel services, and human resources, provided by the County of Riverside (County). As the internal services predominantly benefit the Authority, they are included in the Authority's entity-wide financial statements. **Enterprise funds**, interchangeably used as proprietary funds, are used to report the functions presented as business-type activities in the Authority's financial statements.

Notes to the Basic Financial Statements provide additional information other than that displayed on the face of the financial statements and are essential for fair presentation of the financial information in the entity-wide financial statements. The notes are on pages 7 to 20 of this report.

Required Supplementary Information provides: (1) Schedule of the Pension Plan's Proportionate Share of the Net Pension Liability (Asset) and Related Ratios, and (2) Schedule of the Pension Plan Contributions. Required supplementary information is on page 21 of this report.

Notes to Required Supplementary Information follow immediately after Required Supplementary Information.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Management's Discussion and Analysis (unaudited)

ANALYSIS OF THE AUTHORITY'S FINANCIAL STATEMENTS

Analysis of Net Position: As noted earlier, net position may indicate useful information about the Authority's financial position. The table below focuses on the net position and changes in net position of the Authority's activities. It presents an analysis of the Authority's net position as of June 30, 2025, compared to the prior fiscal year ended June 30, 2024.

Statements of Net Position	2025	2024	Dollar Change	Percentage Change
Assets:				
Current and other assets	\$ 170,387,358	\$ 166,471,463	\$ 3,915,895	2.35%
Capital and lease assets	19,055,187	19,966,573	(911,386)	-4.56%
Total assets	189,442,545	186,438,036	3,004,509	1.61%
Deferred outflows of resources	3,175,880	4,163,727	(987,847)	-23.73%
Total Deferred outflows of resources	3,175,880	4,163,727	(987,847)	-23.73%
Liabilities:				
Current liabilities	7,645,363	5,671,440	1,973,923	34.80%
Long-term liabilities	29,173,167	33,470,929	(4,297,762)	-12.84%
Total liabilities	36,818,530	39,142,369	(2,323,839)	-5.94%
Deferred inflows of resources	166,418	371,491	(205,073)	-55.20%
Total Deferred inflows of resources	166,418	371,491	(205,073)	-55.20%
Net position:				
Net investment in capital assets	2,306,077	3,217,463	(911,386)	-28.33%
Restricted	768,376	768,376	-	0.00%
Unrestricted	152,559,024	147,102,064	5,456,960	3.71%
Total net position	\$ 155,633,477	\$ 151,087,903	\$ 4,545,574	3.01%

At the end of the current fiscal year, the Authority reported positive net position in all three categories: net investment in capital assets, restricted net position, and unrestricted net position. The total net position of \$155.6 includes \$2.3 million of net investment in capital assets, \$.8 million of restricted resources for Authority's ongoing obligations related to programs with external restrictions, and \$152.5 million of unrestricted resources, representing an increase of \$4.5 million (3.01%) from the prior year's ending net position of \$151.1 million.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Management's Discussion and Analysis (unaudited)

Analysis of Revenues and Expenses: The following table provides information from the Statement of Revenues, Expenses, and Changes in Net Position of the Authority for the fiscal year ended June 30, 2025, as compared to the prior year.

Revenues, Expenses, and Changes in Net Position	2025	2024	Dollar Change	Percentage Change
Net rental revenues	\$ 3,998,031	\$ 4,015,469	\$ (17,438)	-0.43%
Government grants	173,034,904	159,634,139	13,400,765	8.39%
Other income	4,228,306	1,031,223	3,197,083	310.03%
Total operating revenues	<u>\$ 181,261,241</u>	<u>\$ 164,680,831</u>	<u>\$ 16,580,410</u>	10.07%
Housing assistance payments	152,435,691	133,511,484	18,924,207	14.17%
Other operating expenses	27,623,837	27,685,382	(61,545)	-0.22%
Depreciation and amortization	1,304,081	1,302,122	1,959	0.15%
Total operating expenses	<u>181,363,609</u>	<u>162,498,988</u>	<u>\$ 18,864,621</u>	11.61%
Net operating income (loss)	(102,368)	2,181,843	(2,284,211)	-104.69%
Interest income	1,164,403	1,394,501	(230,098)	-16.50%
Gain (loss) on sale of capital assets	-	(1,211,880)	1,211,880	
Income (loss) before transfers	1,062,035	2,364,464	\$ (1,302,429)	-55.08%
Transfers	-	-	-	
Change in net position	1,062,035	\$ 2,364,464	\$ (1,302,429)	-55.08%
Net position at beginning of year	151,087,903	\$ 148,723,439	2,364,464	1.59%
Correction of error	3,639,664	-	3,639,664	
Implementation of new accounting standard	(156,125)	-	(156,125)	
Net position at beginning of year, as restated	<u>154,571,442</u>	<u>148,723,439</u>	<u>5,848,003</u>	
Net position at end of year	\$ 155,633,477	\$ 151,087,903	\$ 1,062,035	0.70%

Total operating revenues were \$181.3 million for the current fiscal year, an increase of \$16.6 million (10.07%) compared to the prior year. Key components of changes in operating revenues were:

- Net rental revenue: The Authority collects rents from tenants that are reduced by the Authority's rent subsidy payments at its properties. A decrease of \$17 thousand (-0.43%) for the current year net rental revenues indicate about the same level of rental income as the prior year.
- Government grants: Total grant revenues increased by \$13.4 million (8.39%). Housing aids for major public assistance programs include fundings from the U.S. Department of Housing and Urban Development, State of California, and City of Riverside.
- Other income: Other income increased by \$3.2 million (310.03%) mostly coming from Port In program receipts in addition to various administration fees.

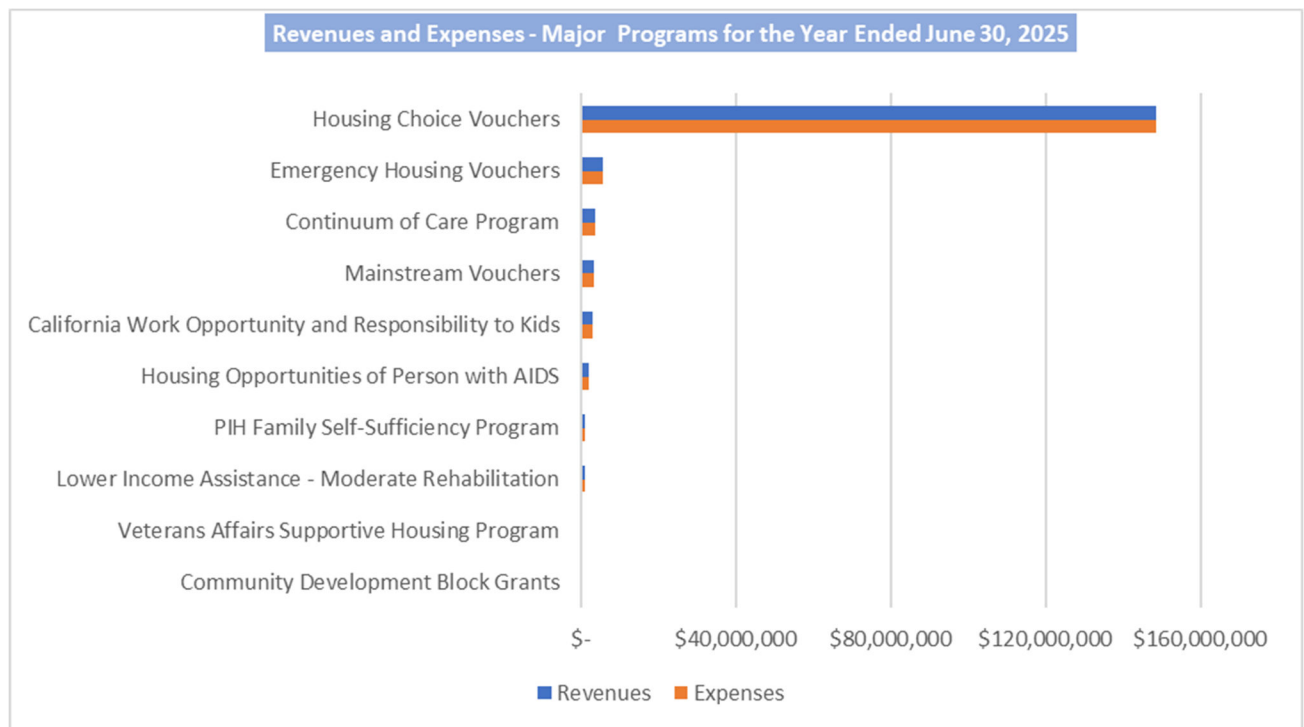
Total operating expenses were \$181.4 million for the current fiscal year, an increase of \$18.9 million (11.61%), compared to the prior year. The following items are the key components accounting for the variances:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Management's Discussion and Analysis (unaudited)

- **Housing assistance payments:** The assistance expenses increased by \$18.9 million (14.17%) closely reflecting the increase of the government grants. This high increase of housing assistance payments is due to substantial increases in market rent rates, the Authority's focus on leasing up more vouchers to applicants in need, and Project Based Vouchers actively filled as apartment construction has completed.
- **Other operating expenses:** The decrease of \$62 thousand (-0.22%) showed about the same level of expenses were spent in the current year.

The following graph provides components of major programs with their revenues for the current fiscal year. The largest program is a HUD Housing Choice Vouchers program. The graph also shows state- and city-funded programs, such as Continuum of Care Program, California Work Opportunity and Responsibility to Kids, and Housing Opportunities of Person with AIDS.



HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**Management's Discussion and Analysis (unaudited)****CAPITAL ASSETS**

As of June 30, 2025, the Authority's capital assets amounted to \$49.5 million, net of accumulated depreciation. The capital assets include land, buildings and improvements, furniture and equipment, and land held for sale. The net decrease of \$0.9 million (-1.79%) comes from depreciation increase of \$1.3 million (2.84%) that outweigh construction engineering costs and certain equipment purchases.

