

# Housing Authority of the City of Madera



205 North G Street • Madera, CA 93637 • (559) 674-5695 • Fax: (559) 674-5701 • TTY: 711 • [www.maderaha.org](http://www.maderaha.org)

## REGULAR BOARD MEETING OF THE HOUSING AUTHORITY OF THE CITY OF MADERA

### Notice and Agenda

6:00 PM  
Wednesday, May 13<sup>th</sup>, 2026

Madera City Hall  
Council Chambers  
205 W. 4th Street  
Madera, CA 93637

*This Notice, Meeting Agendas, Board Meeting Packets, and Meeting Minutes can be viewed electronically on the Housing Authority's website - located at [www.maderaha.org](http://www.maderaha.org). There, you can access the tab "About Us" and then open the tab "Board Meeting Agenda."*

This meeting of the Housing Authority's Board of Commissioners is open to the public. Members of the public may participate in the meeting and comment on an Agenda item in person or remotely by logging onto Zoom:

[Zoom Meeting Link](#)

<https://cityofmadera.zoom.us/j/81871328543?pwd=3bakaG3AT1hqto80l4zzuu3kMaGiTi.1>

or alternatively by telephone by dialing (669) 900-6833 and then entering Meeting ID No 818 7132 8543.

Written materials related to an item on the Agenda for the open session portion of this meeting distributed to the Board of Commissioners less than 72 hours before this scheduled meeting, are available for public inspection during normal business hours at the Housing Authority's office located at 205 N G Street, Madera, CA 93637.

Comments will also be sent via email to Ms. Giselle Flores at [giselle@maderaha.org](mailto:giselle@maderaha.org) or by regular mail sent to the Housing Authority at 205 N G Street, Madera, CA 93637, Attention Giselle Flores.

*The meeting room is accessible to the physically disabled and the services of a translator can be made available upon request. Any accommodation for the disabled, language signers, assistive listening devices, or translation services needed to facilitate an individual's participation in this public meeting should be made at least seventy-two (72) hours prior to the meeting by contacting the City of Madera's Human Resources Dept. at (559) 661-5400, Ext. 8704 or the Housing Authority at (559) 674-5695 Ext. 222 between the business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday. Those who are hearing impaired can call 711 or 1.800.867.4323 for a TTY Relay Service.*

**CALL TO ORDER:** Chairperson Anita Evans

**ROLL CALL:**  
Chairperson Anita Evans,  
Vice-Chairperson Jose Rodriguez,  
Commissioner Cece Gallegos,  
Commissioner Elsa Mejia,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

**INVOCATION:**

Pastor Sam Alvarado III will conducting the invocation.

**PLEDGE OF ALLEGIANCE:**

**APPROVAL OF AGENDA:**

**PUBLIC COMMENT:**

The first fifteen minutes of the meeting are reserved for members of the public to address the Board of Commissioners on items which are within the subject matter jurisdiction of the Housing Authority.

Speakers shall be limited to three (3) minutes and will be asked, but are not required to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Chairperson has the option of asking the speaker to hold their comment until that item is called. Comments regarding items listed for “Public Hearing” on the agenda, should be held until the Public Hearing is opened. The Board is prohibited by law from taking any action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Board does not respond to a public comment at this time.

**A. PRESENTATIONS/WORKSHOPS:**

None

**B. CONSENT CALENDAR:**

Matters listed under the Consent Calendar are considered routine and will be enacted by one motion and a single vote. There will be no separate discussion of each of these items. If any Commissioner or member of the public wishes to discuss a matter listed on the Consent Calendar, they can request that such an item be removed from the Consent Calendar, and such an item will be considered separately.

**B-1 Approval of April 20<sup>th</sup>, 2026, Special Board Meeting Minutes**

**B-2 Approval of Registered Audited Demands for April 2026**

**B-3 RESOLUTION No. 1352** of The Housing Authority of the City of Madera to Consider Approval of Updated Employment Development Department Contract.

**C. RESOLUTIONS, AGREEMENTS, BIDS, HEARINGS, AND/OR PETITIONS:**

**C-1 RESOLUTION No. 1353** of The Housing Authority of the City of Madera to Consider Approval of the Audited Financial Statement for Fiscal Year ending September 30, 2025.

**C-2 RESOLUTION No. 1351** of The Housing Authority of the City of Madera to Consider Establishing and Reaffirming Ad Hoc Committees of the Board of Commissioners.

**C-3 RESOLUTION No. 1354** of The Housing Authority of the City of Madera to Consider appointment of Board members to Madera Affordable Housing Corporation non-profit after vacancies.

**C-4 RESOLUTION No. 1355** of The Housing Authority of the City of Madera to Approve the Updated Procurement Policy.

**C-5 INFORMATIONAL ITEM:** of the Housing Authority of the City of Madera Annual Plans, i.e. Administrative Plan, Admission and Continued Occupancy (ACOP) Plan FY 2026-2027.

**C-6 DISCUSSION ITEM:** Commissioner Request – Discussion item regarding the Housing Authority of the City of Madera’s 9/80 Compressed Workweek Schedule.

**D. WRITTEN COMMUNICATIONS:** Giselle Flores, Executive Administrative Assistant

**E. ADMINISTRATIVE REPORTS:** Blanca Mendoza-Navarro, Executive Director

**E-1:** Monthly Housing Activity Report

**F. EXECUTIVE DIRECTOR REPORT:** Blanca Mendoza-Navarro, Executive Director

**F-1:** Executive Director Report

**G. COMMISSIONER REPORTS:**

**H. CLOSED SESSION:** Attorney Megan Crouch

The Board of Commissioners will adjourn into closed sessions to discuss the following items.

**H-1:** Discussion of litigation matters pursuant to CA Govt. Code Sections listed below:

A. Public Employee Performance Evaluation: CA Govt. Code Section 54957 (b)

- Annual evaluation of Executive Director
- B. Conference with Real Property Negotiations (§ 54956.8)
  - Property: Vacant Land 320 & 324 North D Street
  - Negotiator: Executive Director, Blanca Mendoza-Navarro
  - Negotiating Parties: Louie Fimbrez, Owner
  - Under Negotiation: Price, terms of payment

**I. ADJOURNMENT:**

The next Regular Monthly Meeting will be June 10<sup>th</sup>, 2026, in the City of Madera, Council Chambers.

---

**Certificate of Posting**

I, Giselle Flores, declare under the penalty of perjury under the laws of the State of California, that I am an employee of the Housing Authority of the City of Madera, and that I posted the above **May 13<sup>th</sup>, 2026** Agenda for the Regular Meeting of the Housing Authority of the City of Madera's Board of Commissioners, near the front entrance of the office of Housing Authority located at 205 North G Street, Madera, CA 93637, on the Housing Authority's Website, and at the front entrance of the Madera City Hall, located at 205 W. 4<sup>th</sup> Street, Madera, CA 93637, at or about 3:00 p.m.

Executed on this 8<sup>th</sup> day of May.

*Giselle Flores*  
Giselle Flores, Executive Administrative Assistant  
Housing Authority of the City of Madera

# Housing Authority of the City of Madera



205 North G Street • Madera, CA 93637 • (559) 674-5695 • Fax: (559) 674-5701 • TTY: 711 • [www.maderaha.org](http://www.maderaha.org)

## **MINUTES OF THE APRIL 20, 2026 SPECIAL BOARD MEETING OF THE HOUSING AUTHORITY OF THE CITY OF MADERA**

### **CALL TO ORDER:**

The April 20<sup>th</sup>, Special Board Meeting for the Housing Authority of the City of Madera was called to order by Chair Evans at 6:03 PM.

The meeting was held in person at the City of Madera Council Chambers, located at 205 West 4th Street, Madera, CA 93637, pursuant to California AB 361, AB 2449, and CA Govt. Codes §§ 54953 and 54954.2. The meeting was made available simultaneously to the public via Zoom.

### **COMMISSIONERS PRESENT:**

Chairperson Anita Evans	(In Person at the City of Madera Council Chambers)
Commissioner Cece Gallegos	(In Person at the City of Madera Council Chambers)
Commissioner Steve Montes	(In Person at the City of Madera Council Chambers)
Commissioner Elsa Mejia	(In Person at the City of Madera Council Chambers)
Commissioner Artemio Villegas	(In Person at the City of Madera Council Chambers)
Commissioner Rohi Zacharia	(In Person at the City of Madera Council Chambers)

### **COMMISSIONERS ABSENT:**

Vice Chair Rodriguez  
Commissioner Cece Gallegos

### **GUESTS/STAFF PRESENT:**

HACM Executive Director Blanca Mendoza-Navarro (In Person)  
HACM Executive Administrative Assistant Giselle Flores (In Person)  
HACM Legal Counsel Megan Crouch (In Person)  
HACM Maintenance Manager Jared Garza (In Person)  
HACM Housing Programs Manager Jared Knittel (In Person)  
HACM Office Assistant, Nancy Reyes (In Person)

**INVOCATION:**

Invocation conducted by Commissioner Villegas.

**PLEDGE OF ALLEGIANCE**

Pledge of Allegiance conducted by Commissioner Montes.

**APPROVAL OF AGENDA:**

Commissioner Villegas moved to approve the Agenda. Commissioner Montes seconded the motion. The motion passed unanimously.

YAYES: (5) Chair Anita Evans,  
Commissioner Cece Gallegos,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (2) Vice Chair Rodriguez,  
Commissioner Elsa Mejia,

ABSTAIN: (0)

**PUBLIC COMMENT:**

There were no public comments from the public in attendance nor via zoom.

**A. WORKSHOPS:**

**A-1 FY 2025-2026 – Second Quarter Operating Results – Blanca Mendoza-Navarro**

HACM Executive Director, Blanca Mendoza-Navarro presented the Second Quarter Operating Results for FY 2025-2026 as a workshop presentation to the Board of Commissioners.

Ms. Mendoza-Navarro reviewed the Revolving Fund and reported a small operating deficit, primarily due to costs that occur earlier in the fiscal year, such as software and audit expenses. Revenues were slightly higher than expected, mainly due to higher interest earnings, while expenses were slightly above budget due to administrative costs and unit turnover activity.

She reported that the Public Housing (PH) fund is generally on track. Although federal operating funding was reduced due to higher rental income, revenues remain stable overall.

Expenses were under budget at this time, largely due to timing, and are expected to increase later in the fiscal year as maintenance, inspections, and other costs occur. Current variances were attributed to timing, with revenues and expenses expected to align as the year progresses.

Ms. Mendoza-Navarro explained that the Family Self-Sufficiency (FSS) fund is grant-based and revenues are received as expenses are paid.

For the Farm Labor (FML) program, she noted that revenues and expenses are slightly under budget due to vacancies and the timing of maintenance and capital-related work. Additional repairs and inspections are anticipated in the coming months.

She then reviewed the Pomona Ranch fund and explained that it operates primarily as a reimbursement program and does not reflect a full year of activity at this point. Revenues and expenses were reported as consistent with expectations.

Ms. Mendoza-Navarro also presented the Housing Choice Voucher (HCV) fund, noting that the program is tracking close to budget. She reported that additional federal funding received earlier in the fiscal year helped offset a projected shortfall. Expenses are expected to align with projections as payments continue throughout the year.

Lastly, she reviewed the Public Housing Capital Improvement Fund and reported that HACM has begun using these restricted funds now that the agency is no longer in troubled status. Several capital projects are planned or underway, with spending expected to increase as work progresses.

## **B. CONSENT CALENDAR**

- B-1** Approval of the February 11<sup>th</sup>, 2026 Regular Board Meeting Minutes
- B-2** Approval of the March 25<sup>th</sup>. 2026 Special Board Meeting Minutes
- B-3** Approval of the Registered Audited Demands for February 2026.
- B-4** Approval of Registered Audited Demands for March 2026.
- B-5** **RESOLUTION No. 1344** of The Housing Authority of the City of Madera to Consider Approval of Updated Salary Schedule Related to California Minimum Wage Compliance.
- B-6** **RESOLUTION No. 1346** of the Housing Authority of the City of Madera Consideration of Approval of Second Quarter Schedule of Accounts Chargeable to Collections Losses for Pomona Ranch Migrant program (write offs).
- B-7** **RESOLUTION No. 1347** of the Housing Authority of the City of Madera consideration of approval of Second quarter schedule of accounts chargeable to collections losses for Public Housing (write offs).

**B-8 Approval of Out-of-State Travel Training:**

- NAHRO Summer Symposium - Nashville, TN- 07/14/2026 – 07/17/2026
  - Blanca Mendoza-Navarro, Executive Director

**Commissioner Montes moved to approve the Consent Calendar. Commissioner Zacharia seconded the motion. The motion passed unanimously.**

YAYES: (4) Chair Anita Evans,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (3) Vice Chair Rodriguez,  
Commissioner Elsa Mejia,  
Commissioner Cece Gallegos

ABSTAIN: (0)

There were no public comments from the public in attendance nor via zoom.

**C. RESOLUTIONS, AGREEMENTS, BIDS, HEARINGS, AND/OR PETITIONS:**

**C-1 RESOLUTION No. 1348** of The Housing Authority of the City of Madera to Consider Approval of new/updated Fraud Policy.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-1, Resolution No. 1348, for consideration and approval of a new and updated Fraud, Waste, and Abuse Policy.

Ms. Mendoza-Navarro explained that while the Agency previously had a fraud policy in place, staff conducted a comprehensive update to reflect current expectations for public agencies. She stated that the revised policy expands and clarifies standards related to fraud, waste, and abuse across all housing authority programs.