Capital Assets (Net of Accumulated Depreciation)	2025	2024	Dollar Change	Percentage Change
Land	\$ 3,746,522	\$ 3,631,037	\$ 115,485	3.18%
Buildings and improvements	60,236,535	60,228,518	8,017	0.01%
Furniture and equipment	2,232,983	1,955,774	277,209	14.17%
Accumulated depreciation	(47,152,836)	(45,848,756)	(1,304,080)	2.84%
	<u>19,063,204</u>	<u>19,966,573</u>	<u>(903,369)</u>	-4.52%
Assets held for sale	30,426,702	30,426,702	-	0.00%
	<u>30,426,702</u>	<u>30,426,702</u>	<u>-</u>	0.00%
	<u>\$ 49,489,906</u>	<u>\$ 50,393,275</u>	<u>\$ (903,369)</u>	-1.79%

DEBT ADMINISTRATION

Per County's Board of Supervisors policy, the County's Debt Advisory Committee reviews all debt issuances of the Authority.

The debts remain the same from prior year. Please see Note (8) Long-term Liabilities at pages 32 and 33.

The chart below lists the Authority's specific debt obligation items:

Outstanding Debt Obligations	2025	2024	Dollar Change	Percentage Change
USDA Farmers Home Administration Rural Loan	\$ 3,795,110	\$ 3,795,110	-	0.00%
Department of Housing and Community Development Loan	3,000,000	3,000,000	-	0.00%
County CARES Loan - RCHC	4,250,000	4,250,000	-	0.00%
County CARES Loan - RCHC	2,000,000	2,000,000	-	0.00%
Neighborhood Stabilization Program Loan - RCHC	3,704,000	3,704,000	-	0.00%
	<u>\$ 16,749,110</u>	<u>\$ 16,749,110</u>	<u>\$ -</u>	0.00%

ECONOMIC FACTORS

Rental Market: The median rent for an apartment in California has increased 36% since 2001, while wages have only increase by 19% over the same period. This means there are more than 1.6 million low-income households that pay more than half of their income for housing, while the federal government considers housing to be unaffordable if it costs more than 30% of a household's income.¹

HUD Section 8 Programs:

Section 8 programs are the largest direct housing assistance program for disadvantaged families. In California, these programs enable more than 536,000 low-income households to rent modest housing at a reasonable cost.¹ Housing Authority of County of Riverside's Section 8 waiting list currently includes over 140,000 applicants as of September 2025, while the Authority's available HUD Section 8 funding can only assist approximately 10,000 families. The waitlist was closed on September 1, 2025 to all new applicants except those meeting First Level Preferences: eligible veterans, widows of veterans, and persons 70+ years old.²

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Fiscal Manager of the Housing Authority of the County of Riverside, 5555 Arlington Avenue, Riverside, CA 92504. Our website is [https:// harivco.org](https://harivco.org).

¹ <https://www.cbpp.org/research/federal-rental-assistance-fact-sheets#CA>

² <https://harivco.org/resources/waiting-list-registration> and <https://harivco.org/how-apply/how-long-do-i-wait>

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

STATEMENT OF NET POSITION

JUNE 30, 2025

	Primary Government	Discretely Presented Component Units
Assets:		
Current assets:		
Cash and investments (note 3)	\$ 17,687,553	\$ 305,182
Restricted cash and investments (note 3)	10,146,461	1,701,748
Accounts receivable, net (note 4)	4,321,680	175,330
Prepaid expenses	2,431,912	53,461
Total current assets	<u>34,587,606</u>	<u>2,235,721</u>
Noncurrent assets:		
Loans and notes receivable (note 6)	104,996,355	-
Assets held for sale	30,426,702	-
Other long-term assets (note 7)	376,695	-
Capital assets, net (note 5):		
Nondepreciable	3,746,521	220,778
Depreciable	<u>15,308,666</u>	<u>1,446,067</u>
Total noncurrent assets	<u>154,854,939</u>	<u>1,666,845</u>
Total assets	<u>189,442,545</u>	<u>3,902,566</u>
Deferred Outflows of Resources	<u>3,175,880</u>	<u>2,235,721</u>
Liabilities:		
Current liabilities:		
Accounts payable	612,444	20,392
Accrued liabilities	577,807	3,751
Deposits held in trust	489,607	46,794
Compensated absences payable, current (note 6)	115,028	-
Unearned revenue	4,397,959	90,443
Other liabilities	<u>1,452,518</u>	<u>-</u>
Total current liabilities	<u>7,645,363</u>	<u>161,380</u>
Long-term liabilities:		
Compensated absences payable (note 6)	1,229,044	-
Funds held in trust	770,376	-
Net pension liability (note 9)	10,424,637	-
Debt payable	<u>16,749,110</u>	<u>3,364,631</u>
Total long-term liabilities	<u>29,173,167</u>	<u>3,364,631</u>
Total liabilities	<u>36,818,530</u>	<u>3,526,011</u>
Deferred Inflows of Resources	<u>166,418</u>	<u>-</u>
Net position:		
Net investment in capital assets	2,306,077	-
Restricted Cash	9,663,146	-
Restricted Security Deposits	483,315	-
Restricted for FSS Escrow	770,376	-
Unrestricted	<u>142,410,563</u>	<u>376,555</u>
Total net position	<u>\$ 155,633,477</u>	<u>\$ 376,555</u>

See accompanying notes to basic financial statements

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2025

	Primary Government	Discretely Presented Component Units
Operating revenues:		
Rental revenues, net	\$ 3,998,031	\$ 983,835
Governmental grants	173,034,904	-
Other income	4,228,306	33,711
	<u>181,261,241</u>	<u>1,017,546</u>
Total operating revenues		
Operating expenses:		
Administration	17,880,145	153,150
Tenant services	1,232,536	-
Utilities	877,688	174,445
Maintenance and operations	5,721,778	248,392
Protective services	43,321	-
Insurance expense	1,413,739	42,667
General expense	454,630	161,561
Housing assistance payments	152,435,691	-
Depreciation and amortization	1,304,081	38,845
	<u>181,363,609</u>	<u>819,060</u>
Total operating expenses		
Net operating income (loss)	<u>(102,368)</u>	<u>198,486</u>
Nonoperating revenues (expenses):		
Interest income	1,164,403	483
Gain (loss) on disposal of capital assets	-	-
Interest expense	-	(215,663)
	<u>1,164,403</u>	<u>(215,180)</u>
Total nonoperating revenues (expenses)		
Income (Loss) before transfers	<u>1,062,035</u>	<u>(16,694)</u>
Change in net position	1,062,035	(16,694)
Net position at beginning of year	151,087,903	393,249
Correction of error (note 14)	3,639,664	-
Implementation of new accounting standard (note 14)	<u>(156,125)</u>	<u>-</u>
Net position at beginning of year, as restated	154,571,442	393,249
Net position at end of year	<u>\$ 155,633,477</u>	<u>\$ 376,555</u>

See accompanying notes to basic financial statements

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Statement of Cash Flows

Year ended June 30, 2025

Cash flows from operating activities:	
Receipts from tenants and users	\$ 6,495,208
Receipts from operating grants	174,034,703
Payments for goods and services	(19,310,421)
Payments for Housing Assistance Payments	(150,802,727)
Payments to employees for services	<u>(7,817,404)</u>
Net cash provided by operating activities	<u>2,599,359</u>
Cash flows from noncapital financing activities:	
Receipts from notes and lease receivables	<u>886,748</u>
Net cash provided by (used for) capital and related financing activities	<u>886,748</u>
Cash flows from capital and related financing activities:	
Capital asset purchases	<u>(392,694)</u>
Net cash provided by (used for) capital and related financing activities	<u>(392,694)</u>
Cash flows from investing activities:	
Proceeds from investment activities	<u>1,164,403</u>
Net cash provided by investing activities	<u>1,164,403</u>
Net increase (decrease) in cash and cash equivalents	4,257,816
Cash and cash equivalents at beginning of year (restated)	<u>23,576,198</u>
Cash and cash equivalents at end of year	<u>\$ 27,834,014</u>
Reconciliation of Operating Income (Loss) to net cash provided (used) by Operating Activities	
Operating income (loss)	\$ (102,368)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	1,304,080
Changes in Assets and Liabilities	
(Increase) decrease in accounts receivable	1,040,709
(Increase) decrease in prepaids	(2,367,818)
(Increase) decrease in long-term assets	584,220
(Increase) decrease in deferred actuarial pension costs	987,847
Increase (decrease) in accounts payable	(161,720)
Increase (decrease) in other current liabilities	487,827
Increase (decrease) in funds held in trust	127,859
Increase (decrease) in compensated absences	(116,818)
Increase (decrease) in accrued liabilities	3,293
Increase (decrease) in unearned revenue	1,632,964
Increase (decrease) in deposits held in trust	11,559
Increase (decrease) in net pension liability	(627,202)
Increase (decrease) in deferred actuarial pension costs	<u>(205,073)</u>
Total Adjustments	<u>2,701,727</u>
Net cash provided by operating activities	<u>\$ 2,599,359</u>

There were no significant non-cash capital, financing and investing activities for the year ended June 30, 2025.

See accompanying notes to basic financial statements

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(1) Nature of Business and Organization

The Housing Authority of the County of Riverside (Authority) was incorporated in 1942, under the California State Health and Safety Code, Section 34200. The Authority was established to provide clean, decent, safe, sanitary, and affordable housing to low-income families. The area of jurisdiction of the Authority is the entire County of Riverside. Permanent operational offices are maintained in the cities of Riverside and Indio to facilitate the provision of services.

The governing body of the Authority is the Board of Commissioners who also serve as the Board of Supervisors of the County of Riverside who are elected officials. Please see Management's Discussion and Analysis (MD&A) for detailed information.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has contracted with the Authority to administer certain HUD funds.

The primary operations are comprised of the Housing Choice Voucher Program. This program is designed to aid low-income families in obtaining decent, safe, and sanitary rental housing. The Authority administers contracts with independent landlords that own property and rent that property to families that have applied for housing assistance. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

In addition, the Authority operates other non-federal housing programs. Riverside Community Housing Corp. was formed in 2015 by the Authority for the purpose of owning and operating several Rental Assistance Demonstration (RAD) properties that underwent RAD conversion from the Public Housing Program. These RAD properties are funded primarily by Project Based Voucher assistance contracts with HUD, as well as rental income from tenants.

Reporting Entity

As described in GASB Statement No. 34, paragraph 134, the Authority is considered a primary government and meets the definition of a special purpose government (SPG). The Authority is a legally separate entity that is engaged in only business-type activities. Business-type activities are defined as activities that are financed in whole or in part by fees charged to external parties for goods or services. SPGs engaged only in business -type activities are required to present only the financial statements required for proprietary funds, which includes Management's Discussion and Analysis (MD&A), basic financial statements, and Required Supplemental Information (RSI). All inter-program activities have been eliminated in these financial statements.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(1) Nature of Business and Organization (Continued)

The Authority is a component unit of the County of Riverside (County). Although the Authority is a legally separate SPG, it does not have a separately elected governing body from that of the County and is fiscally independent of other state and local governments. Fiscally independent means that the Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursement of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt.

The Authority has two component units, the Riverside Community Housing Corporation and Perris Park Apartments, LLC. Management applied the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14*, Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14* to determine whether the component units should be reported as blended or discretely presented component units. The criteria included whether the Authority appoints the voting majority of the governing board, there is a financial benefit/burden relationship, the Authority is able to impose its will, the component unit is fiscally dependent on the Authority, the component unit's governing body is substantially the same as the Authority, and management of the Authority have operational responsibility for the activities of the component unit. These criteria were used to determine the following:

Blended Component Units

Riverside Community Housing Corp. (Corporation) - This is a legally separate entity formed in 2015 as a 501(c)(3) not-for-profit corporation. The board of this entity is identical to the board of the Authority and the entity provides property management services for the Authority. The purpose of this entity is to assist low- and moderate-income families with housing needs. This assistance may include but not be limited to development housing for rental or home ownership, aiding with home ownership through down payment assistance grants, and owner-occupied housing rehabilitation grants or loans. The Corporation shares the June 30 year-end with the Authority. There are no separately issued audited financial statements for this entity.

Discrete Component Units

Perris Park Apartments, L.L.C. - This is a legally separate entity formed June 21, 2019, as a California limited liability company whose sole member is the Corporation. The purpose is to own and operate an 88-unit residential apartment project located in Riverside, CA for the benefit of low-income persons who need affordable, decent, safe, and sanitary housing and related services. This entity reports on a December 31 year-end.

The report for Perris Park Apartments, L.L.C. is issued under separate cover. It may be obtained at the Housing Authority of the County of Riverside, 5555 Arlington Ave., Riverside, CA 92504-2506.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies

The basic financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from grant agreements, providing services, and producing and delivering goods in connection with the ongoing principal operations. The principal operating revenues of the Authority include program specific grants, and rental income from tenants of the various housing projects. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(a) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles as applied to governmental units require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(b) Cash and Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, demand deposits at financial institutions, investments in money market funds, and certificates of deposit.

(c) Restricted Cash

Restricted cash consists of cash and investments that are held in trust, reserves, and escrows, as well as other cash and investments that are restricted for specific purposes.

(d) Accounts Receivable from HUD and Other Governments

The amounts reported as accounts receivable from HUD or due from other governments represent reimbursable costs or grant subsidies earned that have not been received as of year-end; these amounts are considered fully collectible.

(e) Accounts Receivable from Tenants

Accounts receivable from tenants consists of all amounts earned at year end and not yet received. Allowances for uncollectible accounts are based upon historical trends and periodic aging of accounts receivable.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

In accordance with GASB Statement No. 34, revenues in proprietary funds should be reported as net of all related allowances, which include amounts pertaining to uncollectible accounts. Therefore, the increase and decrease in the estimate of uncollectible accounts should be reported net of revenue instead of bad debt expense. The Authority's bad debt expense charged against revenue was \$1,133,823 for the year ended June 30, 2025.

(f) Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of exhaustible capital assets is charged as an expense against operations utilizing the straight-line method. Accumulated depreciation is reported on the statement of net position. The estimated useful lives for major classes of depreciable capital assets are as follows:

<u>Category</u>	<u>Useful Life</u>
Buildings, structures, and site improvements	15 - 40 years
Furniture and equipment	7 years

(g) Impairment of Capital Assets

The Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2025, there has been no impairment of the capital assets.

(h) Provision for Uncollectible Notes

A note receivable is considered impaired when, based on current information, it is probable that all amounts of principal and interest due will not be collected according to the terms of the note agreement. Uncollectible notes are charged to the allowance account in the period such determination is made. Currently, management has deemed all notes receivable fully collectible and thus has not recorded any provision for uncollectible notes.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

(i) Compensated Absences

Compensated absences are absences for which employees will be paid, e.g., sick leave, vacation, and other approved leave. The liability is calculated using current pay rates and includes employer-paid fringe benefits, in accordance with GASB Statement No. 101, *Compensated Absences*. Permanent Authority employees earn from 10 to 20 vacation days a year, depending upon their length of employment, and 13 sick days a year. Employees can carry forward up to the equivalent number of vacation days earned in the immediately preceding thirty-six-month period and an unlimited number of unused sick leave days.

Upon termination or retirement, permanent employees are entitled to receive compensation at their current base salary for all unused vacation leave. If an employee retires, the employee is entitled to a portion of accumulated sick leave hours. In no event, however, shall the total payment exceed a sum equal to 960 hours. It is the policy of the Authority to reflect the employee vacation leave benefits liability in the financial statements, and an estimated portion of the sick leave liability.

(j) Tenant Security Deposits

Security deposits consist of amounts held in trust with the Authority for tenants to secure apartment leases.

(k) Unearned Revenue

Unearned revenue consists of rental payments made by tenants in advance of their due date, and/or grants received in advance of the period earned.

(l) Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense) until then.

The deferred outflows of resources related to the net pension liability resulted from Authority contributions to the employee pension plan subsequent to the measurement date of the actuarial valuation for the pension plan, the difference between actual and expected, the effect of changes in actuarial assumptions, and the effect of the Authority's change in proportion. The deferred outflows related to the net pension liability will be deferred and amortized as detailed in Note 9 to the financial statements.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

(m) Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and thus, will not be recognized as an inflow of resources (revenue) until then.

The deferred inflow of resources related to the net pension liability results from and the difference between actual and expected experience and difference between projected and actual earnings on pension plan investments, the effect of changes in actuarial assumptions, the change in the Authority's proportionate share of pension contributions and the effect of the change in the Authority's proportion. These amounts are deferred and amortized as detailed in Note 9 to the financial statements.

(n) Leasing Activities

The Authority is the lessor of dwelling units to eligible residents. The rents under the leases are determined generally by the residents' income as adjusted for eligible deductions regulated by HUD, although the residents may opt for a flat rent. Leases may be cancelled at any time or renewed annually. The Authority may cancel the leases only for cause. Revenues associated with these leases are reported in the accompanying financial statements and related schedules within dwelling rent revenue.

(o) Pension Plan

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

(p) Other Post-Employment Benefits (OPEB)

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of our plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. Management has determined the amount of the OPEB liability and related deferred outflows/inflows to be trivial to the financial statements and therefore have elected to omit this liability as well as the associated note disclosures from the accompanying financial statements.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

(q) Family Self Sufficiency Escrow Deposits

The Authority, under the Section 8 Housing Choice Voucher and Public and Indian Housing programs, administers a Family Self-Sufficiency (FSS) program. An interest-bearing FSS escrow account is established by the Authority for each participating family. An escrow credit, based on increases in earned income of the family, is credited to this account by the Authority during the term of the FSS contract. The Authority may make a portion of this escrow account available to the family during the term of the contract to enable the family to complete an interim goal such as education.

(r) Net Position

In the statement of net position, equity is classified as net position and displayed in three components: (1) Net investment in capital assets that consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any notes or other borrowings attributable to those capital assets; (2) Restricted net position that consists of assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation; and (3) Unrestricted net position – that includes all other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted net positions are available for use, generally it is the Authority’s policy to use restricted resources first.

(s) Investment Policy

The Authority’s investment policy, HUD and the California Government Code do not address legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure such deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

(t) Fair Value Measurements

Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date; Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly; and Level 3 inputs that have the lowest priority and consist of unobservable inputs for an asset or liability. The Authority has no assets or liabilities measured at fair value.

(u) Authorized Investments

Investments of the Authority are limited to investment types prescribed by HUD in Public and Indian Housing (PIH) Notice 1996-33 or as amended by future HUD notices. Additionally, the Authority limits investment types to those that are authorized in accordance with Section 53601 of the California Government Code.

(v) Investment in State Investment Pool

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF), which is part of the Pooled Money Investment Account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance, and State Controller. The Authority may invest up to \$75 million in the LAIF fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

All investments with LAIF are secured by the full faith and credit of the State of California. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares. Separate LAIF financial statements are available from the California State Treasurer's Office on the internet at www.treasurer.ca.gov.

The Authority's investment in this pool is reported in the accompanying financial statements at cost which approximates fair value at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of structured notes and asset-backed securities. LAIF's exposure to risk (credit, market or legal) is not currently available.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(2) Summary of Significant Accounting Policies (Continued)

(w) Internal Activity and Balances

All transfers, intercompany charges and other interfund activity balances have been eliminated from the basic financial statements in accordance with GASB pronouncements.

(x) Income Taxes

The Authority is not subject to federal or state income taxes.