She noted that although similar requirements already exist within HACM’s administrative documents, the updated policy establishes a single, agency-wide framework that applies to Commissioners, staff, residents, program participants, and landlords.

Ms. Mendoza-Navarro summarized that the policy provides clear definitions of fraud, waste, and abuse; outlines roles and responsibilities of the Board, Executive Director, and staff; establishes reporting and whistleblower protections; and describes investigation procedures, internal controls, and examples of prohibited conduct, including misuse of time and resources.

Staff recommended approval of the updated Fraud, Waste, and Abuse Policy as presented.

**Commissioner Zacharia moved to approve the Item C-1. Commissioner Montes seconded the motion. The motion passed unanimously.**

YAYES: (4) Chair Anita Evans,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (3) Vice Chair Rodriguez,  
Commissioner Elsa Mejia,  
Commissioner Cece Gallegos

ABSTAIN: (0)

There were no public comments from the public in attendance nor via zoom.

**C-2 RESOLUTION No. 1349** of The Housing Authority of the City of Madera to Consider Approval of new Automated Clearing Housing (ACH) Risk Management Policy.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-2, Resolution No. 1349, for consideration and approval of a new Automated Clearing House (ACH) Risk Management Policy.

Ms. Mendoza-Navarro explained that this is a new policy required for agencies and businesses that send or receive ACH payments. She noted that HACM both sends and receives ACH transactions, including payments related to payroll and purchasing.

She stated that the policy is based on the National Automated Clearing House Association (NACHA) 2026 Risk Management Rule Enhancements, which expand fraud monitoring and risk management requirements for ACH transactions. The policy outlines requirements for monitoring both outgoing and incoming ACH payments and ensuring transactions are properly handled and coded.

Ms. Mendoza-Navarro summarized that key elements of the policy include transaction monitoring, internal controls, annual risk assessments, reporting procedures for suspected fraud or system issues, staff training requirements, vendor compliance expectations, and recordkeeping standards.

She noted that the new requirements apply broadly to financial activity, including in the public sector, and that adoption of the policy will ensure HACM's compliance with upcoming implementation deadlines. Staff recommended approval of the ACH Risk Management Policy in advance of the applicable 2026 compliance date.

**Commissioner Zacharia moved to approve the Item C-2. Commissioner Villegas seconded the motion. The motion passed unanimously.**

YAYES: (4) Chair Anita Evans,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (3) Vice Chair Rodriguez,  
Commissioner Elsa Mejia,  
Commissioner Cece Gallegos

ABSTAIN: (0)

There were no public comments from the public in attendance nor via zoom.

**C-3 RESOLUTION No. 1350** of The Housing Authority of the City of Madera to Consider Approval of new Active Shooter Policy.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-3, Resolution No. 1350, for consideration and approval of a new Active Shooter Policy.

Ms. Mendoza-Navarro explained that HACM does not currently have a formal policy addressing active shooter situations and that this policy is part of a broader effort to strengthen agency safety procedures and emergency preparedness. She stated that while the policy is not required by HUD, it is strongly recommended by federal agencies as a best practice for public agencies.

She noted that the policy establishes a framework for preparing for, responding to, and recovering from potential active shooter incidents across HACM facilities and programs. The policy incorporates nationally recognized safety practices, including response protocols, staff training, coordination with law enforcement, emergency communication procedures, and post-incident review processes.

Ms. Mendoza-Navarro added that adoption of the policy would support HACM's overall safety planning efforts and enhance staff readiness in emergency situations. She also noted that HACM has an existing memorandum of understanding with the Madera Police Department, which will support future training and coordination efforts.

Staff recommended approval of the Active Shooter Policy as presented.

**Commissioner Montes moved to approve the Item C-3. Commissioner Zacharia seconded the motion. The motion passed unanimously.**

YAYES: (4) Chair Anita Evans,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (3) Vice Chair Rodriguez,  
Commissioner Elsa Mejia,  
Commissioner Cece Gallegos

ABSTAIN: (0)

There were no public comments from the public in attendance nor via zoom.

**C-4 RESOLUTION No. 1351** of The Housing Authority of the City of Madera to Consider Establishing and Reaffirming Ad Hoc Committees of the Board of Commissioners.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-4, Resolution No. 1351, for consideration of establishing and reaffirming Ad-Hoc Committees of the Board of Commissioners.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-4, Resolution No. 1351, for consideration of establishing and reaffirming Ad-Hoc Committees of the Board of Commissioners.

Ms. Mendoza-Navarro explained that the purpose of the item was to support agency planning, operations, and oversight by forming temporary committees composed of Board members. She noted that proposed Ad-Hoc Committees could assist with capital projects, financial and audit oversight, real estate and property matters, and the Executive Director evaluation process in order to strengthen oversight and support timely decision-making.

Following Board discussion, some portions of Resolution No. 1351 were tabled to the next Board meeting for further consideration of appointments to the Capital Fund and Budget Committees. The Board approved a motion to establish the Real Estate/Property Ad-Hoc Committee, appointing Commissioners Rodriguez, Montes, and Zacharia to serve as members. The Board also agreed to keep the Chair, Vice Chair, and one (1) Commissioner on the Executive Director Evaluation Ad Hoc Committee. The current members are Chair Evans, Vice Chair Rodriguez, and Commissioner Zacharia.

**Commissioner Montes moved to approve the above. Commissioner Zacharia seconded the motion. The motion passed unanimously.**

YAYES: (4) Chair Anita Evans,  
Commissioner Steve Montes,  
Commissioner Artemio Villegas, and  
Commissioner Rohi Zacharia

NOES: (0)

ABSENT: (3) Vice Chair Rodriguez,

Commissioner Elsa Mejia,  
Commissioner Cece Gallegos

ABSTAIN: (0)

**C-5 DISCUSSION ITEM:** Discussion regarding the appointment of Board members to Madera Affordable Housing Corporation non-profit after vacancies.

HACM Legal Counsel, Megan Crouch, presented a discussion item regarding the appointment of Board members to the Madera Affordable Housing Corporation nonprofit board.

Ms. Crouch explained that she reviewed the nonprofit's records and noted that the corporation could be useful in the future, particularly for property acquisition and related activities. She reported that several board seats are currently vacant or nearing expiration, which has limited the nonprofit's ability to take action. While some existing appointments remain valid through mid-May 2026, additional vacancies have made it difficult to maintain continuity.

She advised that appointing or reappointing board members would restore functionality, but stated that she brought the matter forward as a discussion item to receive direction from the Board rather than proposing specific appointments. Ms. Crouch noted that board members may include Commissioners as well as community members, consistent with past practice, and referenced prior members as examples.

Ms. Crouch requested general guidance from the Board on whether to reappoint current members, appoint new members, or bring back recommendations at a future meeting for formal action. Commissioner Montes expressed interest in serving on the MAHC Board. There were also two (2) community members nominated, Cindy Wilson and Monica Bravo. The Board provided direction to contact the nominee and bring this item back to the Board of Commissioners.

**C-6 DISCUSSION ITEM:** Commissioner Request – Discussion item regarding the Housing Authority of the City of Madera's 9/80 Compressed Workweek Schedule.

HACM Executive Director, Blanca Mendoza-Navarro presented Item C-6 as a discussion item regarding the Housing Authority of the City of Madera's 9/80 compressed workweek schedule, requested by Commissioner Gallegos.

Ms. Mendoza-Navarro explained that the 9/80 schedule was originally adopted by Resolution No. 715 in 2004 and was last revised in 2013. She noted that the schedule has been in place for approximately 22 years. She stated that the item was brought forward by a Commissioner that was not present for discussion, as no specific direction or proposed changes had been provided at this time.

Ms. Mendoza-Navarro indicated that the Board could choose to discuss the matter further or bring it back at a future meeting for more defined direction.

Following discussion, the Board directed staff to bring the item back to a future Board meeting for further consideration and discussion.

**C-7 INFORMATIONAL ITEM:** California Association of Housing Authorities (CAHA) update.

HACM Executive Director, Blanca Mendoza-Navarro provided an informational update regarding recent legislative conferences she attended on behalf of the Housing Authority. Ms. Mendoza-Navarro reported on her participation in the California Association of Housing Authorities (CAHA) Legislative Conference in Sacramento and a national housing conference in Washington, D.C. She explained that both conferences focused on state and federal legislative processes, emphasizing early engagement with legislators and relationship-building to support housing-related initiatives.

She shared that discussions included state priorities related to housing production, homelessness, and affordability, as well as the increasing use of data transparency and performance tracking for housing authorities. Ms. Mendoza-Navarro noted that new reporting requirements are being implemented statewide and HACM complied with all required reporting timelines.

Additionally, she described participating in discussions and panel sessions addressing challenges faced by small and rural housing authorities, including staffing limitations and the need to collaborate with partners and other agencies. She also reported on advocacy efforts and meetings with state and federal representatives to discuss housing issues affecting rural communities.

Ms. Mendoza-Navarro concluded that the conferences provided valuable information, advocacy opportunities, and networking benefits. The item was presented for informational purposes only.

**D. WRITTEN COMMUNICATIONS:**

No written communications were received.

**E. ADMINISTRATIVE REPORTS:**

HACM Executive Director, Blanca Mendoza-Navarro presented the Administrative Reports, providing an overview of leasing activity, occupancy, waiting lists, and work order status for the past three months.

Ms. Mendoza-Navarro reported on the Housing Choice Voucher (HCV) program, noting that HACM is currently allocated 804 vouchers but remains under shortfall status due to limited funding authority. As a result, no new vouchers are being issued at this time. The program is operating at approximately 75 percent lease-up, with 603 vouchers currently in use and 269 families remaining on the waiting list.

For Public Housing (PH), Ms. Mendoza-Navarro reported two (2) current vacancies and a growing waiting list totaling 3,158 applicants. In the Farm Labor Housing (FML) program, she reported no current vacancies and a waiting list of 19 families, noting that recent vacancies were successfully turned over.

Ms. Mendoza-Navarro also provided an update on maintenance activity. She reported that open work orders for PH and FML averaged between 14 and 26 days. She noted an increase in inspections for the

FML program in preparation for an upcoming HCV inspection, which has resulted in additional work orders.

Lastly, Ms. Mendoza-Navarro presented a year-to-date comparison, noting a decrease in the number of families assisted through the HCV program and reduced housing assistance payments due to the ongoing shortfall. She also reported reduced vacancies and a slight increase in public housing waiting list activity, as well as a decrease in overall work orders across programs.

**F. EXECUTIVE DIRECTOR REPORT:**

HACM Executive Director, Blanca Mendoza-Navarro presented a brief Executive Director's Report summarizing current program updates and agency activities.

Ms. Mendoza-Navarro reported ongoing coordination with the Department of Veterans Affairs for the VASH program, noting that 36 veterans are currently housed out of 54 allocated vouchers. She stated that staff continues to work closely with the VA to house additional participants as applications are received.

She provided an update on the Emergency Housing Voucher (EHV) program, noting that staff is continuing to seek guidance on potential transitions to the Housing Choice Voucher (HCV) program and is requesting any available shortfall funding. Participation is being managed on a month-to-month basis.

Ms. Mendoza-Navarro reported that the Office of Migrant Staff (OMS) attended the OMS Contractors and Managers meeting in Sacramento, CA, with follow-up discussions to be scheduled. She noted that the Family Self-Sufficiency (FSS) program continues to enroll new families. For the Pomona program, she reported that staff is completing maintenance and inspections in preparation for the upcoming season.

She briefly reviewed training and professional development activities, noting attendance at the NAHRO conference in Washington, D.C., and participation by the Board Chair. She also reported an upcoming annual meeting with the agency's workers' compensation provider.

Ms. Mendoza-Navarro informed the Board that plans are underway to budget for Board member attendance at the 2026 National NAHRO Conference scheduled for October in Denver, encouraging participation while noting attendance would be optional.

**G. COMMISSIONER REPORTS:**

1. Commissioner Zacharia had nothing to report.
2. Commissioner Montes had nothing to report.
3. Commissioner Villegas had nothing to report.
4. Chair Evans reported on her attendance at the NAHRO Conference in Washington, D.C. She encouraged other Commissioners to consider attending future conferences, noting that many of the topics discussed at Board meetings are addressed in detail at the national level. She also referenced continued emphasis at the conference on the importance of resident commissioners and noted that this remains an area of focus under current recommendations

**H. CLOSED SESSION: Attorney Megan Crouch**

The Board of Commissioners will adjourn into closed sessions to discuss the following items.

**H-1:** Discussion of litigation matters pursuant to CA Govt. Code Sections listed below:

- A. Conference with Legal Counsel – Anticipated Litigation
  - Significant exposure to litigation pursuant to § 54956.9(b): 2 cases
- B. Conference with Real Property Negotiations (§ 54956.8)
  - Property: 210/212 N C, 412 E 4th, Madera Apts Agency
  - Negotiator: Executive Director, Blanca Mendoza-Navarro
  - Negotiating Parties: Rick Amerine, Director of Cushman & Wakefield
  - Under Negotiation: Price, terms of payment
- C. Conference with Real Property Negotiations (§ 54956.8)
  - Property: Vacant Land 320 & 324 North D Street
  - Negotiator: Executive Director, Blanca Mendoza-Navarro
  - Negotiating Parties: Louie Fimbrez, Owner
  - Under Negotiation: Price, terms of payment

Upon resuming open session, Attorney Megan Crouch stated that there is no reportable action.