(3) Cash and Cash Investments

Cash and investments held at June 30, 2025 are classified as follows:

Cash and investments	<u>\$ 17,687,553</u>
Restricted cash and investments:	
Security deposits - tenants	483,315
Family Self Sufficiency deposits	1,000,102
Housing assistance payments	770,279
Other restricted funds	<u>7,892,765</u>
Total restricted cash and investments	10,146,461
Total cash and investments	<u>\$ 27,834,014</u>

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized for the Authority by the California Government Code and the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, if more restrictive) that addresses interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Authority, rather than the general provisions of the California Government Code or the Authority's investment policy.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(3) Cash and Cash Equivalents (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Municipal bonds	5 Years	15%	5%**
U.S. treasuries	5 Years	100%	N/A
Local agency obligations	3 Years	2.5%	2.5%
Federal agencies	5 Years	100%	N/A
Commercial paper	270 Days	40%	5%*
Certificates and time deposits	2 Years	20%	5%*
International bank for reconstruction and development and international finance corporation	5 Years	20%	N/A
Repurchase agreements	45 Days	40%	25%
Reverse repurchase agreements	60 Days	10%	10%
Medium term-notes or corporate notes	4 Years	20%	5%*
CalTRUST short-term fund	Daily Liquidity	1%	1%
Market mutual funds	Daily Liquidity	20%	N/A
Local Agency Investment Fund (LAIF)	Daily Liquidity	Max \$50.0 M	N/A
Deposit account	N/A	N/A	N/A

* Maximum of 5% per issuer in combined commercial paper, certificate and time deposits, medium-term notes.

** For credit rated below AA-/Aa3, 2% maximum in one issuer only for State of California debt.

Disclosures Relating to Interest Rate Risk

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

As of June 30, 2025, the Authority's risk of changes in interest rates is minimal since the investments primarily consisted of state sponsored investment pool funds which have stated interest rates.

Disclosures Relating to Credit Risk

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. As of June 30, 2025, the Authority's investment portfolio consisted of \$288,028 invested in LAIF, which is not rated.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(3) Cash and Cash Equivalents (Continued)

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

(4) Accounts Receivable

Accounts receivable at June 30, 2025 were comprised of the following:

Tenant receivables	<u>\$ 692,791</u>
Net receivable	692,791
Due from other governments	984,823
Due from HUD	813,040
Miscellaneous receivables	<u>1,831,026</u>
Accounts receivable, net	<u>\$ 4,321,680</u>

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(5) Capital Assets

Capital asset activity for the year ended June 30, 2025 is as follows:

	Balance at <u>July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance at <u>June 30, 2025</u>
Capital assets not being depreciated				
Land	\$ 3,631,037	\$ -	\$ -	\$ 3,631,037
Construction in progress	-	115,485	-	115,485
Total capital assets not being depreciated	<u>3,631,037</u>	<u>115,485</u>	<u>-</u>	<u>3,746,522</u>
Capital assets being depreciated:				
Buildings	60,228,518	-	-	60,228,518
Furniture and equipment	<u>1,955,774</u>	<u>277,209</u>	<u>-</u>	<u>2,232,983</u>
Total capital assets being depreciated	<u>62,184,292</u>	<u>277,209</u>	<u>-</u>	<u>62,461,501</u>
Less accumulated depreciation for:				
Buildings	(44,104,507)	(1,163,330)	-	(45,267,837)
Furniture and equipment	<u>(1,744,248)</u>	<u>(140,751)</u>	<u>-</u>	<u>(1,884,999)</u>
Total accumulated depreciation	<u>(45,848,755)</u>	<u>(1,304,081)</u>	<u>-</u>	<u>(47,152,836)</u>
Total capital assets being depreciated, net	<u>16,335,537</u>	<u>(1,026,872)</u>	<u>-</u>	<u>15,308,665</u>
Total capital assets, net	<u>\$ 19,966,574</u>	<u>\$ (911,387)</u>	<u>\$ -</u>	<u>\$ 19,055,187</u>

Depreciation expense in the amount of \$1,304,081 for the year ended June 30, 2025 was charged to the following functions:

Housing Authority	\$ 522,637
RCHC	<u>781,444</u>
	<u>\$ 1,304,081</u>

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(6) Loans and Notes Receivable

Notes and loans were comprised of the following various loan programs and balances for the year ended June 30, 2025:

Coachella RDA

Affordable Housing Loans (CAHL)	\$	111,846
First-Time Homebuyer Loans (CFTHB)		7,000
Down Payment Assistance Program (CDPAP)		349,732
Corporate Loans (CSACL)		1,064,223
Tierra Bonita (CTB)		938,513
Subtotal (1):		2,471,314

Riverside RAD

Redevelopment Housing Program (HARHP)	718,240
First-Time Homebuyer Loans (HAFTH)	206,400
Inland Empire Rescue Mission (HAIRM)	996,000
Manufactured Home Replacement Program (HAMRP)	327,937
Miscellaneous Projects (HAMP)	1,365,202
Rental Housing Project (HARHG)	66,362,950
Cottonwood Mobile Home Project (HACTL)	39,161
Home Improvement Program (HAHIL)	162,346
Mobile Home Tenant Loan Program (HAMHT)	11,699,977
Agricultural Housing Loan Program (HAAHL)	1,263,024
Mountain View Estates (HAVME)	13,785,085
SL Imperial (HASLI)	1,289,669
Subtotal (2):	98,215,991

County CARES Loan - RCHC

CAI Home Loan Program (CHL)	1,389,365
Riverside Community Housing Corp. Mobile Home Loan Program (RMHLP)	119,335
Family Self-Sufficiency Revolving Fund Loan Program (FSSRLP)	350
Palm Communities - Menlo Property Development	2,800,000
Total	\$ 104,996,355

(1) Loans were absorbed as a part of the dissolution of the Redevelopment Agency of Coachella Valley.

(2) Loans were absorbed as a part of the dissolution of the Redevelopment Agency for the County of Riverside.

Interest income on loans and notes receivable for the year ended June 30, 2025, amounted to \$1,039,896.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(7) Other Long-Term Assets

Other assets at year-end represent prepaid rent on Mountain View Estates. The grant stipulated funds had to be spent by a specific time period resulting in prepaid rent on mobile home sites to comply with grant reporting purposes. The amount of prepaid rent as of year-end is \$376,695.

(8) Long-term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2025:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
USDA RmHA Loan	\$ 3,795,110	\$ -	\$ -	\$ 3,795,110	\$ -
HCD Loan	3,000,000	-	-	3,000,000	-
County CARES Loan - RCHC	4,250,000	-	-	4,250,000	-
Neighborhood Stabilization Loan - RCHC	3,704,000	-	-	3,704,000	-
County CARES Loan - RCHC	2,000,000	-	-	2,000,000	-
Total Long-Term Liabilities	<u>\$ 16,749,110</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,749,110</u>	<u>\$ -</u>

USDA Farmers Home Administration Rural Loan (FmHA)

The U.S. Department of Agriculture (USDA) Farmers Home Administration (FmHA) rural loan, in the original amount of \$3,795,110 bears no interest, with no required payments of principal and interest. The loan is subject to a 20-year affordability period expiring October 2026. The loan is secured by the Desert Rose Apartments property. There is no amount due within one year and the balance is forgiven upon certain requirements being met. The outstanding balance at June 30, 2025 is \$3,795,110.

Department of Housing and Community Development (HCD) Loan

The Department of Housing and Community Development (HCD) Farmworker Housing Grant Program (FWHG), grant number 04-FWHG-308, in the original amount of \$3,00,000 bears no interest, with no required payments of principal and interest. The loan is subject to a 20-year affordability period expiring October 2026. The loan is secured by the Desert Rose Apartments property. There is no amount due within one year and the balance is forgiven upon certain requirements being met. The outstanding balance at June 30, 2025 is \$3,00,000.

County CARES Loan – RCHC

The county pass-through CARES loan, in the original amount of \$4,250,000 bearing no interest, no payments of principal are required, and matures July 1, 2077, at which time all outstanding principal is forgiven. The loan is subject to a 55-year affordability period. There is no collateral on this loan. The outstanding balance at June 30, 2025 is \$4,250,000.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(8) Long-term Liabilities (Continued)

Neighborhood Stabilization Program Loan – RCHC

The county pass-through NSP loan, in the original amount of \$3,704,000 bearing no interest, no required payments of principal and interest, and is fully forgivable July 1, 2067. The loan is subject to NSP/CDBG affordability requirements. There is no collateral on this loan. The outstanding balance at June 30, 2025 is \$3,704,000.

County CARES Loan – RCHC

The county pass-through CARES loan, in the original amount of \$2,000,000, bearing no interest, no payments of principal are required, and matures July 1, 2077, at which time all outstanding principal is forgiven. The loan is subject to a 55-year affordability period. There is no collateral on this loan. The outstanding balance at June 30, 2025 is \$2,000,000.

Debt Service Requirements to Maturity

As of June 30, 2025, the annual requirements to amortize outstanding loans payable of the Authority to maturity, including interest payments, are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ -	-	-
2027	6,795,110	-	6,795,110
2028	-	-	-
2029	-	-	-
2030	-	-	-
2031-2035	-	-	-
2036-2040	-	-	-
2041-2045	-	-	-
2046-2050	-	-	-
2051-2055	-	-	-
2056-2060	-	-	-
2061-2065	-	-	-
2066-2070	3,704,000	-	3,704,000
2071-2075	-	-	-
2076-2079	6,250,000	-	6,250,000
Totals	\$ 16,749,110	-	16,749,110

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan

Plan Description

The Authority contracts with CalPERS to provide retirement benefits to their employees. CalPERS is a common investment and administrative agent for participating public entities within the State of California. State statutes, governed by the Public Employees' Retirement Law (PERL), have established benefit provisions as well as other requirements. CalPERS issues an annual comprehensive financial report which details its plan assets, liabilities, and plan activity. The Authority receives an annual actuarial valuation report which summarizes plan assets, liabilities, and employer rates for its plan. Under GASB Statement No. 68, the Authority is cost-sharing multiple-employer defined benefit pension plan due to their pooling composite. Copies of the CalPERS annual comprehensive financial report may be obtained from: California Public Employees' Retirement System, 400 Q Street, P.O. Box 942701, Sacramento, CA 94229-2701.

Benefits Provided

CalPERS provides retirement (service and disability) benefits, annual cost-of-living adjustments (COLA), and death benefits to plan members and plan beneficiaries. The Authority has three retirement Tiers through the California Public Employee's Retirement System (CalPERS). Tier I - Applicable to employees hired prior to January 1, 2013. The formula is 3.0% at age 60 for miscellaneous plan employees. Tier II - Applicable to employees hired after August 23, 2012 through December 31, 2012. The formula is 2.0% at age 60 for miscellaneous plan employee. Tier III - Applicable to new CalPERS members hired on or after January 1, 2013, as a result of the Public Employees' Pension Reform Act of 2013 (PEPRA). The formula is 2.0% at age 62 for miscellaneous plan employees. PEPRA resulted in lower retirement benefit formulas, final compensation periods, and contribution requirements being implemented. Listed below is a table with the new retirement options and provision changes by plan.

Hire Date	Prior to January 1, 2013	After August 23, 2012 through December 31, 2012	On or After January 1, 2013
Benefit Formula	3.0% at 60	2.0% at 60	2% at 62
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50 - 55+		52 - 67+
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.7%		1.0% - 2.5%
Required Employee Contribution Rates 2025	8.00%	8.00%	7.75%
Required Employer Contribution Rates 2025	11.29%	11.29%	11.29%

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

Employees Covered

At the measurement date of June 30, 2024, the following employees were covered:

Inactive Employees or Beneficiaries Currently Receiving Benefits	13,722
Inactive Employees Entitled to But Not Yet Received Benefits	17,052
Active Employees	<u>18,082</u>
Total	<u>48,856</u>

Contributions

Active plan members in CalPERS may be required to contribute up to 8.0% of their annual covered salary as specified in the governing Memorandum of Understanding or as provided by State statute.

The employer contribution rate is established based on the CalPERS annual actuarial valuation. The actuarial methods and assumptions used to establish the employer contribution rate are adopted by the CalPERS Board of Administration. The Authority is required to contribute the actuarially determined annual determined contributions necessary to fund the plans. For fiscal year 2025, the Authority made employer contributions of \$1,389,895 to the pension plan.

Net Pension Liability

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

Actuarial assumptions

For the measurement period ending June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023, total pension liability. The June 30, 2024 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Actuarial Assumptions:	
Investment Rate of Return	6.90%
Inflation	2.30%
Salaries Increases	Varies by entry age and service
Mortality Rate Table	CalPERS Membership Data ⁽¹⁾
Post Retirement Benefit Increases	See Footnote ⁽²⁾

- (1) The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.
- (2) The lesser of contract COLA or 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.3% thereafter.

Discount Rate

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

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

The expected real rates of return by asset class are as follows:

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

^(a) An expected inflation of 2.30% used for this period.

^(b) Figures are based on the 2021 Asset Liability Management study.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

Changes in the Net Pension Liability

The following table shows the changes in the net pension liability recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Beginning Balance, restated	\$ 45,294,422	\$ 34,534,359	\$ 10,760,063
Changes in the Year:			
Service Cost	1,140,321	-	1,140,321
Interest	3,132,975	-	3,132,975
Difference Between Expected and Actual Experience	556,377	-	556,377
Contributions - Employer	-	1,389,895	(1,389,895)
Contributions - Employee	-	495,732	(495,732)
Net Investment Income (loss)	-	3,307,517	(3,307,517)
Benefit Payments, Including Refunds of Employee Contributions	(2,031,013)	(2,031,013)	-
Administrative Expense	-	(28,045)	28,045
Net Changes	2,798,660	3,134,086	(335,426)
Ending Balance	\$ 48,093,082	\$ 37,668,445	\$ 10,424,637

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

The following presents the Authority's net pension liability, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.90%) or one percentage-point higher (7.90%) than the current rate:

1% Decrease	5.90%
Net Pension Liability	\$ 12,415,763
Current Discount Rate	6.90%
Net Pension Liability	\$ 10,424,637
1% Increase	7.90%
Net Pension Liability/(Asset)	\$ 3,413,830

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension's plan fiduciary net position is available in the separately issued CalPERS financial report. The pension's plan fiduciary net position may differ from the plan assets reported in the actuarial valuation report due to several reasons. First, CalPERS must keep deficiency reserves, fiduciary self-insurance, and Other Postemployment Benefit (OPEB) expense as assets. These amounts are excluded for rate setting purposes in the actuarial valuation report. In addition, differences may result from early Annual Comprehensive Financial Report closing and final reconciled reserves.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and plan fiduciary net position are recognized in pension expense systematically over time.

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

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is five-year straight-line amortization. All other amounts are straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARSL for the plan for the 2023-24 measurement period was obtained by dividing the total service years of the sum of remaining service lifetimes of the active employees by the total number of participants (active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. The future service is based on the members' probability of decrementing due to an event other than receiving cash refund.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

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

For the measurement period ending June 30, 2024, the Authority reported a liability of \$10,424,637 for their net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The net pension liability was based on a projection of long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Authority's proportion was 0.429607%, which was a decrease of 0.014353%, from their proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Authority recognized \$155,568 in pension expense. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

OPEB contributions subsequent to measurement date	\$ 1,678,215	-
Changes of assumptions	481,136	-
Change in proportion	-	-
Difference between expected and actual experience	492,592	166,418
Net difference between projected and actual earnings on OPEB plan investments	<u>523,937</u>	<u>-</u>
Total	<u>\$ 3,175,880</u>	<u>166,418</u>

The deferred outflow of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability next year.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(9) Pension Plan (Continued)

The deferred inflows of resources and outflows of resources will be recognized in pension expense as follows:

Fiscal Year ended June 30,	Deferred (Outflows) Inflows of Resources
2025	\$ 379,715
2026	1,122,239
2027	(10,639)
2028	(160,068)
2029	-
Thereafter,	<u>\$ 1,331,247</u>

(10) Net Position

The Authority's net position for June 30, 2025 is as follows:

Capital assets not being depreciated	\$ 3,746,521
Capital assets, net	15,308,666
Related debt	<u>(16,749,110)</u>
Net Investment in Capital Assets	<u>\$ 2,306,077</u>
Restricted cash	\$ 9,663,146
Security deposit liability	483,315
FSS Escrow liability	<u>770,376</u>
Total Restricted Net Position	<u>\$ 10,916,837</u>

(11) Bond Conduit Financings

From time to time, the Authority has approved the issuance of tax-exempt Mortgage Revenue Bonds (Bonds) that are issued for various development firms. The Bonds are not and will never become general obligations of the issuer but are limited obligations of the issuer and are payable solely from the sources set forth in the indenture. The Bonds and the premium, if any, and interest thereon do not and never shall constitute a debt or an indebtedness or an obligation of the issuer or the State of California (State) or any other political subdivision of the State or a loan of the faith or credit or the taxing power of any of them, within the meaning of any constitutional or statutory provisions, nor shall the Bonds be construed to create any moral obligation on the part of the issuer, the State or any other political subdivision of the State with respect to the payment of the Bonds.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(11) **Bond Conduit Financings (Continued)**

The Bonds will not be payable from the general revenues of the issuer and in no event will the Bonds be payable out of any funds or properties other than those specifically pledged, therefore. The issuer has no taxing power. As of June 30, 2025, the number of Bonds outstanding and the aggregate principal amount payable is unknown. Neither the county nor the Authority has a central repository. When completely paid or called they must notify the Authority of this event.

(12) **Commitments and Contingencies**

Government Examinations

The Authority has received funds from federal 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.

Arbitrage Rebate to Federal Agency

The Internal Revenue Code of 1986, Sections 103 and 141 through 150, details the amount of interest earnings an issuer of tax-exempt bonds can earn on the proceeds. The interest earnings rate cannot exceed the yield on the tax-exempt revenue bonds. The issuer is required to rebate to the federal government any excess earnings.

Every fifth year, until the last revenue bond is paid or redeemed, an arbitrage calculation is required, and an installment is due. At least ninety percent of the arbitrage calculation is required to be paid at the installment due date. Since the Authority's 1998 Series A Bond is taxable at the federal level, it has been deemed that this bond is not subject to arbitration rebate.

(13) **Business Risk and Concentrations**

Risk Management

The Authority is exposed to various risks of losses related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the previous three years. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2025, there were no liabilities to be reported.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Basic Financial Statements

Year Ended June 30, 2025

(13) Business Risk and Concentrations (Continued)

As of June 30, 2025, the Authority was a participating member of the Housing Authorities Risk Retention Pool (HARRP), a risk-management pool, which provides the following coverage: property; general liability; official's liability; auto liability; employee liability for dishonesty or forgery; and employee liability for theft, disappearance and destruction. For apartment managers and temporary employees, the Authority is insured for workers compensation claims by California Housing Workers' Compensation Authority (CHWCA) as well as an excess liability policy which provides coverage for claims in excess of the CHWCA policy limits.

For permanent Authority employees who are County employees, the County of Riverside self-insures for workers' compensation.