**I. ADJOURNMENT:**

Chair Evans announced the next regularly monthly scheduled meeting of the Board of Commissioners will be held on Wednesday, May, 13<sup>th</sup>, 2026 at 6:00 p.m., in the City of Madera Council Chambers.

The meeting was adjourned at 7:40 p.m.

---

**CERTIFICATE OF THE BOARD OF COMMISSIONERS**

The undersigned hereby certifies that the foregoing April 20<sup>th</sup>, 2026 Special Board Meeting Minutes of the Housing Authority of the City of Madera (HACM) were reviewed and approved by the Housing Authority of the City of Madera’s Board of Commissioners at a duly noticed meeting on May 7<sup>th</sup>, 2026 where a quorum was present in accordance with the HACM Bylaws.

Executed on this 8<sup>th</sup> day of May 2026.

By: \_\_\_\_\_  
Giselle Flores  
Executive Administrative Assistant  
Housing Authority of the  
City of Madera

# Payment Summary

Bank=revfund AND mm/yy=04/2026-04/2026 AND All Checks=Yes AND Include Voids=All Checks

Bank	Check#	Vendor	Check Date	Post Month	Total Amount	Date Reconciled
revfund - WF Revolving Fund	237	pub02 - CA Public Employees' Health	04/01/2026	04/2026	33,664.02	
revfund - WF Revolving Fund	238	pub02 - CA Public Employees' Health	04/01/2026	04/2026	35,665.35	
revfund - WF Revolving Fund	239	pub02 - CA Public Employees' Health	05/01/2026	04/2026	35,578.11	
revfund - WF Revolving Fund	47893	t0006585 - Rodriguez	04/07/2026	04/2026	-25.00	
revfund - WF Revolving Fund	48089	t0006579 - Rivera	04/13/2026	04/2026	-13.00	
revfund - WF Revolving Fund	48351	att06 - AT&T CALNET	04/09/2026	04/2026	552.65	
revfund - WF Revolving Fund	48352	bct00 - BCT CONSULTING, INC.	04/09/2026	04/2026	833.73	
revfund - WF Revolving Fund	48353	djordan - Didulo	04/09/2026	04/2026	38.00	
revfund - WF Revolving Fund	48354	FER04 - FERGUSON ENTERPRISES, INC	04/09/2026	04/2026	2,380.84	
revfund - WF Revolving Fund	48355	gflo01 - Flores	04/09/2026	04/2026	38.00	
revfund - WF Revolving Fund	48356	ins01 - INSIGHT EMPLOYEE ASSISTANCE PROGRAM	04/09/2026	04/2026	45.00	
revfund - WF Revolving Fund	48357	joh04 - JOHNSON CONTROLS US HOLDINGS INC	04/09/2026	04/2026	5,158.70	
revfund - WF Revolving Fund	48358	mad02 - CITY OF MADERA UTILITY BILLING	04/09/2026	04/2026	20,407.30	
revfund - WF Revolving Fund	48359	men0039 - Mendoza	04/09/2026	04/2026	81.00	
revfund - WF Revolving Fund	48360	mis01 - MISSION UNIFORM SERVICE 3	04/09/2026	04/2026	184.96	
revfund - WF Revolving Fund	48361	mor0029 - Morales Perez	04/09/2026	04/2026	456.71	
revfund - WF Revolving Fund	48362	nat01 - NATIONAL CREDIT REPORTING	04/09/2026	04/2026	44.75	
revfund - WF Revolving Fund	48363	nel00 - The NelRod Company	04/09/2026	04/2026	150.00	
revfund - WF Revolving Fund	48364	off02 - ODP BUSINESS SOLUTIONS, LLC	04/09/2026	04/2026	678.79	
revfund - WF Revolving Fund	48365	oms01 - OMS DEPT. OF HOUSING & COMM. DEV...	04/09/2026	04/2026	439.27	
revfund - WF Revolving Fund	48366	pera4 - PERIMETER PEST CONTROL	04/09/2026	04/2026	325.00	
revfund - WF Revolving Fund	48367	pge01 - P. G. & E.	04/09/2026	04/2026	1,251.53	
revfund - WF Revolving Fund	48368	qua07 - QUADIENT FINANCE USA, INC	04/09/2026	04/2026	1,000.00	
revfund - WF Revolving Fund	48369	red05 - RED ROCK ENVIRONMENTAL GRP	04/09/2026	04/2026	237.62	
revfund - WF Revolving Fund	48370	SAN90 - MORGAN BROTHERS, INC.	04/09/2026	04/2026	3,750.00	
revfund - WF Revolving Fund	48371	smith001 - Smith Marion & Co., Inc	04/09/2026	04/2026	5,000.00	
revfund - WF Revolving Fund	48372	spec001 - Charter Communications Holdings, LLC	04/09/2026	04/2026	3,800.02	
revfund - WF Revolving Fund	48373	ste02 - STERICYCLE, INC.	04/09/2026	04/2026	384.70	
revfund - WF Revolving Fund	48374	t0006585 - Rodriguez	04/09/2026	04/2026	25.00	
revfund - WF Revolving Fund	48375	TEC06 - TECH HEROES, INC.	04/09/2026	04/2026	2,763.00	
revfund - WF Revolving Fund	48376	v0000049 - Nonprofit Management Solutions, LLC	04/09/2026	04/2026	1,500.00	
revfund - WF Revolving Fund	48377	van00 - VAN DE POL ENTERPRISES	04/09/2026	04/2026	845.91	
revfund - WF Revolving Fund	48378	ADP00 - ADP, INC.	04/23/2026	04/2026	123.60	
revfund - WF Revolving Fund	48379	com0h - COMCAST	04/23/2026	04/2026	1,069.26	
revfund - WF Revolving Fund	48380	CRE03 - CREATIVE COPY	04/23/2026	04/2026	48.71	
revfund - WF Revolving Fund	48381	CWS01 - CORBIN WILLITS SYSTEM INC	04/23/2026	04/2026	755.50	
revfund - WF Revolving Fund	48382	hds00 - HD SUPPLY FACILITIES MAINTENANCE	04/23/2026	04/2026	7,357.55	
revfund - WF Revolving Fund	48383	joh04 - JOHNSON CONTROLS US HOLDINGS INC	04/23/2026	04/2026	4,300.00	
revfund - WF Revolving Fund	48384	mad02 - CITY OF MADERA UTILITY BILLING	04/23/2026	04/2026	20,162.26	
revfund - WF Revolving Fund	48385	met00 - METROPOLITAN LIFE INSURANCE COMPANY	04/23/2026	04/2026	1,639.58	
revfund - WF Revolving Fund	48386	mis01 - MISSION UNIFORM SERVICE 3	04/23/2026	04/2026	357.16	

# Payment Summary

Bank=revfund AND mm/yy=04/2026-04/2026 AND All Checks=Yes AND Include Voids=All Checks

Bank	Check#	Vendor	Check Date	Post Month	Total Amount	Date Reconciled
revfund - WF Revolving Fund	48387	off02 - ODP BUSINESS SOLUTIONS, LLC	04/23/2026	04/2026	360.82	
revfund - WF Revolving Fund	48388	pera4 - PERIMETER PEST CONTROL	04/23/2026	04/2026	50.00	
revfund - WF Revolving Fund	48389	pge01 - P. G. & E.	04/23/2026	04/2026	2,671.90	
revfund - WF Revolving Fund	48390	psw02 - PSWRC-NAHRO	04/23/2026	04/2026	307.20	
revfund - WF Revolving Fund	48391	ric05 - RICOH USA, INC.	04/23/2026	04/2026	2,419.09	
revfund - WF Revolving Fund	48392	spfp001 - ANIVAL DAVID GARCIA	04/23/2026	04/2026	1,840.00	
revfund - WF Revolving Fund	48393	t0006579 - Rivera	04/23/2026	04/2026	13.00	
revfund - WF Revolving Fund	48394	tim01 - TIM R. TRULL ELECTRIC, IN	04/23/2026	04/2026	5,184.00	
revfund - WF Revolving Fund	48395	TOP01 - TOP PLUMBING	04/23/2026	04/2026	13,362.61	
revfund - WF Revolving Fund	48396	v0000013 - RED CAVE INC	04/23/2026	04/2026	2,300.00	
revfund - WF Revolving Fund	48397	v0000028 - Griswold , LaSalle, Cobb, Dowd and Gin, LLP	04/23/2026	04/2026	6,270.83	
revfund - WF Revolving Fund	48398	van00 - VAN DE POL ENTERPRISES	04/23/2026	04/2026	479.53	
					<b>228,314.56</b>	



## Housing Authority of the City of Madera

### **BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** B-3

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** RESOLUTION #1352 OF THE HOUSING AUTHORITY OF THE CITY OF MADERA TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE UPDATED STANDARD AGREEMENT WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) AGREEMENT NO. 0000000718

---

#### **EXECUTIVE SUMMARY:**

The purpose of this memo is to request the Board of Commissioners authorize the Executive Director to execute the updated Standard Agreement between the Housing Authority of the City of Madera (HACM) and the State of California, Employment Development Department (EDD) for the continued exchange of confidential wage and employment information necessary to verify applicant and participant eligibility under housing assistance programs administered by the U.S. Department of Housing and Urban Development (HUD), and U.S. Department of Agriculture (USDA). Agreement No. 0000000718 would commence July 1, 2026, or upon final approval, whichever is later through June 30, 2029.

HACM administers federally funded housing assistance programs, including Public Housing, Housing Choice Voucher (HCV), and the Farm Labor Programs, which require verification of household income and employment status to determine initial and ongoing eligibility for assistance.

The EDD maintains employment and wage data for individuals employed within the State of California. Pursuant to applicable federal and state laws, EDD may provide limited confidential information to authorized public housing agencies for the purpose of verifying eligibility and preventing fraud, waste, and abuse in HUD-assisted programs.

HACM previously entered into an agreement with EDD to access this information. EDD has issued an updated Standard Agreement that replaces and supersedes prior versions to ensure continued compliance with current state confidentiality, cybersecurity, and data handling requirements.

The updated agreement authorizes EDD to provide confidential employment and wage information to HACM solely for the following purposes:

- Verifying applicant and participant eligibility for HUD housing assistance programs;





## Housing Authority of the City of Madera

- Confirming reported income and employment information;
- Supporting interim and annual reexaminations;
- Detecting and preventing program fraud and improper payments; and
- Ensuring compliance with HUD regulations and federal program requirements.

The agreement limits the use of the information strictly to authorized housing program administration activities and requires HACM to maintain safeguards protecting the confidentiality and security of all received data.

Key provisions of the updated agreement include:

- Updated confidentiality and data protection requirements;
- Expanded cybersecurity and information security obligations;
- Requirements for restricted employee access and training;
- Procedures for reporting unauthorized disclosure or security incidents;
- Record retention and destruction requirements; and
- Compliance with applicable federal and California privacy laws.

Staff has reviewed the agreement and determined that it is consistent with HACM operational needs and HUD program compliance requirements.

### **RECOMMENDATION:**

Staff recommends the Board of Commissioners to authorize the Executive Director to execute the Standard Agreement and any related documents with the State of California Employment Development Department for employment and wage verification services in support of HUD and USDA assisted housing programs.

### **FISCAL IMPACT:**

There is no fiscal impact on this item cost is less than \$2,000 and is included within HACM operating budget. Participation in the program supports accurate income verification and strengthens program integrity.



**RESOLUTION NO. 1352**

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MADERA AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE STANDARD AGREEMENT WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) (CONTRACT NO. 0000000718) FOR INCOME ELIGIBILITY INFORMATION.**

**RECITALS**

A. **WHEREAS**, the Housing Authority of the City of Madera (the “Housing Authority”), is to verify income eligibility of applicants and participants of HACM administered housing assistance programs;

B. **WHEREAS**, the State of California Employment Development Department (EDD) has agreed to provide confidential wage and claim information to HACM for the purpose of verifying an applicant or participant’s eligibility for, and continued entitlement to, housing assistance in accordance with section 3544, Title 42 of the United States Code;

C. **WHEREAS**, the Standard Agreement is begin July 1, 2026 and end June 30, 2029, and;

D. **WHEREAS**, HACM will pay EDD a maximum fee for such services which will not exceed One Thousand Nine Hundred Forty-Nine Dollars and Forty-Four Cents (1,949.44)

E. **WHEREAS**, Staff recommend that the Board of Commissioners adopt a resolution approving the Standard Agreement ending June 30, 2029.

**NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MADERA DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of the Standard Agreement ending June 30, 2029. After deliberation and full consideration, the Housing Authority’s Board of Commissioners herein approves the Standard Agreement ending June 30, 2029.

Section 3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the City of Madera this 13<sup>th</sup> day of May 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Chair Anita Evans

ATTEST:

---

Executive Director  
Blanca Mendoza-Navarro

Giselle Flores, Clerk for the Housing Authority of the City of Madera, herein attests or certifies as a witness to a board meeting held on May 13, 2026, and swears or confirms that the foregoing information in this resolution is true and correct and has not been altered or amended.

By: \_\_\_\_\_  
Giselle Flores  
Executive Administrative Assistant

Approved as to Legal Form:

---

Megan Crouch, Legal Counsel



## Housing Authority of the City of Madera

### **BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-1

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 5, 2026

**SUBJECT:** Resolution #1353 of the Housing Authority of the City of Madera Regarding Acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2025

---

#### **EXECUTIVE SUMMARY:**

The purpose of this memo is to seek acceptance from the Board of Commissioners of the FYE 2025 Audited Financial Statement for Fiscal Year ending September 30, 2025.

The Housing Authority of the City of Madera's (HACM) Financial Statements for the Fiscal Year ending September 30, 2025, have been completed by Smith Marion, an independent accounting firm. This memo provides a summary of key findings, compliance status, and any recommendations for improvements.

#### ***Audit Results***

The Housing Authority received an unmodified opinion from the independent auditor. Per the auditor (page 1 of the Independent Auditors' Report):

*"In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the City of Madera, as of September 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America."*

The audit report resulted in no findings for FY2025. HACM remains committed to financial transparency and operational efficiency. Your insights and approval into the proposed actions will be valuable in maintaining compliance and fiscal integrity.

Copies of the most recent Audited Financial Statements and Single Audit Reports will be posted on the Housing Authority's website.





## Housing Authority of the City of Madera

### **RECOMMENDATION:**

Staff recommends that the Board of Commissioners adopt the attached Resolution accepting the Audited Financial Statements for Fiscal Year ended September 30, 2025.

### **FISCAL IMPACT:**

The acceptance of these audited financial statements has no fiscal impact on the Housing Authority of the City of Madera.

### **ATTACHMENTS:**

1. Resolution
2. Housing Authority of the City of Madera Financial Statements and Independent Auditors' Report for Fiscal Year ended September 30, 2025
3. Housing Authority of the City of Madera Auditors' Communication with Those Charged with Governance for Fiscal Year ended September 30, 2025
4. Housing Authority of the City of Madera Financial Data Schedules for Fiscal Year ended September 30, 2025



**RESOLUTION NO. 1353**

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MADERA APPROVING THE FINANCIAL AUDIT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2025.**

**RECITALS**

- A. **WHEREAS**, the Housing Authority of the City of Madera (the “Housing Authority”), is required to undertake an annual independent audit of its financial records;
- B. **WHEREAS**, the Housing Authority retained Smith Marion & Co., an independent accounting firm to audit its financial records for fiscal year ending September 30, 2025;
- C. **WHEREAS**, Smith Marion & Co., has completed its audit of the Housing Authority’s financial records for fiscal year ending September 30, 2025, and has issued an Unmodified Opinion with respect to such records;
- D. **WHEREAS**, copies of the Housing Authority’s 2025 Audited Financial Statements and Single Audit Reports will be posted on the Housing Authority’s website; and
- E. **WHEREAS**, the Executive Director, Finance Director, and Housing Authority Staff recommend that the Board of Commissioners adopt a resolution approving the Audited Financial Statement for Fiscal Year ending September 30, 2025.

**NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MADERA DOES HEREBY RESOLVE AS FOLLOWS:**

- Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
- Section 2. Approval of the Audited Financial Statements for Fiscal Year ending September 30, 2025. After deliberation and full consideration, the Housing Authority’s Board of Commissioners herein approves the Audited Financial Statements prepared by Smith Marion & Company for Fiscal Year ending September 30, 2025.
- Section 3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the City of Madera this 13<sup>th</sup> day of May 2026, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
Chair Anita Evans

ATTEST:

\_\_\_\_\_  
Executive Director  
Blanca Mendoza-Navarro

Giselle Flores, Clerk for the Housing Authority of the City of Madera, herein attests or certifies, as a witness to a board meeting held on May 13, 2026, and swears or confirms that the foregoing information in this resolution is true and correct and has not been altered or amended.

By: \_\_\_\_\_  
Giselle Flores  
Executive Assistant

Approved as to Legal Form:

\_\_\_\_\_  
Megan Crouch, Legal Counsel

# HOUSING AUTHORITY OF THE CITY OF MADERA

---

**Financial Statements & Independent Auditors' Report**

**For the Year Ended September 30, 2025**



	<u>Page</u>
<b>FINANCIAL INFORMATION</b>	
Independent Auditors' Report	1
Management's Discussion and Analysis	i
Financial Statements:	
Statement of Net Position	4
Statement of Revenues, Expenses, and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of the Pension Plan's Proportionate Share of the Net Pension Liability (Asset) and Related Ratios	20
Schedule of the Pension Plan Contributions	20
Notes to Required Supplementary Information Schedules	21
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Expenditures of Federal Awards	22
Notes to Schedule of Expenditures of Federal Awards	23
Statement and Certification of Actual Costs	24
<b>NON-FINANCIAL SECTION</b>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25
Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	27
Schedule of Findings and Questioned Costs	30
Summary Schedule of Prior Year Findings and Questioned Costs	31

• t: (615) 309-8959  
• f: (909) 825-9900  
• 4068 rural plains circle #180  
• franklin, tn 37064



**Board of Commissioners**  
Housing Authority of the City of Madera  
Madera, CA

## **Independent Auditors' Report**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Madera, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Madera'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 business-type activities of the Housing Authority of the City of Madera, as of September 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

The Housing Authority of the City of Madera'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 Housing Authority of the City of Madera's ability to continue as a going concern for one year after the date the financial statements are issued.



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

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

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Madera's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the City of Madera'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 pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Madera's basic financial statements. The statement and certification of actual costs and the Schedule of Expenditures of Federal Awards (the Schedule), as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule and statement and certification of actual costs are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2026, on our consideration of the Housing Authority of the City of Madera's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Madera's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Madera's internal control over financial reporting and compliance.

April 24, 2026

**HOUSING AUTHORITY OF THE CITY OF MADERA**  
**Management's Discussion and Analysis (Required Supplemental Information – Unaudited)**

The Housing Authority of the City of Madera's (Authority, we, us, our) Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of our financial activity, (c) identify changes in our financial position and its resulting ability to address the next and subsequent year challenges, and (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting in changes and currently known facts, please read it in conjunction with our financial statements.

**FINANCIAL HIGHLIGHTS**

The Authority's total net position increased by \$14,648, ending the year at \$12,367,810.

The Authority maintains a strong financial position, reflected in a high level of unrestricted net position (\$9.6 million) and healthy cash reserves (\$11.8 million).

The Authority generated positive operating cash flows of \$648,426, demonstrating strong liquidity and effective cash management.

Total assets increased to \$19.15 million, driven primarily by stable cash balances and ongoing investments in capital assets.

The Authority paid housing assistance payments \$6.9 M for and on behalf of individuals in the various Voucher Programs.

The Authority continues to carry a significant net pension liability (\$3.78 million), consistent with other governmental entities participating in defined-benefit retirement systems

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual financial report consists of two parts: Management's Discussion and Analysis and the basic financial statements. The Authority follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short-term and long-term financial information about the activities and operations of the Authority. While detailed sub-fund information is not presented, separate accounts are maintained for each program of the Authority.

The financial statements include a statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows and notes to the financial statements. The statement of net position provides a record or snapshot of the assets and liabilities at the close of the fiscal year. It presents the financial position of the Authority on a full accrual historical cost basis. The statement of revenues, expenses and changes in net position presents the results of the business activities over the course of the fiscal year. The statement of cash flows is related to the other financial statements by the way it links changes in assets and liabilities to the effects on cash and cash equivalents over the course of the fiscal year. The notes to the financial statements provide useful information regarding the Authority's significant accounting policies, significant account balances and activities, certain material risks, obligations, commitments, contingencies, and subsequent events.

**HOUSING AUTHORITY OF THE CITY OF MADERA**  
**Management's Discussion and Analysis (Required Supplemental Information – Unaudited)**

**FINANCIAL ANALYSIS OF THE AUTHORITY**

Net Position

The following table reflects the Statement of Net Position compared to prior year.

	2025	2024	Change	
			Dollar	Percentage
Cash and equivalents	\$ 11,768,976	\$ 11,329,085	\$ 439,891	3.9%
Other current assets	385,079	349,912	35,167	10.1%
Total current assets	12,154,055	11,678,997	475,058	4.1%
Net capital assets	4,248,197	4,663,873	(415,676)	-8.9%
Other non-current assets	2,750,844	2,795,634	(44,790)	-1.6%
Total non-current assets	6,999,041	7,459,507	(460,466)	-6.2%
Total assets	19,153,096	19,138,504	14,592	0.1%
Deferred outflows of resources	809,286	839,942	(30,656)	-3.6%
<b>Total</b>	<b>\$ 19,962,382</b>	<b>\$ 19,978,446</b>	<b>\$ (16,064)</b>	<b>-0.1%</b>
Current liabilities	\$ 717,992	\$ 622,966	\$ 95,026	15.3%
Non-current liabilities	6,150,017	6,730,958	(580,941)	-8.6%
Total liabilities	6,868,009	7,353,924	(485,915)	-6.6%
Deferred inflows of resources	726,563	271,360	455,203	167.7%
Net investment in capital assets	1,888,999	2,157,306	(268,307)	-12.4%
Restricted net position	836,724	871,415	(34,691)	-4.0%
Unrestricted net position	9,642,087	9,324,441	317,646	3.4%
Total net position	12,367,810	12,353,162	14,648	0.1%
<b>Total</b>	<b>\$ 19,962,382</b>	<b>\$ 19,978,446</b>	<b>\$ (16,064)</b>	<b>-0.1%</b>

The following is an explanation of the changes between fiscal years as shown in the table above (numbers in thousands):

- Total Assets increased \$14 (+.01%),
- Deferred Outflows decreased \$30 (-3.6.0%),
- Total Liabilities decreased \$485 (-6.6%),
- Deferred Inflows increased \$455 (+167.7%), and
- Total Net Position increased \$14 (+0.1%).

A significant factor in current year changes seen above in assets and liabilities relate to the annual valuation of the net pension liability/asset and the related deferred outflows and inflows of resources for the Authority's respective proportions of the CalPERS cost sharing multiple employers defined benefit plan. These changes are beyond the control of management and are significantly influenced by changes in market conditions and changes in actuarial assumptions of CalPERS.

**HOUSING AUTHORITY OF THE CITY OF MADERA**  
**Management's Discussion and Analysis (Required Supplemental Information – Unaudited)**

Revenues, Expenses, and Changes in Net Position

The following schedule compares the revenues and expenses for the current and previous fiscal year.

	2025	2024	Change	
			Dollar	Percentage
Net rental revenue	\$ 2,455,175	\$ 2,397,151	\$ 58,024	2.4%
Operating grants and subsidies	9,103,678	8,240,714	862,964	10.5%
Other operating revenues	199,963	309,316	(109,353)	-35.4%
<b>Total operating revenues</b>	<b>11,758,816</b>	<b>10,947,181</b>	<b>811,635</b>	<b>7.4%</b>
Depreciation expense	(637,727)	(710,776)	73,049	-10.3%
Housing assistance payments	(6,940,714)	(5,693,741)	(1,246,973)	21.9%
Other operating expenses	(4,282,688)	(4,065,942)	(216,746)	5.3%
<b>Total operating expenses</b>	<b>(11,861,129)</b>	<b>(10,470,459)</b>	<b>(1,390,670)</b>	<b>13.3%</b>
<b>Operating Income (Loss)</b>	<b>\$ (102,313)</b>	<b>\$ 476,722</b>	<b>\$ (579,035)</b>	<b>&gt;100%</b>
Interest Income	222,440	325,271	(102,831)	-31.6%
Interest expense	(105,479)	(111,706)	6,227	-5.6%
Other non-operating items	-	-	-	0.0%
<b>Income (Loss) Before</b>				
<b>Contributions and other Items</b>	<b>14,648</b>	<b>690,287</b>	<b>(675,639)</b>	<b>-97.9%</b>
Special items	-	-	-	0.0%
Net operating transfers	-	-	-	0.0%
Capital contributions	-	-	-	0.0%
<b>Change in Net Position</b>	<b>\$ 14,648</b>	<b>\$ 690,287</b>	<b>\$ (675,639)</b>	<b>&lt;100%</b>

The increase in net position for this fiscal year is \$14,648 compared to an increase of \$690,287. This increase can be attributed to the \$862,964 increase in operating grants in FYE 25 vs FYE 24.

**HOUSING AUTHORITY OF THE CITY OF MADERA**  
**Management’s Discussion and Analysis (Required Supplemental Information – Unaudited)**

**CAPITAL ASSETS**

As of year-end, we had \$4,248,197 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additions, deductions and depreciation) of \$415,676 from the end of last year.

	2025	2024	Change	
			Dollar	Percentage
Land	\$ 675,827	\$ 675,827	\$ -	0.0%
Construction in progress	-	-	-	0.0%
Buildings and improvements	31,032,990	31,003,740	29,250	0.1%
Equipment and furnishings	1,151,657	958,856	192,801	20.1%
Accumulated depreciation	(28,612,277)	(27,974,550)	(637,727)	2.3%
<b>Net Capital Assets</b>	<b>\$ 4,248,197</b>	<b>\$ 4,663,873</b>	<b>\$ (415,676)</b>	<b>-8.9%</b>

The change in Capital Assets is presented in detail in the Notes to Financial Statements.

**DEBT ADMINISTRATION**

The Authority had the following amounts of debt outstanding:

	2025	2024	Change	
			Dollar	Percentage
Total Debt	\$ 2,359,198	\$ 2,506,567	\$ (147,369)	-5.9%

**ECONOMIC FACTORS**

Significant economic factors affecting us are as follows:

Federal funding by the Department of Housing and Urban Development. Fluctuations in federal appropriations can impact the Authority's ability to maintain units, fund operations and serve eligible households.

Local labor supply and demand, which can affect salary and wage rates.

Local inflation, recession, and employment trends, which can affect resident incomes and therefore the amount of rental income.

HUD initiatives – such as cash management rules, SF-425 reporting, and changes in program compliance – affect administrative workload and financial planning. The Authority continues to adapt to new report and cash-flow requirements to ensure compliance.