Concentration – Major Contributor

For the year ended June 30, 2025, approximately 91% of operating revenues reflected in the financial statements are directly or indirectly from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress, or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

(14) Prior Period Restatements

During fiscal year 2025, changes in accounting principle and an error correction resulted in adjustments to and restatements of beginning net position, as follows:

Net position, as previously reported	\$ 151,087,903
Implementation of GASB 101: Compensated Absences	(156,125)
Correction of the net pension liability	3,837,726
Correction of notes receivable	(600,000)
Other error corrections	<u>401,938</u>
Net Position, as restated	<u>\$ 154,571,442</u>

REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Required Supplementary Information Schedules

Year Ended June 30, 2025

Schedule of the Pension Plan's Proportionate Share of the Net Pension Liability (Asset) and Related Ratios

Reporting Date for Employer under GASB 68 as of June 30,	Proportion of Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of Net Pension Liability as a Percentage of Covered-Employee Payroll	Plan Fiduciary net Position as a Percentage of the Total Pension Liability
2014	0.65984%	\$ 6,265,850	\$ 5,842,284	107.25%	83.16%
2015	0.67935%	\$ 7,675,338	\$ 6,280,156	122.22%	80.89%
2016	0.63998%	\$ 10,977,476	\$ 6,593,265	166.50%	74.51%
2017	0.61656%	\$ 14,252,453	\$ 7,384,689	193.00%	71.59%
2018	0.58650%	\$ 14,506,175	\$ 6,714,736	216.03%	72.12%
2019	0.53986%	\$ 15,276,929	\$ 6,307,999	242.18%	72.08%
2020	0.53728%	\$ 14,039,129	\$ 6,443,151	217.89%	76.03%
2021	0.53939%	\$ 7,979,987	\$ 6,644,943	120.09%	89.13%
2022	0.46340%	\$ 14,489,477	\$ 6,112,830	237.03%	75.92%
2023	0.44126%	\$ 14,889,565	\$ 6,434,434	231.40%	76.24%
2024	0.42961%	\$ 10,424,637	\$ 6,868,903	151.77%	78.32%

Schedule of the Pension Plan Contributions

Reporting Date for Employer under GASB 68 as of June 30,	Actuarially Determined Contribution [A]	Actuarially Determined Contribution [B]	Contributions in Relation to Contribution Deficiency (Excess) [C]=[A]-[B]	Covered Payroll	Contribution as a Percentage of Covered Payroll
2014	\$ 907,429	\$ 930,188	\$ (22,759)	\$ 5,842,284	15.92%
2015	\$ 917,015	\$ 917,015	\$ -	\$ 6,280,156	14.60%
2016	\$ 992,227	\$ 992,227	\$ -	\$ 6,593,265	15.05%
2017	\$ 1,015,366	\$ 1,015,366	\$ -	\$ 7,384,689	13.75%
2018	\$ 1,318,827	\$ 1,217,505	\$ 101,322	\$ 6,714,736	18.13%
2019	\$ 1,319,313	\$ 1,319,313	\$ -	\$ 6,307,999	20.91%
2020	\$ 1,536,997	\$ 1,536,997	\$ -	\$ 6,443,151	23.85%
2021	\$ 1,581,191	\$ 1,581,191	\$ -	\$ 6,644,943	23.80%
2022	\$ 1,509,173	\$ 1,509,173	\$ -	\$ 6,112,830	24.69%
2023	\$ 1,588,026	\$ 1,588,026	\$ -	\$ 6,434,434	24.68%
2024	\$ 1,678,215	\$ 1,678,215	\$ -	\$ 6,868,903	24.43%

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Notes to Required Supplementary Information Schedules

Year Ended June 30, 2025

(1) Pension Plan

In November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. For Public Employees Retirement Fund (PERF) C, these changes were implemented in the June 30, 2021, actuarial valuations for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates. The inflation assumption was reduced from 2.50 percent to 2.30 percent, the administrative expense assumption was reduced from 0.15 percent to 0.10 percent, and the discount rate was reduced from 7.00 percent to 6.80 percent. As a result, for financial reporting purposes, the discount rate for the PERF C was lowered from 7.15 percent to 6.90 percent in Fiscal Year 2021-22.

In Fiscal Year 2020-21, no changes were made to the actuarial assumptions in relation to financial reporting.

The CalPERS Board of Administration adopted a new amortization policy effective with the June 30, 2019, actuarial valuation. The policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount.

In addition, the policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes, investment gains/losses, and non-investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019. In Fiscal Year 2019-20, no changes have occurred to the actuarial assumptions in relation to financial reporting.

In December 2017, the Board adopted new mortality assumptions for plans participating in the PERF. The new mortality table was developed from the December 2017, experience study and includes 15 years of projected ongoing mortality improvement using 90 percent of scale MP 2016, published by the Society of Actuaries. The inflation assumption was reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increases and overall payroll growth were reduced from 3.00 percent to 2.75 percent. These changes will be implemented in two steps commencing in the June 30, 2017, funding valuation. For financial reporting purposes, these assumption changes are fully reflected in the results for Fiscal Year 2017-18.

In Fiscal Year 2018-19, CalPERS implemented a new actuarial valuation software system for the June 30, 2018, valuation. This new system has refined and improved calculation methodology.

In Fiscal Year 2016-17, the financial reporting discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent. In December 2016, the Board approved lowering the funding discount rate used in the PERF C from 7.50 percent to 7.00 percent, which was phased in over a three-year period (7.50 percent to 7.375 percent, 7.375 percent to 7.25 percent, and 7.25 percent to 7.00 percent) beginning with the June 30, 2016, valuation reports.

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
Notes to Required Supplementary Information Schedules
Year Ended June 30, 2025
(Continued)

(1) Pension Plan (Continued)

The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate. In Fiscal Year 2014-15, the financial reporting discount rate was increased from 7.50 percent to 7.65 percent resulting from eliminating the 15 basis-point reduction for administrative expenses. The funding discount rate remained at 7.50 percent during this period and remained adjusted for administrative expenses.

STATISTICAL SECTION

Statistical Section – Table of Contents

This section of the Annual Comprehensive Financial Report presents historical data and context to provide report readers with further information.

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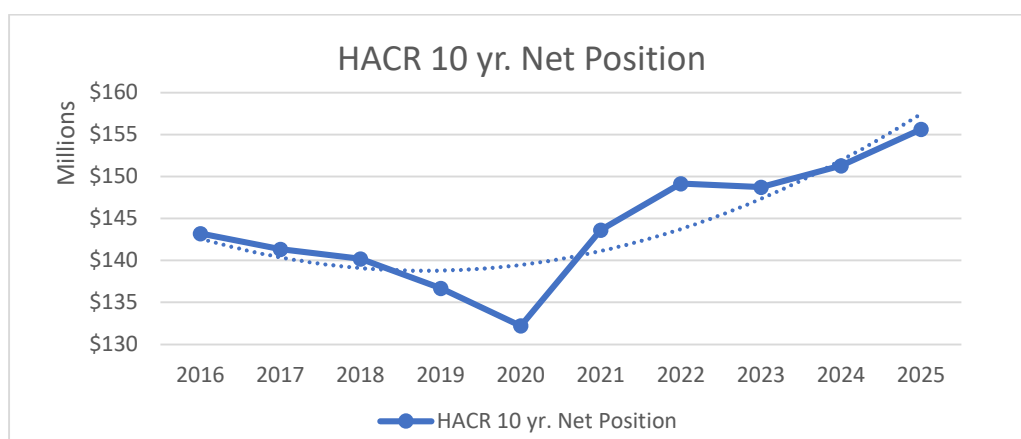
Sources: Unless otherwise noted, the information in these tables comes from the Authority's Annual Comprehensive Financial Reports for the relevant years.

Financial Trends

Changes in Net Position

Net Position	2025	2024	2023	2022	2021
Net Investments in Capital Assets	2,306,077	3,217,463	2,984,383	4,502,798	5,184,747
Restricted Breakdown					
Restricted Cash & Cash Equivalents	10,146,461	1,888,941	1,889,250	6,814,034	12,080,228
Security Deposit	(483,315)	(478,048)	(452,741)	(445,362)	(419,582)
FSS Escrow	(1,000,102)	(642,517)	(592,912)	(525,177)	(526,328)
Advance Funding and Other	(7,894,668)	-	(259,231)	(614,192)	(2,803,322)
Restricted Net Position	768,376	768,376	584,366	5,229,303	8,330,996
Unrestricted Net Position	152,559,024	147,102,064	145,154,690	139,404,597	130,100,862
Net Position	155,633,477	151,087,903	148,723,439	149,136,698	143,616,605

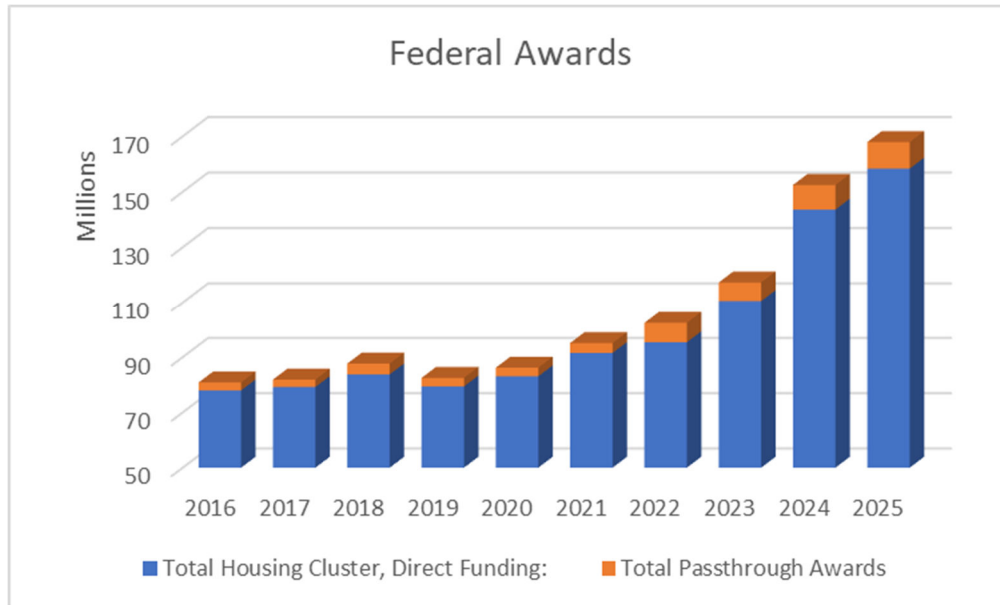
Net Position	2020	2019	2018	2017	2016
Net Investments in Capital Assets	525,249	1,557,198	2,510,124	3,396,458	4,812,314
Restricted Breakdown					
Restricted Cash & Cash Equivalents	10,504,478	1,583,085	15,337,532	3,083,710	2,145,913
Security Deposit	(384,804)	(379,506)	(366,467)	(1,097,637)	(286,724)
FSS Escrow	(551,343)	-	-	-	-
Advance Funding and Other	(33,848)	-	-	-	-
Restricted Net Position	9,534,483	1,203,579	14,971,065	1,986,073	1,859,189
Unrestricted Net Position	122,153,897	133,903,624	122,712,347	135,955,389	136,547,348
Net Position	132,213,629	136,664,401	140,193,536	141,337,920	143,218,851