**HOUSING AUTHORITY OF THE CITY OF MADERA**  
**Management's Discussion and Analysis (Required Supplemental Information – Unaudited)**

**FINANCIAL CONTACT**

The individual to be contacted regarding this report is Djordan Didulo, Finance and Administration Manager for the Housing Authority of the City of Madera, at 205 North G Street, Madera, CA 93637.

## Housing Authority of the City of Madera

Statement of Net Position

September 30, 2025

### ASSETS

#### **Current Assets**

Cash and equivalents	
Unrestricted	\$ 10,522,587
Restricted	1,246,389
<b>Subtotal Cash</b>	<b>11,768,976</b>
Accounts receivable, net	170,217
Prepaid expenses	170,546
Notes receivable, current	44,316
<b>Total Current Assets</b>	<b>12,154,055</b>

#### **Non-Current Assets**

Capital assets not being depreciated	675,827
Capital assets, net	3,572,370
Notes receivable, non-current	2,750,844
<b>Total Non-Current Assets</b>	<b>6,999,041</b>

**TOTAL ASSETS** **19,153,096**

**TOTAL DEFERRED OUTFLOWS OF RESOURCES** **809,286**

### LIABILITIES

#### **Current Liabilities**

Accounts payable	164,221
Accrued liabilities	61,764
Tenant security deposits	229,265
Unearned revenue	60,660
Compensated absences, current	29,039
Financial agreements payable current	151,977
Other liabilities	21,066
<b>Total Current Liabilities</b>	<b>717,992</b>

#### **Non-Current Liabilities**

Compensated absences, non-current	29,037
Financial agreements payable	2,207,221
Net pension liability	3,779,631
Funds held in trust	134,128
<b>Total Non-Current Liabilities</b>	<b>6,150,017</b>

**TOTAL LIABILITIES** **6,868,009**

**TOTAL DEFERRED INFLOWS OF RESOURCES** **726,563**

### NET POSITION

Investment in capital assets	1,888,999
Restricted	836,724
Unrestricted	9,642,087
<b>TOTAL NET POSITION</b>	<b>\$ 12,367,810</b>

**Housing Authority of the City of Madera**  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended September 30, 2025

**REVENUES**

**Operating Revenues**

Tenant rental revenue, net of collection losses	\$ 2,455,175
Operating grants and subsidies	9,103,678
Other revenues	199,963
<b>Total Operating Revenues</b>	<b><u>11,758,816</u></b>

**EXPENSES**

**Operating Expenses**

Administration	1,253,203
Tenant services	735,174
Utilities	437,322
Ordinary maintenance and operations	1,467,948
Protective services	154,675
Insurance expense	229,414
Other general expenses	4,952
Housing Assistance Payments	6,940,714
Depreciation	637,727
<b>Total Operating Expenses</b>	<b><u>11,861,129</u></b>

**NET OPERATING INCOME (LOSS) (102,313)**

**NONOPERATING REVENUES (EXPENSES)**

Interest income	222,440
Interest expense	(105,479)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b><u>116,961</u></b>

**INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS 14,648**

**CHANGE IN NET POSITION 14,648**

**BEGINNING NET POSITION 12,353,162**

**ENDING NET POSITION \$ 12,367,810**

**Housing Authority of the City of Madera**

Statement of Cash Flows

For the Year Ended September 30, 2025

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from tenants for rent	\$ 2,655,351
Cash received from grantors	9,094,835
Cash paid for housing assistance payments	(7,054,821)
Cash paid for goods and services	(1,969,850)
Cash paid to & on behalf of employees for services	(2,077,089)

**NET CASH FLOW PROVIDED (USED) BY OPERATING ACTIVITIES** 648,426

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition of capital assets	(222,051)
Payments on capital debt	(252,848)

**NET CASH FLOW PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES** (474,899)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest on investments	222,440
Collection of notes receivable	43,924

**NET CASH FLOW PROVIDED (USED) BY INVESTING ACTIVITIES** 266,364

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** **439,891**

**BEGINNING CASH AND CASH EQUIVALENTS** **11,329,085**

**ENDING CASH AND CASH EQUIVALENTS** **\$ 11,768,976**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (102,313)
-------------------------	--------------

**Non-Cash Adjustment**

Depreciation	637,727
--------------	---------

**Change in Assets & Liabilities**

Accounts/grants receivable	(5,572)
Prepaid expenses	(28,729)
Accounts payable and accrued liabilities	91,658
Compensated absences	1,138
Unearned revenue	(10,170)
Other liabilities	(114,107)
Tenant security deposits	7,112

**Total Adjustments** **750,739**

**Net Cash Provided (Used) by Operating Activities** **\$ 648,426**

**NOTE 01 - NATURE OF BUSINESS AND ORGANIZATION**

The Housing Authority of the City of Madera (the Authority, we, us, our) was incorporated in 1968 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 City of Madera. Permanent operational offices are maintained in the City of Madera.

Commissioners of the Authority are comprised of the Madera City Council and Mayor. The Board consists of seven commissioners:

<u>Name</u>	<u>Position</u>
Elsa Mejia	Chairman
Anita Evans	Vice-Chairman
Santos Garcia	Commissioner
Cecelia Gallegos	Commissioner
Jose Rodriguez	Commissioner
Steve Monets	Commissioner
Artemio Villegas	Commissioner

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 us to administer certain HUD funds.

Our primary operations are comprised of the Housing Choice Voucher Program. This program is designed to aid very low-income families in obtaining decent, safe, and sanitary rental housing. We administer contracts with independent landlords that own property and rent that property to families that have applied for housing assistance. We subsidize 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 us to structure a lease that sets the participants' rent at 30% of household income.

Additionally, we operate the Low Rent Housing Program. This program is designed to provide very low-income families in obtaining decent, safe, and sanitary rental housing. The Low Rent Housing Program operates the Authority's own rental housing units subsidized by HUD through an Annual Contributions Contract (ACC). Funding is provided by tenant rent payments and subsidies provided by HUD based upon a formula that takes into consideration factors such as: prior formula funding, population of the area, number of dwelling units, bedroom sizes, building height and building age, utility costs, and rental income.

The Low Rent Housing Program is supplemented by the Capital Fund Program. The purpose of this program is to utilize funds granted by HUD for remodeling and upgrading the facilities in the Low Rent Housing Program, as well as to support overall operations. These grant funds are authorized by HUD each year but can be spent over the course of several years.

**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. SPG's 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.

We are a component unit of the City of Madera, California (City). Although the Authority is a legally separate SPG, it does not have a separately elected governing body from that of the City and is not 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 disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt.

Management applied the criteria of GASB 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 that the Authority has no component units.

## **NOTE 02 - SUMMARY OF SIGNIFICANT POLICIES**

### **Accrual Basis of Accounting**

The financial statements are presented using the accrual basis of accounting with an economic resources measurement focus. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. As permitted by accounting principles generally accepted in the United States of America (GAAP), the Authority has elected to apply all relevant Government Accounting Standards Board (GASB) pronouncements.

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, 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.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

### **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.

### **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.

### **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.

### **Accounts Receivable from Tenants**

Accounts receivable 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. We report 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 \$7,125 for the year ended September 30, 2025.

**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.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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 each major class of depreciable fixed assets are as follows:

<u>Category</u>	<u>Useful Life</u>
Buildings and improvements	15-40 Years
Furniture and equipment	5-10 Years

**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 September 30, 2025, there has been no impairment of the capital assets.

**Tenant Security Deposits**

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

**Compensated Absences**

Compensated absences are absences for which employees will be paid, e.g., sick leave, vacation, and other approved leave. In accordance with GASB Statement No.16, Accounting for Compensated Absences, we accrue the liability for those absences for which the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority.

**Unearned Revenue**

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

**Family Self Sufficiency Escrow Deposits**

The Authority under the Section 8 Housing Choice Voucher and Public and Indian Housing programs is administering 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.

**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.

**Deferred Outflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) 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 09 to the financial statements.

**Deferred Inflows of Resources**

Deferred inflows of resources represent an acquisition of net position 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 09 to the financial statements.

**Leasing Activities**

We are 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. We may cancel the leases only for a cause. Revenues associated with these leases are reported in the accompanying financial statements and related schedules within dwelling rent revenue.

**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.

**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 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 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. (3) Unrestricted net position – 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 our policy to use restricted resources first.

**Income Taxes**

We are not subject to federal or state income taxes.

**Investment Policy**

Our 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.

**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.

**Authorized Investments**

Investments of the Authority are limited to investment types prescribed by HUD in 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.

**Investment in State Investment Pool**

We are 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. We may invest up to \$65 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](http://www.treasurer.ca.gov).

Our 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.

**NOTE 03 - CASH AND CASH EQUIVALENTS**

The following schedule presents the breakdown of cash as of yearend:

<b>Unrestricted</b>	
Checking & Money Market accounts	<u>\$10,522,587</u>
Subtotal	10,522,587
<b>Restricted</b>	
Security deposits - tenants	229,265
Family Self Sufficiency deposits	134,128
Housing Assistance Payments	796,392
Other restricted funds	<u>86,604</u>
Subtotal	<u>1,246,389</u>
<b>Total Cash &amp; Equivalents</b>	<b><u>\$11,768,976</u></b>

**Tenant Security Deposits**

These balances are legally restricted for the benefit of tenants and are held in separate bank accounts consistent with state law. These funds are not available for operations.

**Family Self-Sufficiency (FSS) Escrow Accounts**

These funds represent participant-specific escrow accounts accumulated under HUD’s Family Self-Sufficiency program and are held in trust for participating families. FSS accounts may be disbursed only in accordance with program rules and are not available to support Authority operations. They carry both custodial credit risk and HUD compliance risk.

**Housing Assistance Payments (HAP) Cash**

These funds are restricted for Housing Choice Voucher landlord payments and cannot be used for administrative or operating purposes. HAP balances are maintained in demand deposit accounts to ensure liquidity. Although insured or collateralized under the Dedicated Method, HAP cash also carries HUD program compliance risk, including potential review for excess accumulations, deficits, or improper use.

**Other Restricted Cash**

These funds relate to restrictions under grant agreements, or other regulatory or contractual requirements. Use of these funds is limited to the purposes specified in the applicable agreements.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Our policy is to manage this exposure to declines in fair values by limiting the weighted average maturity of its investments portfolio. As of September 30, 2025, our risk of changes in interest rates is minimal since the investments primarily consist of state sponsored investment pool funds which have stated interest rates.

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is our policy to follow the HUD regulations by only having direct investments and investments through mutual funds to direct obligations, guaranteed obligations, or obligations of the agencies of the United States of America. As of September 30, 2025, we mitigated our exposure to credit risk by only investing in fully insured state investment pool funds.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, our deposits may not be returned. Our policy for custodial credit risk requires collateral to be held in our name by its agent or by the bank’s trust department. As of September 30, 2025, none of our total bank balances were exposed to custodial credit risk.

## Housing Authority of the City of Madera

Notes to Financial Statements

For the Year Ended September 30, 2025

### NOTE 04 - ACCOUNTS RECEIVABLE

Accounts receivable as of yearend were comprised of the following:

Tenant receivables	\$ 15,416
Tenant fraud recovery receivables	-
Allowance for receivables	<u>(11,761)</u>
Net receivable	3,655
Due from other governments	20,267
Miscellaneous receivables	<u>146,295</u>
<b>Accounts Receivable, Net</b>	<b><u><u>\$ 170,217</u></u></b>

### NOTE 05 - CAPITAL ASSETS

A summary of the land, structures, and equipment for the year is as follows:

	Balance at 10/01/24	Additions	Deletions	Balance at 09/30/25
Capital assets not being depreciated				
Land	\$ 675,827	\$ -	\$ -	\$ 675,827
Capital assets not being depreciated	<u>675,827</u>	<u>-</u>	<u>-</u>	<u>675,827</u>
Capital assets being depreciated				
Buildings & improvements	31,003,740	29,250	-	31,032,990
Furniture & equipment	958,856	192,801	-	1,151,657
Total assets being depreciated	<u>31,962,596</u>	<u>222,051</u>	<u>-</u>	<u>32,184,647</u>
Building accumulated depreciation	(27,418,449)	(637,727)	-	(28,056,176)
Equipment accumulated depreciation	<u>(556,101)</u>	<u>-</u>	<u>-</u>	<u>(556,101)</u>
Net capital assets being depreciated	<u>3,988,046</u>	<u>(415,676)</u>	<u>-</u>	<u>3,572,370</u>
<b>Capital Assets, Net</b>	<b><u><u>\$ 4,663,873</u></u></b>	<b><u><u>\$ (415,676)</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 4,248,197</u></u></b>

All land and buildings of the Public Housing program are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the federal government and to protect other interests of the federal government.