Revenue Capacity

Federal Award Summary	2025	2024	2023	2022	2021
Housing Voucher Cluster, Direct Funding:					
Housing Choice Vouchers	148,552,325	134,652,285	105,660,072	88,668,066	82,698,892
Emergency Housing Vouchers	5,547,007	5,241,871	1,943,837	1,753,427	-
Mainstream Vouchers	3,360,370	2,888,445	2,198,828	1,645,238	1,058,814
COVID-19 Section 8 HCV	-	-	-	2,533,268	6,969,460
Moderate Rehabilitation	901,905	797,270	756,664	777,140	764,367
Public Housing Assistance	-	-	-	-	-
Total Housing Cluster, Direct Funding:	158,361,607	143,579,871	110,559,401	95,377,139	91,491,533
Other Passthrough Awards					
Continuum of Care	3,414,361	1,951,052	458,063	1,005,862	1,166,330
HOPWA	1,801,459	2,378,381	1,824,810	1,431,098	1,606,530
CDBG / Entitlement Grants	3,151,863	3,704,000	3,704,000	3,704,000	5,439
PIH FSS Program	1,192,484	849,242	755,390	519,075	541,127
Emergency Solutions Grant	-	-	-	291,743	-
Shelter Care Plus	-	-	-	93,323	72,050
Other Supportive Housing Program	-	-	-	-	207,597
HOME Investment Partnership Program	-	-	-	-	-
Total Passthrough Awards	9,560,167	8,882,675	6,742,263	7,045,101	3,599,073
Total Federal Award Summary	167,921,774	152,462,546	117,301,664	102,422,240	95,090,606

Federal Award Summary	2020	2019	2018	2017	2016
Housing Voucher Cluster, Direct Funding:					
Housing Choice Vouchers	81,850,535	77,923,791	82,682,383	76,276,206	75,013,695
Emergency Housing Vouchers	-	-	-	-	-
Mainstream Vouchers	497,105	783,589	307,022	288,658	-
COVID-19 Section 8 HCV	-	-	-	-	-
Moderate Rehabilitation	699,108	674,432	744,114	710,404	661,625
Public Housing Assistance	-	-	-	1,905,121	2,290,717
Total Housing Cluster, Direct Funding:	83,046,748	79,381,812	83,733,519	79,180,389	77,966,037
Other Passthrough Awards					
Continuum of Care	1,005,019	974,663	1,098,477	995,656	544,369
HOPWA	1,582,971	1,456,744	2,295,246	948,093	1,276,553
CDBG / Entitlement Grants	-	-	42,500	10,000	-
PIH FSS Program	457,739	482,575	-	-	-
Emergency Solutions Grant	-	-	-	12,311	70,344
Shelter Care Plus	-	47,545	87,505	124,384	-
Other Supportive Housing Program	82,825	2,346	97,047	-	590,458
HOME Investment Partnership Program	-	133,061	289,663	607,724	396,747
Total Passthrough Awards	3,128,554	3,096,934	3,910,438	2,698,168	2,878,471
Total Federal Award Summary	86,175,302	82,478,746	87,643,957	81,878,557	80,844,508



Revenues by Source

Revenues by Source:	2025	2024	2023	2022	2021
Dwelling Rental	3,998,031	4,015,469	6,945,772	3,330,116	4,191,719
Grants	173,034,904	159,634,139	120,365,128	103,046,710	105,317,880
Other	4,228,306	999,729	1,368,441	1,624,935	370,856
Total Revenues	181,261,241	164,649,337	128,679,341	108,001,761	109,880,455

Revenues by Source:	2020	2019	2018	2017	2016
Dwelling Rental	2,928,939	4,631,756	4,466,127	1,618,515	1,848,300
Grants	89,534,235	84,383,795	87,934,197	84,020,711	80,902,656
Other	1,332,338	3,096,752	4,238,243	4,573,619	4,368,203
Total Revenues	93,795,512	92,112,303	96,638,567	90,212,845	87,119,159

Debt Capacity

Direct and Overlapping Debts

The Authority has five direct long-term debts, the total of \$16,749,110 as of June 30, 2025. There are no overlapping debts that would affect the revenue base when the debts mature.

Principal Revenue Payers

The principal revenue payers include HUD, the State of California, and the City of Riverside throughout the current and the prior nine years.

Direct Borrowings

Direct Borrowings:	2025	2024	2023	2022	2021
County of Riverside Loan	-	-	1,527,185	1,527,185	1,527,185
USDA Farmers Home Admin. Rural Loan	3,795,110	3,795,110	3,795,110	3,795,110	3,795,110
HCD FWHG Program Loan	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
County CARES Loan #1	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000
Neighborhood Stabilization Loan	3,704,000	3,704,000	3,704,000	3,704,000	3,704,000
County CARES Loan #2	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	16,749,110	16,749,110	18,276,295	18,276,295	18,276,295
Debt Per Capita	6.84	6.87	7.52	7.56	7.56

Direct Borrowings:	2020	2019	2018	2017	2016
County of Riverside Loan	1,527,185	1,527,185	1,527,185	1,527,185	1,527,185
USDA Farmers Home Admin. Rural Loan	3,795,110	3,795,110	3,795,110	3,795,110	3,795,110
HCD FWHG Program Loan	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
County CARES Loan #1	-	-	-	-	-
Neighborhood Stabilization Loan	3,704,000	3,704,000	3,704,000	-	-
County CARES Loan #2	-	-	-	-	-
Total	12,026,295	12,026,295	12,026,295	8,322,295	8,322,295
Debt Per Capita	4.93	4.97	5.02	3.50	3.55

	Maturity	Type
County of Riverside Loan	2023	Paid
USDA Farmers Home Admin. Rural Loan	2026	Forgivable
HCD FWHG Program Loan	2026	Forgivable
County CARES Loan #1	2077	Forgivable
Neighborhood Stabilization Loan	2067	Forgivable
County CARES Loan #2	2077	Forgivable

Demographic and Economic Information

Population, Income, and Unemployment in Riverside County

Population, Income, and Unemployment	2025	2024	2023	2022	2021
Population	2,449,909	2,439,234	2,430,976	2,418,727	2,418,185
Personal Income (thousands)	115,366,488	111,734,060	108,216,003	104,539,005	101,553,770
Per Capita Personal Income	43,088	42,064	41,064	39,713	38,822
Unemployment Rate	5.83%	5.40%	5.00%	4.00%	7.60%
	2020	2019	2018	2017	2016
Population	2,440,719	2,419,057	2,397,662	2,374,555	2,342,612
Personal Income (thousands)	98,654,000	95,775,000	92,810,000	90,160,000	86,888,000
Per Capita Personal Income	37,951	37,074	36,149	35,286	34,506
Unemployment Rate	14.70%	4.40%	4.80%	5.60%	5.90%

Source: Riverside County Office of Economic Development and Auditor Controller Office, retrieved 11/7/25

*2025 projection assumes annual rate change consistent with percentage changes from 2023 to 2024 for each category.

Major Employers

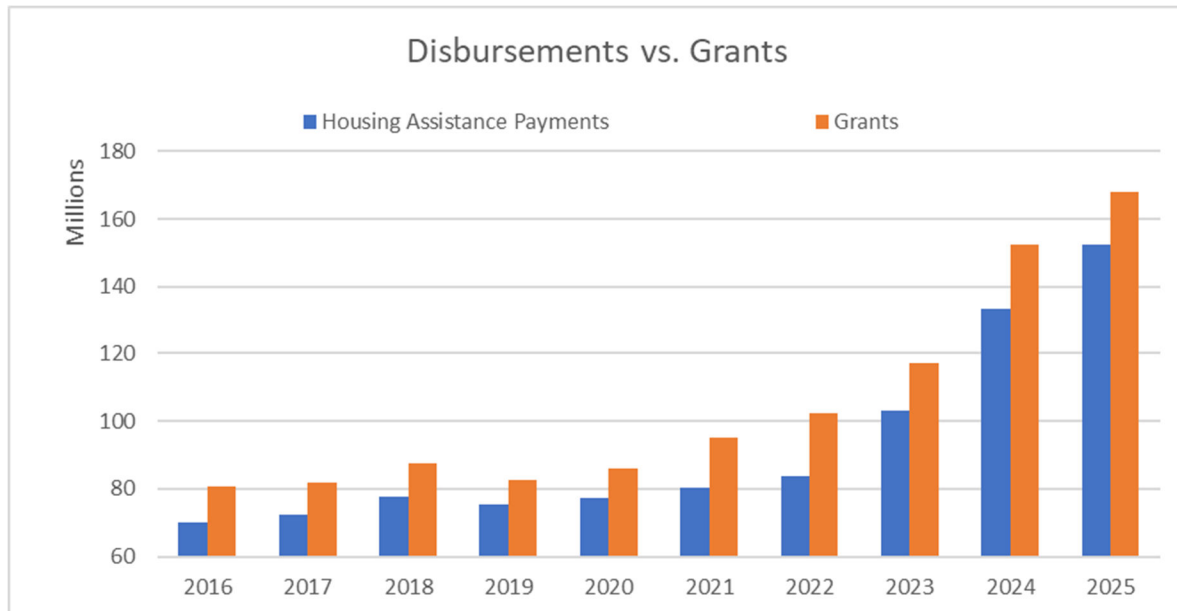
Major Employers (as of June 2024 and June 2015)	2024			2015		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
County of Riverside	23,772	1	2.17%	21,198	1	2.22%
Amazon	14,317	2	1.31%			
University of California, Riverside	8,593	3	0.78%	5,768	5	0.60%
State of California	8,393	4	0.77%			
WAL-MART	6,465	5	0.59%	6,550	4	0.69%
Moreno Valley Unified School District	6,020	6	0.55%	3,400	11	0.36%
Kaiser Permanente Riverside Medical Center	5,817	7	0.53%	5,300	6	0.56%
Riverside Unified School District	5,431	8	0.50%	3,871	9	0.41%
Stater Bros Markets	4,990	10	0.46%			
Mt. San Jacinto Community College	4,638	9	0.42%	6,900	3	0.72%
Marie Callendar	4,454	11	0.41%			
Temecula Valley School District	4,022	12	0.37%			
Eisenhower Medical Center	4,001	13	0.37%	3,070	13	0.32%
Pechanga Resort & Casino	4,000	14	0.37%	4,000	8	0.42%
Hemet Unfied School District	3,960	15	0.36%	3,400	10	0.36%
March Air Reserve Base				8,500	2	0.89%
Corona-Norco Unfied School District				4,932	7	0.52%
Lake Elsinore Unified School District				3,274	12	0.34%
Morongo Casino, Resort & Spa				3,000	14	0.31%
Murrieta Valley Unified School District				2,852	15	0.30%
Totals:	108,873		9.96%	86,015		9.02%

Source: Riverside County Office of Economic Development and Auditor Controller Office, 2025 data not currently published.

Operating Information

Housing Assistance Awards and Disbursements

Awards are grants the Authority received for various housing assistance programs it has conducted. Disbursements are what we paid to assist the qualified low-income families.

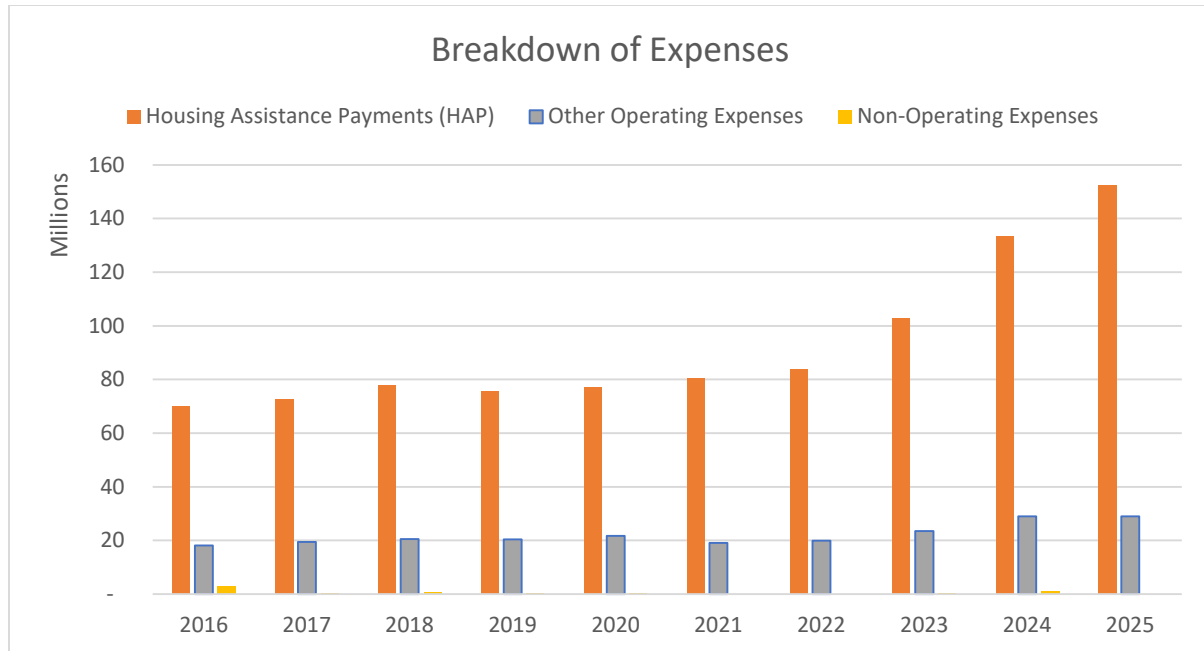


*Note: Please see Federal Award Summary at Revenue Capacity for awards (revenues).

Summary of Expenses

Summary of Expenses:	2025	2024	2023	2022	2021
Housing Assistance Payments (HAP)	152,435,691	133,511,484	102,943,240	83,743,268	80,330,982
Other Operating Expenses	28,927,918	28,987,504	23,430,018	19,879,771	19,022,616
Non-Operating Expenses	-	1,211,880	205	-	-
Total:	181,363,609	163,710,868	126,373,463	103,623,039	99,353,598

	2020	2019	2018	2017	2016
Housing Assistance Payments (HAP)	77,179,538	75,400,849	77,723,879	72,476,938	70,178,526
Other Operating Expenses	21,749,984	20,377,876	20,495,453	19,413,172	18,076,549
Non-Operating Expenses	288,670	9,135	557,482	101,147	2,915,422
Total:	99,218,192	95,787,860	98,776,814	91,991,257	91,170,497



Net Capital Assets

Capital Assets	2025	2024	2023	2022	2021
Net Capital Assets	19,055,187	16,335,536	21,260,678	22,779,093	23,461,042
Land held for sale	30,426,702	30,426,702	33,852,699	33,852,699	33,852,699

Capital Assets	2020	2019	2018	2017	2016
Net Capital Assets	12,551,544	13,583,493	14,737,561	10,810,922	11,607,424
Land held for sale	36,620,115	36,620,115	38,099,206	38,558,444	39,494,401

Full-Time Equivalent Employees by Function

The numbers in the following two charts are actual employee counts for a 10-year period ranging from 2016 to 2025. We included the 2026 budget number for comparison.

Job Title	Budget 2026	2025	2024	2023	2022	2021
Accountant I	-	-	-	-	1	2
Accountant II	1	1	1	2	4	4
Accounting Assistant I	2	2	1	1	-	-
Accounting Technician I	-	-	2	2	2	2
Accounting Technician II	3	3	3	3	2	2
Administrative Services Supervisor	1	1	1	1	1	1
Assistant Director of EDA	-	-	-	-	-	-
Building Maintenance Superintendent	-	-	-	1	1	1
Building Maintenance Supervisor	-	-	-	-	-	-
Building Maintenance Worker	-	-	-	1	1	-
Buyer Trainee	-	-	-	-	-	-
Buyer I	-	-	-	-	-	-
Dep. Director of Economic Dev./HWS	1	1	1	1	1	1
Development Specialist I	-	-	-	2	1	2
Development Specialist II	-	-	-	3	3	3
Development Specialist III	-	-	-	1	1	-
EDA Development Manager	-	-	-	-	-	-
Fiscal Analyst	-	-	-	1	1	-
Fiscal Manager	1	1	1	1	1	1
Housing Authority Maintenance Worker I	-	-	-	-	-	-
Housing Authority Maintenance Worker II	4	-	-	-	5	6
Housing Program Assistant I	4	2	4	4	5	6
Housing Program Assistant II	2	1	1	1	1	1
Housing Specialist I	18	16	40	41	37	34
Housing Specialist II	52	39	21	21	15	15
Housing Specialist III	17	11	15	15	9	9
Office Assistant I	1	-	1	1	1	1
Office Assistant II	8	8	9	7	7	9
Office Assistant III	3	3	3	8	2	1
Principal Accountant	1	1	-	-	-	-
Principal Development Specialist	5	5	5	5	4	4
Property Manager	3	3	3	3	3	3
Secretary II	-	-	-	-	-	-
Senior Accountant	3	2	3	3	2	2
Senior Accounting Assistant	-	-	-	-	-	-
Senior Building Maintenance Worker	1	1	1	1	1	1
Senior / Supervising Development Specialist	11	9	12	12	11	10
Supervising Accountant	1	1	1	1	1	1
Support Services Technician	-	-	-	-	-	-
Total Regular Employees	143	111	129	143	124	122

Full-Time Equivalent Employees by Function – continued

Job Title	2020	2019	2018	2017	2016
Accountant I	2	2	2	2	2
Accountant II	2	2	2	2	2
Accounting Assistant I	-	-	-	-	1
Accounting Technician I	2	3	3	3	3
Accounting Technician II	4	5	5	5	5
Administrative Services Supervisor	1	1	1	1	1
Assistant Director of EDA	1	1	1	1	1
Building Maintenance Superintendent	1	1	1	1	1
Building Maintenance Supervisor	1	1	2	2	2
Building Maintenance Worker	-	-	2	2	1
Buyer Trainee	-	1	1	1	1
Buyer I	1	1	1	-	-
Dep. Director of Economic Dev./HWS	1	1	1	1	1
Development Specialist I	3	3	2	1	1
Development Specialist II	3	3	2	2	4
Development Specialist III	2	2	3	3	3
EDA Development Manager	-	-	-	-	1
Fiscal Analyst	-	-	-	-	-
Fiscal Manager	1	1	1	1	1
Housing Authority Maintenance Worker I	-	-	-	-	2
Housing Authority Maintenance Worker II	6	6	8	9	6
Housing Program Assistant I	9	9	9	11	11
Housing Program Assistant II	2	2	2	2	2
Housing Specialist I	34	34	36	36	36
Housing Specialist II	15	14	18	18	18
Housing Specialist III	9	9	11	11	15
Office Assistant I	1	1	1	-	-
Office Assistant II	10	10	9	9	9
Office Assistant III	2	2	3	2	2
Principal Accountant	1	1	1	1	1
Principal Development Specialist	4	4	4	5	6
Property Manager	4	5	5	5	5
Secretary II	-	-	-	1	1
Senior Accountant	2	2	2	2	2
Senior Accounting Assistant	-	-	-	-	1
Senior Building Maintenance Worker	1	1	-	-	1
Senior / Supervising Development Specialist	11	11	11	12	14
Supervising Accountant	1	2	2	2	1
Support Services Technician	-	1	1	1	1
Total Regular Employees	137	142	153	155	165



Prepared by Housing Authority of the County of Riverside Fiscal Team, 2025

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Housing and Workforce Solutions: <https://rivcohws.org/>

County of Riverside: <https://rivco.org/>