## Housing Authority of the City of Madera

Notes to Financial Statements  
For the Year Ended September 30, 2025

### NOTE 06 - NOTES RECEIVABLE

Notes receivable of the Authority are summarized below:

#### MORES Yosemite Manor, L.P.

In May 2008, the Authority entered into a promissory note with MORES Yosemite Manor, L.P., in the amount of \$2,506,201. The note is secured by the first deed of trust, bears interest at 4.21% per annum, and is payable from residual receipts as outlined in the loan agreement until maturity on December 2063.\* \$ 4,821,202

#### Madera Opportunities for Resident Enrichment Service, Inc.

In May 2008, the Authority entered into a promissory note with Madera Opportunities for Resident Enrichment Services Inc., in the amount of \$440,872. The note is secured by the first and second deed of trust, bears interest at 4.21% per annum, and is payable from residual receipts as outlined in the loan agreement. 288,959

Allowance for uncollectible amount (2,315,001)

**Total Notes Receivable** **\$ 2,795,160**

### NOTE 07 - NON-CURRENT LIABILITIES

Changes in long-term liabilities of the Authority are summarized below:

	Balance at 10/01/24	Additions	Deletions	Balance at 09/30/25	Due within One Year
Compensated absences	\$ 56,938	\$ 1,138	\$ -	\$ 58,076	\$ 29,039
Net pension liability	4,093,808	-	(314,177)	3,779,631	-
Debt	2,506,567	-	(147,369)	2,359,198	151,977
Other liabilities	248,235	-	(114,107)	134,128	-
Total	<u>\$ 6,905,548</u>	<u>\$ 1,138</u>	<u>\$ (575,653)</u>	<u>\$ 6,331,033</u>	<u>\$ 181,016</u>

### NOTE 08 - LONG-TERM DEBT

Notes from direct borrowings were comprised of the following as of yearend:

#### U.S. Department of Agriculture Rural Development

In June 2004, we entered into multiple note agreements with US Department of Agriculture Rural Development. The face amount of these notes totaled \$512,372 and mature at various dates from February 2029 to May 2035. The notes carry an interest rate of 1.00% and call for total monthly payments of principal and interest of \$1,653. The notes are secured by three property parcels. \$ 153,476

#### Citizens Business Bank

In January 2018, we entered into a note agreement with Citizens Business Bank. The face amount of the note was \$3,054,352 and matures January 2028. The note carries an interest rate of 4.75% and calls for monthly payments of principal and interest of \$19,852. The note is secured by three property parcels. 2,205,722

**Total Debt** **\$ 2,359,198**

## Housing Authority of the City of Madera

Notes to Financial Statements

For the Year Ended September 30, 2025

Expected payments on direct borrowings are as follows for the years ending June 30:

<u>Years Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 151,977	\$ 102,777	\$ 254,754
2027	162,106	95,955	258,061
2028	1,947,153	31,136	1,978,289
2029	18,592	910	19,502
2030	18,973	737	19,710
2031 2035	60,397	1,471	61,868
	<u>\$ 2,359,198</u>	<u>\$ 232,986</u>	<u>\$ 2,592,184</u>

### NOTE 09 - PENSION PLAN

#### Plan Description

The plan is a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS. A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes and membership information, is listed in the June 30, 2025, Annual Actuarial Valuation Report. This report is a publicly available valuation report that can be obtained at CalPERS' website under "Forms and Publications". All qualified permanent and probationary employees are eligible to participate in the Authority's cost-sharing multiple employer defined benefit pension plans administered by CalPERS. Benefit provisions under the plans are established by State Statute and the Authority's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

#### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at September 30, 2025, are summarized as follows:

	<u>Miscellaneous Plan</u>	
	Prior to 1/1/2013	After 1/1/2013
Hire date	Prior to 1/1/2013	After 1/1/2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting formula	5 yrs of service	5 yrs of service
Benefit payments	Monthly for life	Monthly for life
Monthly benefits, as of % of eligible compensation	1.426% to 2.48%	1.0% to 2.5%
Required employee contribution rate	7.00%	8.25%
Required employer contribution rate	13.26% + 73,779	8.00% + 12,711

#### Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for the Miscellaneous Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The Authority's contributions to the plan for the measurement year ended June 30, 2025, were \$574,478. The Authority's contributions to the pension plan after the measurement year were \$164,516.

## Housing Authority of the City of Madera

Notes to Financial Statements

For the Year Ended September 30, 2025

### Actuarial Assumptions

The total pension liability in the September 30, 2025, actuarial valuations, were determined using the following actuarial assumptions:

Valuation date:	June 30, 2025
Measurement date:	June 30, 2024
Salary increases:	Entry Age Actuarial Cost Method
Discount rate:	6.90%
Price inflation salary increases:	2.30%
Investment rate of return:	Varies by entry age and service.
Mortality rate table:	Derived using CaPERS' membership data for all funds.
Post retirement benefit increase:	The lessor of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% 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.

### Long-Term Expected Rate of Return

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 areas are as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global equity - cap-weighted	30%	4.54%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	27.00%
Mortgage-back securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	-5%	-0.59%
	100%	

## Housing Authority of the City of Madera

Notes to Financial Statements

For the Year Ended September 30, 2025

### Changes in the Net Pension Liability

The Authority's net pension liability of \$3,779,631 is measured as the proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability was determined by an actuarial valuation as of June 30, 2024. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of the contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the Authority's proportion was 0.09475 percent, which was an increase of 0.01010 percent from its proportion measured as of June 30, 2024.

	<b>Plan Total Pension Liability [a]</b>	<b>Plan Fiduciary Net Position [b]</b>	<b>Plan Net Pension Liability (Asset) [c] = [a] - [b]</b>
Beginning balance	\$ 11,492,189	\$ 7,398,381	\$ 4,093,808
Net changes	(163,912)	150,265	(314,177)
Ending balance	\$ 11,328,277	\$ 7,548,646	\$ 3,779,631

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

	<b>1% Decrease (5.90%)</b>	<b>Current Discount Rate (6.90%)</b>	<b>1% Increase (7.90%)</b>
<b>Plan Net Pension Liability (Assets)</b>	\$ 5,424,009	\$ 3,779,631	\$ 2,426,326

### 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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of assumptions	\$ -	\$ -
Difference between expected and actual experience	452,891	-
Change in proportion share	-	215,138
Differences between Employer's Contributions and Proportionate Share of Contributions	191,879	-
Net difference between projected and actual earnings on plan investments	-	511,425
	644,770	726,563
Contributions subsequent to the measurement date of plan	164,516	-
Totals	\$ 809,286	\$ 726,563

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 City of Madera

Notes to Financial Statements

For the Year Ended September 30, 2025

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

**Measurement Period Ended June 30,**

2026	\$	435,969
2027		(115,071)
2028		(207,459)
2029		(195,232)
2030		-
Thereafter,		-
	\$	<u>(81,793)</u>

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

**Payable to the Pension Plan**

At September 30, 2025, there were no amounts payable to the pension plan.

**NOTE 10 - NET POSITION**

Net position for the year end was calculated as follows:

Capital assets not being depreciated	\$	675,827
Capital assets, net		3,572,370
Related debt		<u>(2,359,198)</u>
<b>Net Investment in Capital Assets</b>		<b><u>\$ 1,888,999</u></b>
Restricted cash	\$	1,246,389
Unearned EHV fees		(46,272)
Security deposit liability		(229,265)
FSS escrow liability		<u>(134,128)</u>
<b>Restricted Net Position</b>		<b><u>\$ 836,724</u></b>

**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

**Government Examinations**

We have received funds from Federal grant programs. It is possible that at some future date, it may be determined that we were 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 we do not expect such disallowed amounts, if any, to materially affect the financial statements.

**Construction Contracts**

During the normal course of business, the Authority is engaged in various construction contracts for modernization and rehabilitation as well as development properties.

**NOTE 12 - BUSINESS RISK AND CONCENTRATIONS**

**Risk Management**

The Authority is exposed to various risk 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 September 30, 2025, there were no liabilities to be reported.

**Concentration - Major Contributor**

For the year ended September 30, 2025, approximately 75% 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.

**NOTE 13 - SUBSEQUENT EVENTS**

Management evaluated the activity of the Authority through April 24, 2026, (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statement.

Housing Authority of the City of Madera

Required Schedules of the Pension Plan

For the Year Ended September 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 Employee Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.08810%	\$ 2,416,697	\$ 982,585	245.95%	75.87%
2017	0.08280%	\$ 2,875,227	\$ 1,043,730	275.48%	75.39%
2018	0.08210%	\$ 3,235,424	\$ 1,140,725	283.63%	77.69%
2019	0.08440%	\$ 3,179,366	\$ 1,270,009	250.34%	77.73%
2020	0.08460%	\$ 3,389,295	\$ 1,280,623	264.66%	77.71%
2021	0.13260%	\$ 2,517,018	\$ 1,191,513	211.25%	90.49%
2022	0.08616%	\$ 4,031,725	\$ 941,461	428.24%	78.19%
2023	0.08284%	\$ 4,142,152	\$ 1,074,450	385.51%	77.97%
2024	0.08464%	\$ 4,093,808	\$ 1,004,364	407.60%	79.91%
2025	0.09475%	\$ 3,779,631	\$ 1,258,154	300.41%	84.34%

**SCHEDULE OF THE PENSION PLAN CONTRIBUTIONS**

Reporting Date for Employer under GASB 68 as of June 30	Actuarially Determined Contribution [A]	Contributions in Relation to Actuarially Determined Contribution [B]	Contribution Deficiency (Excess) [C]=[A]-[B]	Covered-Employee Payroll	Contribution as a Percentage Covered- Employees Payroll
2016	\$ 203,184	\$ 203,184	\$ -	\$ 982,585	20.68%
2017	\$ 257,128	\$ 257,128	\$ -	\$ 1,043,730	24.64%
2018	\$ 238,140	\$ 238,140	\$ -	\$ 1,140,725	20.88%
2019	\$ 268,409	\$ 268,409	\$ -	\$ 1,270,009	21.13%
2020	\$ 302,136	\$ 302,136	\$ -	\$ 1,280,623	23.59%
2021	\$ 336,461	\$ 336,461	\$ -	\$ 1,191,513	28.24%
2022	\$ 331,109	\$ 331,109	\$ -	\$ 941,461	35.17%
2023	\$ 362,378	\$ 362,378	\$ -	\$ 1,074,450	33.73%
2024	\$ 317,973	\$ 317,973	\$ -	\$ 1,004,364	31.66%
2025	\$ 317,973	\$ 317,973	\$ -	\$ 1,258,154	25.27%

**Notes to Required Supplementary Information Schedules:**

In November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. For 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 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 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 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. 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.

**Housing Authority of the City of Madera**

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2025

	<b>Assistance Listing Number(s)</b>	<b>Award Type</b>	<b>Expenditures</b>
<b>U.S. Department of HUD</b>			
Section 8 Housing Choice Vouchers	14.871	Direct	\$ 7,331,896
Section 8 Housing Choice Vouchers (Emergency Housing Vouchers)	14.871	Direct	260,603
<b>Total Housing Voucher Cluster</b>			<b>7,592,499</b>
Public Housing Operating Fund	14.850	Direct	1,101,644
Family Self-Sufficiency Program	14.896	Direct	51,519
<b>Totals U.S. Department of HUD</b>			<b>8,745,662</b>
<b>U.S. Department of Agriculture Rural Development</b>			
Farm Labor Housing Loans and Grants	10.405	Direct	529,713
<b>Totals U.S. Department of Agriculture Rural Development</b>			<b>529,713</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 9,275,375</b>
<b>Award Type</b>			
Direct			\$ 9,275,375
Indirect			\$ -

**NOTE 01 - SCOPE OF PRESENTATION**

The accompanying schedule presents the expenditures incurred (and related awards received) by the Housing Authority of the City of Madera (the Authority) that are reimbursable under federal programs of federal agencies providing financial assistance and state awards. For the purposes of this schedule, only the portion of program expenditures reimbursable with such federal or state funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal or state reimbursement authorized or the portion of the program expenditures that were funded with local or other nonfederal funds are excluded from the accompanying schedule.

**NOTE 02 - BASIS OF ACCOUNTING**

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Expenditures are recognized in the accounting period in which the related liability is incurred. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

**NOTE 03 - INDIRECT COST RATE**

The Authority elected to use the 15% de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

**NOTE 04 - FEDERAL LOAN BALANCES**

<b>Federal Program Loans</b>	<b>ALN</b>	<b>Balance at 10/01/24</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at 09/30/25</b>
Farm Labor Housing Loans	10.405	\$ 171,697	\$ -	\$ (18,221)	\$ 153,476
		<b>\$ 171,697</b>	<b>\$ -</b>	<b>\$ (18,221)</b>	<b>\$ 153,476</b>

## Housing Authority of the City of Madera

Statement and Certification of Actual Costs

September 30, 2025

---

1. The Actual Costs of the Authority was as follows:

<b>Grant</b>	<b>Funds Approved</b>	<b>Funds Disbursed</b>	<b>Funds Expended</b>	<b>Balance Unspent</b>	<b>Form HUD-53001 Submitted</b>
CA01P069501-20	\$ 779,777			\$ 779,777	No
CA01P069501-21	\$ 813,759			\$ 813,759	No
CA01P069501-22	\$ 3,374			\$ 3,374	No
CA01P069501-23	\$ -			\$ -	No

2. The distribution of costs as shown on the Financial Statement of Costs accompanying the Actual Cost Certificate submitted to HUD for approval, is in agreement with the Authority's records.
3. For the above completed grants, all costs have been paid and all related liabilities have been discharged through payment.

• t: (615) 309-8959  
• f: (909) 825-9900  
• 4068 rural plains circle #180  
• franklin, tn 37064



**Board of Commissioners**

Housing Authority of the City of Madera  
Madera, CA

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

**Independent Auditors' Report**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Madera as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Madera's basic financial statements, and have issued our report thereon dated April 24, 2026.

**Report on Internal Control over Financial Reporting**

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

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

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



### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

April 24, 2026

• t: (615) 309-8959  
• f: (909) 825-9900  
• 4068 rural plains circle #180  
• franklin, tn 37064



**Board of Commissioners**

Housing Authority of the City of Madera  
Madera, CA

**Report on Compliance for Each Major Federal Program and Report on Internal Control over  
Compliance in Accordance with the Uniform Guidance**

**Independent Auditors' Report**

**Opinion on Each Major Federal Program**

We have audited the Housing Authority of the City of Madera's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Madera's major federal programs for the year ended September 30, 2025. The Housing Authority of the City of Madera's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Madera complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

**Basis for Opinion on Each Major Federal Program**

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

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

**Responsibilities of Management for Compliance**

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



### **Auditor's Responsibilities for the Audit of Compliance**

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

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority of the City of Madera's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Obtain an understanding of the Housing Authority of the City of Madera's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Madera's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

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



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

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

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

April 24, 2026

**Housing Authority of the City of Madera**

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2025

**Section I Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued

Internal controls over financial reporting:

    Material weakness(es) identified

    Significant deficiency(ies) identified

Noncompliance material to financial statements noted

**Federal Awards**

Internal control over major federal programs

    Material weakness(es) identified

    Significant deficiency(ies) identified

Type of auditors' report issued on compliance for major federal programs

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)

Identification of major federal programs:

<b>ALN(s)</b>	<b>Name of Federal Program or Cluster</b>
<b>14.871</b>	<b>Section 8 Housing Choice Vouchers</b>

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

Auditee qualified as a low-risk auditee

**Section II Financial Statement Findings**

No findings.

**Section III Federal Awards Findings**

No findings to reported under 2CFR200 Section 516(a) of the Uniform Guidance.

**Housing Authority of the City of Madera**

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended September 30, 2025

---

**Financial Statement Findings**

<b>Prior Year Findings Number</b>	<b>Findings Title</b>	<b>Status/ Current Year Findings Number</b>
N/A	There were no prior findings reported	N/A

**Federal Award Findings and Questioned Costs**

<b>Prior Year Findings Number</b>	<b>Findings Title</b>	<b>Status/ Current Year Findings Number</b>
N/A	There were no prior findings reported	N/A

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



## **Auditors' Communication with Those Charged with Governance**

The Governing Body of  
The Housing Authority of the City of Madera

We have audited the financial statements of the Housing Authority of the City of Madera as of and for the year ended September 30, 2025, and have issued our report thereon dated April 24, 2026. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Madera's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Housing Authority of the City of Madera solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.



## Significant Risks Identified

In planning and performing the audit we obtained an understanding of the Housing Authority of the City of Madera and its environment for the purpose of identifying and assessing the risks of material misstatement as a basis for designing and performing further audit procedures. Certain risks are considered inherent and significant to performing the audit. Those risks and a description of the risk are as follows:

- The risk that management will override internal controls.

Because management is primarily responsible for the design, implementation, and maintenance of internal control, the Housing Authority of the City of Madera is always exposed to the danger of management override of controls, whether the Housing Authority of the City of Madera is publicly held, private, not-for-profit, or governmental. When the opportunity to override internal control is combined with powerful incentives to meet accounting objectives, senior management may engage in fraudulent financial reporting. Thus, otherwise effective internal control cannot be relied upon to prevent, detect, or deter fraudulent financial reporting perpetrated by senior management.

- The risk that management will recognize revenue that has not been earned in accordance with GAAP.

Because management is responsible for meeting financial goals and the consequences to management for failing to meet financial goals can be significant, incentives or pressure to commit fraudulent financial reporting may exist when management is under pressure, from sources outside or inside the Housing Authority of the City of Madera.

- The risk that management will not properly implement new accounting standard GASB 101 Compensated Absences.

GASB 101 fundamentally change how government entities must account for compensated absences specifically sick time and related liability. The risk of failing to implement or management implementation not meeting the GASB standards.

## Qualitative Aspects of the Housing Authority of the City of Madera's Significant Accounting Practices

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Housing Authority of the City of Madera is included in the notes to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.



### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are described below:

Management's estimate of the net OPEB liability and the related deferred inflow of resources and deferred outflow of resources is based on an actuarial study and report. We evaluated the key factors and assumptions used to develop the net pension liability and the related deferred inflow of resources and deferred outflow of resources and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Housing Authority of the City of Madera's financial statements relate to:

Capital Assets.  
Net Pension Liability.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. The following significant unusual transactions identified as a result of our audit procedures were brought to the attention of management:

We noted no transactions involving complex accounting treatments and regulations, unusually large discounts or returns, circular arrangements, that occurred under contracts whose terms changed before expiration or involved a purpose outside the normal course of business.

### **Identified or Suspected Fraud**

We have identified or have obtained information that indicates that the following fraud may have occurred:

No events or conditions were identified or communicated to us that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.



### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

See Adjusting Journal Entry Report.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Housing Authority of the City of Madera's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

None.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated April 24, 2026.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.



### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Housing Authority of the City of Madera, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the Housing Authority of the City of Madera, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Housing Authority of the City of Madera's auditors.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

---

This report is intended solely for the information and use of the individuals charged with governance, and management of the Housing Authority of the City of Madera and is not intended to be and should not be used by anyone other than these specified parties.

April 24, 2026

# Housing Authority of the City of Madera

## MANAGEMENT REPRESENTATION LETTER

**Smith Marion & Co.**

4068 Rural Plains Circle, Ste 180  
Franklin, TN. 37064

Ladies and Gentlemen,

This representation letter is provided in connection with your audit of the financial statements of the Housing Authority of the City of Madera, which comprise the statement of financial position as of September 30, 2025, and the related statements of operations and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement FYE 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. With regard to nonaudit services performed by you, we acknowledge and our responsibility to:
  - a. Assume all management responsibilities.
  - b. Oversee the services by designating an individual who possesses suitable skill, knowledge, or experience.
  - c. Evaluate the adequacy and results of the services performed; and
  - d. Accept responsibility for the results of the services.
6. Significant assumptions used by us in making accounting estimates are reasonable.
7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

**Housing Authority of the City of Madera**

Management Representation Letter (cont.)

FYE 2025

- 
9. The effects of uncorrected misstatements aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
  10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
  11. With regard to items reported at fair value:
    - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
    - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
    - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
    - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
  12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
  13. All funds and activities are properly classified.
  14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
  15. All net position components and fund balance classifications have been properly reported.
  16. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
  17. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
  18. All interfund and intra-entity transactions and balances have been properly classified and reported.
  19. Special items and extraordinary items have been properly classified and reported.
  20. Deposit and investment risks have been properly and fully disclosed.
  21. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
  22. All required supplementary information is measured and presented within the prescribed guidelines.
  23. Non-exchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
  24. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* which codifies FASB Accounting Standards Codification (ASC) 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments.
  25. With regard to pensions and OPEB, if any:
    - a. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
    - b. We are unable to determine the possibility of a withdrawal liability from the Pension Plan of which we are a sponsor and are not currently contemplating withdrawing from the Pension Plan.
    - c. Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation or disclosed as a subsequent event.

---

**Information Provided**

26. We have provided you with:
  - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters.
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
27. All transactions have been recorded in the accounting records and are reflected in the financial statements.
28. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
29. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a. Management.
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.
30. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
31. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
32. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
33. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
34. We have a process to track the status of audit findings and recommendations.
35. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
36. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
37. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial.
38. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
39. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
40. The Housing Authority of the City of Madera has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
41. We have disclosed to you all guarantees, whether written or oral, under which the Housing Authority of the City of Madera is contingently liable.
42. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

**Housing Authority of the City of Madera**

Management Representation Letter (cont.)

FYE 2025

---

43. There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
44. The Housing Authority of the City of Madera has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
45. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
46. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

**Single Audit**

47. With respect to federal awards, we represent the following to you:
  - a. We are responsible for understanding and complying with and have complied with the requirements of the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as applicable.
  - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.
  - c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
  - d. The methods of measurement or presentation have not changed from those used in the prior period.
  - e. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
  - f. We have notified you of federal awards and funding increments that were received before December 26, 2014, and differentiated those awards from awards and funding increments received on or after December 26, 2014, and subject to the audit requirements of the Uniform Guidance.
  - g. When the schedule of expenditures of federal awards is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
  - h. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.

**Housing Authority of the City of Madera**

Management Representation Letter (cont.)

FYE 2025

---

- i. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program; and we have complied, in all material respects, with these requirements.
- j. We have provided to you our interpretations of any compliance requirements that have varying interpretations.
- k. We are responsible for establishing and maintaining effective internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies, including material weaknesses, reported in the schedule of findings and questioned costs.
- l. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to federal programs.
- m. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- n. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews. We also know of no instances of noncompliance occurring subsequent to the end of the period audited.
- o. We have charged costs to federal awards in accordance with applicable cost principles, including amounts claimed or used for matching determined in accordance with relevant guidelines in the Uniform Guidance (for grant awards and funding increments received before December 26, 2014).
- p. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance (for grant awards and funding increments received before December 26, 2014).
- t. We have charged costs to federal awards in accordance with the provisions of the Uniform Guidance (for grant awards and funding increments received before December 26, 2014), as applicable.
- u. We are responsible for and have accurately prepared the summary schedule of prior audit findings, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- w. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form as required by the Uniform Guidance, and we are responsible for preparing and implementing a correction action plan for each audit finding.
- x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.

**Housing Authority of the City of Madera**

Management Representation Letter (cont.)

FYE 2025

- y. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information. (This representation is required by footnote 28 to paragraph 3.18 of *Government Auditing Standards* when the auditor has a role in preparing the trial balance and draft financial statements and related notes.)
- z. We have reviewed, approved, and taken responsibility for accrual adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments. (This representation is required by footnote 28 to paragraph 3.18 of *Government Auditing Standards* when the auditor has a role in converting cash-basis financial statements to accrual-based financial statements.)
- aa. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

**Supplementary Information in Relation to the Financial Statements as a Whole**

With respect to the supplementary information accompanying the financial statements (as listed in the table of contents):

- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America, U.S. GASB, and other Federal and State regulatory standards.
- b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America, U.S. GASB, and other Federal and State regulatory standards.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

**Required Supplementary Information**

With respect to the required supplementary information accompanying the financial statements (as listed in the table of contents):

- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP, U.S. GASB, and other Federal and State regulatory standards.
- b. We believe the required supplementary information, including its form and content, is measured, and fairly presented in accordance with U.S. GAAP, U.S. GASB, and other Federal and State regulatory standards.

DocuSigned by:

*Blanca Mendoza-Navarro*

Signature & Title

4/24/2026

Date

# HOUSING AUTHORITY OF THE CITY OF MADERA

---

**Supplementary Information &  
Independent Auditors' Report on Supplementary Information**

**For the Year Ended September 30, 2025**



**smithmarion**

**Housing Authority of the City of Madera**

Table of Contents

For the Year Ended September 30, 2025

---

	<u>Page</u>
Independent Auditors' Report on Supplementary Information	1
<b>SUPPLEMENTARY INFORMATION</b>	
Independent Accountants' Report on Applying Agreed-Upon Procedures	2
Agreed Upon Procedures	4
Financial Data Schedule (HUD)	5

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



**Board of Commissioners**

Housing Authority of the City of Madera  
Madera, CA

**Independent Auditors' Report on Supplementary Information**

We have audited the basic financial statements of the Housing Authority of the City of Madera as of and for the year ended September 30, 2025, and have issued our report thereon dated April 24, 2026, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules are fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in blue ink that reads "Smith Marion &amp; Co." in a cursive script.

April 24, 2026

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



**Board of Commissioners**

Housing Authority of the City of Madera  
Madera, CA

**Independent Accountants' Report on Applying Agreed-Upon Procedures**

We have performed the procedure described in the third paragraph of this report, on the electronically submitted information included within the OMB Uniform Guidance reporting package. The Housing Authority of the City of Madera is responsible for the accuracy and completeness of the electronically submitted information.

The Housing Authority of the City of Madera and the U.S. Department of Housing and Urban Development (HUD), Real Estate Assessment Center (REAC) have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the electronically submitted information agrees with the related hard copy documents within the OMB Uniform Guidance reporting package. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures are as follows:

We compared the electronically submitted items listed in the "UFRS Rule Information" column of the matrix/chart on the following page of this report with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged by the Housing Authority of the City of Madera to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronically submitted information identified in the "UFRS Rule Information" column of the chart/matrix agrees with the related hard copy documents within the OMB Uniform Guidance reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Housing Authority of the City of Madera and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.



We were engaged to perform an audit in accordance with the OMB Uniform Guidance and with *Government Auditing Standards* by the Housing Authority of the City of Madera as of and for the period ending September 30, 2025, and have issued our reports thereon dated April 24, 2026. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated April 24, 2026, was expressed in relation to the basic financial statements of the Housing Authority of the City of Madera taken as a whole.

A copy of the OMB Uniform Guidance reporting package, required by the Uniform Guidance, which includes the auditor's reports, is available in its entirety from the Housing Authority of the City of Madera. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of the Housing Authority of the City of Madera and HUD and is not intended to be and should not be used by anyone other than these specified parties.

April 24, 2026

## Housing Authority of the City of Madera

Agreed Upon Procedures  
For the Year Ended September 30, 2025

Procedure	UFRS Rule Information	Hard Copy Document(s)	Findings
1	Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDA's, if applicable	Agrees
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
3	Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	Agrees
4	Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned Cost	Agrees
5	General information (data element series G2000, G2100, G2200, G9000, G9100)	OMB Data Collection Form *	Agrees
6	Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned Cost, Part 1 and OMB Data Collection Form *	Agrees
7	Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned Cost, Part 1 and OMB Data Collection Form *	Agrees
8	Type of Compliance Requirements (G4200-020 & G4000-030)	OMB Data Collection Form *	Agrees
9	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	Agrees

Housing Authority of the City of Madera

Financial Data Schedule

9/30/2025

CA069		Project Total	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.EHV Emergency Housing Voucher	1 Business Activities	2 State/Local	Subtotal	ELIM	Total
111	Cash - Unrestricted	5,717,087	1,602,564	-	-	-	60,092	3,134,992	7,852	10,522,587	-	10,522,587
113	Cash - Other Restricted	-	-	-	-	86,604	-	-	-	86,604	-	86,604
113	Cash - Other Restricted - HAP Funds	-	-	750,120	-	-	46,272	-	-	796,392	-	796,392
113	Cash - Other Restricted - FSS Escrows	4,880	-	129,248	-	-	-	-	-	134,128	-	134,128
114	Cash - Tenant Security Deposits	157,672	71,593	-	-	-	-	-	-	229,265	-	229,265
100	Total Cash	5,879,639	1,674,157	879,368	-	86,604	106,364	3,134,992	7,852	11,768,976	-	11,768,976
122	Accounts Receivable - HUD Other Projects	-	-	-	-	-	8,282	-	-	8,282	-	8,282
124	Accounts Receivable - Other Government	-	-	11,985	-	-	-	-	-	11,985	-	11,985
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-	146,295	-	146,295	-	146,295
126	Accounts Receivable - Tenants	7,904	7,512	-	-	-	-	-	-	15,416	-	15,416
126.1	Allowance for Doubtful Accounts - Tenants	(4,426)	(7,335)	-	-	-	-	-	-	(11,761)	-	(11,761)
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	44,316	-	44,316	-	44,316
120	Total Receivables, Net of Allowances for Doubtful Accounts	3,478	177	11,985	-	-	8,282	190,611	-	214,533	-	214,533
142	Prepaid Expenses and Other Assets	86,580	40,067	41,065	-	-	1,887	947	-	170,546	-	170,546
144	Inter Program Due From	-	-	-	-	-	-	5,368	-	5,368	(5,368)	-
150	Total Current Assets	5,969,697	1,714,401	932,418	-	86,604	116,533	3,331,918	7,852	12,159,423	(5,368)	12,154,055
161	Land	617,964	57,863	-	-	-	-	-	-	675,827	-	675,827
162	Buildings	19,179,953	11,547,380	-	-	-	-	305,657	-	31,032,990	-	31,032,990
163	Furniture, Equipment & Machinery - Dwellings	464,360	44,261	-	-	-	-	22,494	-	531,115	-	531,115
164	Furniture, Equipment & Machinery - Administration	272,926	53,329	170,050	-	-	-	124,237	-	620,542	-	620,542
166	Accumulated Depreciation	(17,597,126)	(10,439,461)	(157,850)	-	-	-	(417,840)	-	(28,612,277)	-	(28,612,277)
160	Total Capital Assets, Net	2,938,077	1,263,372	12,200	-	-	-	34,548	-	4,248,197	-	4,248,197
171	Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	2,750,844	-	2,750,844	-	2,750,844
180	Total Non-Current Assets	2,938,077	1,263,372	12,200	-	-	-	2,785,392	-	6,999,041	-	6,999,041
200	Deferred Outflow of Resources	510,091	-	211,888	-	-	-	87,307	-	809,286	-	809,286
290	Total Assets and Deferred Outflow of Resources	9,417,865	2,977,773	1,156,506	-	86,604	116,533	6,204,617	7,852	19,967,750	(5,368)	19,962,382

Housing Authority of the City of Madera

Financial Data Schedule

9/30/2025

CA069	Project Total	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.EHV Emergency Housing Voucher	1 Business Activities	2 State/Local	Subtotal	ELIM	Total
312	Accounts Payable <= 90 Days	9,076	6,226	4,258	-	-	951	-	20,511	-	20,511
321	Accrued Wage/Payroll Taxes Payable	22,760	8,238	26,838	-	-	3,928	-	61,764	-	61,764
322	Accrued Compensated Absences - Current Portion	16,539	4,270	5,840	-	-	2,390	-	29,039	-	29,039
333	Accounts Payable - Other Government	143,710	-	-	-	-	-	-	143,710	-	143,710
341	Tenant Security Deposits	157,672	71,593	-	-	-	-	-	229,265	-	229,265
342	Unearned Revenues - Operating Subsidy	-	-	-	-	46,272	-	-	46,272	-	46,272
342	Unearned Revenues - Other, Prepaid Rent	10,926	3,462	-	-	-	-	-	14,388	-	14,388
343	Current Portion of Long-Term Debt - Capital Projects/Mortgage Revenue	-	151,977	-	-	-	-	-	151,977	-	151,977
346	Accrued Liabilities - Other	9,736	9,722	750	-	-	858	-	21,066	-	21,066
347	Inter Program - Due To	1,159	-	4,209	-	-	-	-	5,368	(5,368)	-
310	Total Current Liabilities	371,578	255,488	41,895	-	46,272	8,127	-	723,360	(5,368)	717,992
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	2,207,221	-	-	-	-	-	2,207,221	-	2,207,221
353	Non-Current Liabilities - Other	4,880	-	129,248	-	-	-	-	134,128	-	134,128
354	Accrued Compensated Absences - Non-Current	16,539	4,270	5,840	-	-	2,388	-	29,037	-	29,037
357	Pension Liability	2,382,288	-	989,589	-	-	407,754	-	3,779,631	-	3,779,631
350	Total Non-Current Liabilities	2,403,707	2,211,491	1,124,677	-	-	410,142	-	6,150,017	-	6,150,017
300	Total Liabilities	2,775,285	2,466,979	1,166,572	-	46,272	418,269	-	6,873,377	(5,368)	6,868,009
400	Deferred Inflow of Resources	457,950	-	190,230	-	-	78,383	-	726,563	-	726,563
508.4	Net Investment in Capital Assets	2,938,077	(1,095,826)	12,200	-	-	34,548	-	1,888,999	-	1,888,999
511.4	Restricted Net Position	-	-	750,120	-	86,604	-	-	836,724	-	836,724
512.4	Unrestricted Net Position	3,246,553	1,606,620	(962,616)	-	-	5,673,417	7,852	9,642,087	-	9,642,087
513	Total Equity - Net Assets / Position	6,184,630	510,794	(200,296)	-	86,604	70,261	5,707,965	7,852	12,367,810	12,367,810
600	Total Liabilities, Deferred Inflows of Resources and Net Position	9,417,865	2,977,773	1,156,506	-	86,604	116,533	6,204,617	7,852	(5,368)	19,962,382

Housing Authority of the City of Madera

Financial Data Schedule

9/30/2025

CA069		Project Total	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.EHV Emergency Housing Voucher	1 Business Activities	2 State/Local	Subtotal	ELIM	Total
70300	Net Tenant Rental Revenue	1,732,900	703,219	-	-	-	-	-	-	2,436,119	-	2,436,119
70400	Tenant Revenue - Other	21,941	4,240	-	-	-	-	-	-	26,181	-	26,181
70500	Total Tenant Revenue	1,754,841	707,459	-	-	-	-	-	-	2,462,300	-	2,462,300
70600	HUD PHA Operating Grants	1,101,644	-	-	51,519	-	-	-	-	1,153,163	-	1,153,163
70600	Housing Assistance Payments	-	-	6,540,420	-	-	233,543	-	-	6,773,963	-	6,773,963
70600	Ongoing Administrative Fees Earned	-	-	791,476	-	-	27,060	-	-	818,536	-	818,536
70800	Other Government Grants	-	358,016	-	-	-	-	-	-	358,016	-	358,016
71100	Unrestricted Investment Income - Other	500	9,766	33,948	-	-	-	178,226	-	222,440	-	222,440
71500	Other Revenue	12,278	4,200	74,237	-	63,816	-	245,012	-	399,543	(199,580)	199,963
70000	Total Revenue	2,869,263	1,079,441	7,440,081	51,519	63,816	260,603	423,238	-	12,187,961	(199,580)	11,988,381
91100	Administrative Salaries	135,319	56,606	137,153	-	-	-	54,736	-	383,814	-	383,814
91200	Auditing Fees	7,072	3,780	12,920	-	-	-	4,216	-	27,988	-	27,988
91400	Advertising and Marketing	59	25	105	-	-	-	35	-	224	-	224
91500	Employee Benefit Contributions - Administrative	218,310	30,398	130,533	-	-	-	93,572	-	472,813	-	472,813
91600	Office Expenses	123,014	48,099	154,843	-	-	-	34,811	-	360,767	-	360,767
91700	Legal Expense	30,414	13,143	55,565	-	-	-	18,132	-	117,254	-	117,254
91800	Travel	5,528	988	2,609	-	-	-	525	-	9,650	-	9,650
91900	Other	22,301	7,074	39,272	-	-	-	11,626	-	80,273	(199,580)	(119,307)
91000	Total Operating - Administrative	542,017	160,113	533,000	-	-	-	217,653	-	1,452,783	(199,580)	1,253,203
92100	Tenant Services - Salaries	115,358	46,255	207,979	27,098	-	-	39,590	-	436,280	-	436,280
92300	Employee Benefit Contributions - Tenant Services	82,126	33,987	128,582	21,279	-	-	28,275	-	294,249	-	294,249
92400	Tenant Services - Other	43	238	-	2,245	-	2,019	100	-	4,645	-	4,645
92500	Total Tenant Services	197,527	80,480	336,561	50,622	-	2,019	67,965	-	735,174	-	735,174
93100	Water	117,515	66,611	720	-	-	-	261	-	185,107	-	185,107
93200	Electricity	34,143	12,791	12,049	-	-	-	6,133	-	65,116	-	65,116
93300	Gas	3,923	860	478	-	-	-	289	-	5,550	-	5,550
93600	Sewer	128,363	51,501	1,237	-	-	-	448	-	181,549	-	181,549
93000	Total Utilities	283,944	131,763	14,484	-	-	-	7,131	-	437,322	-	437,322

Housing Authority of the City of Madera

Financial Data Schedule

9/30/2025

CA069	Project Total	10.405 Farm Labor Housing Loans and Grants	14.871 Housing Choice Vouchers	14.896 PIH Family Self-Sufficiency Program	14.EFA FSS Escrow Forfeiture Account	14.EHV Emergency Housing Voucher	1 Business Activities	2 State/Local	Subtotal	ELIM	Total
94100	Ordinary Maintenance and Operations - Labor	274,802	109,320	-	-	-	14,356	-	398,478	-	398,478
94200	Ordinary Maintenance and Operations - Materials and Other	132,826	38,178	210	-	-	3,645	-	174,859	-	174,859
94300	Ordinary Maint. & Operations - Garbage & Trash	121,780	48,235	1,774	-	-	1,743	-	173,532	-	173,532
94300	Ordinary Maint. & Operations-HVAC	42,972	16,205	-	-	-	808	-	59,985	-	59,985
94300	Ordinary Maint. & Operations - Landscape & Grounds	102,673	36,600	865	-	-	(4,708)	-	135,430	-	135,430
94300	Ordinary Maint. & Operations - Unit Turnaround	-	10,006	-	-	-	-	-	10,006	-	10,006
94300	Ordinary Maint. & Operations- Plumbing Contracts	3,990	7,617	-	-	-	-	-	11,607	-	11,607
94300	Ordinary Maint. & Operations - Extermination	6,556	1,181	285	-	-	243	-	8,265	-	8,265
94300	Ordinary Maint. & Operations - Janitorial Contracts	1,993	370	-	-	-	-	-	2,363	-	2,363
94300	Ordinary Maint. & Operations - Routine Maintenance	8,239	3,223	1,229	-	-	946	-	13,637	-	13,637
94300	Ordinary Maint. & Operations - Misc. Contracts	200,104	3,951	1,436	-	-	2,520	-	208,011	-	208,011
94500	Employee Benefit Contributions - Ordinary Maintenance	181,568	72,203	1,457	-	-	9,047	-	264,275	-	264,275
94000	Total Ordinary Maint. and Op.	1,077,503	347,089	7,256	-	-	28,600	-	1,460,448	-	1,460,448
95200	Protective Services - Other Contract Costs	78,287	37,719	-	-	-	-	-	116,006	-	116,006
95300	Protective Services - Other	-	-	38,669	-	-	-	-	38,669	-	38,669
95000	Total Protective Services	78,287	37,719	38,669	-	-	-	-	154,675	-	154,675
96110	Property Insurance	100,844	50,036	1,853	-	-	1,306	-	154,039	-	154,039
96120	Liability Insurance	14,178	5,770	5,374	-	-	635	-	25,957	-	25,957
96130	Workmen's Compensation	17,954	6,733	11,670	897	-	4,040	-	41,294	-	41,294
96140	All Other Insurance	6,129	219	1,494	-	-	282	-	8,124	-	8,124
96100	Total Insurance Premiums	139,105	62,758	20,391	897	-	6,263	-	229,414	-	229,414
96200	Other General Expenses	2,022	-	-	-	-	-	-	2,022	-	2,022
96400	Bad Debt - Tenant Rents	4,563	2,562	-	-	-	-	-	7,125	-	7,125
96600	Bad Debt - Other	642	2,288	-	-	-	-	-	2,930	-	2,930
96000	Total Other General Expenses	7,227	4,850	-	-	-	-	-	12,077	-	12,077
96710	Interest of Mortgage (or Bonds) Payable	-	105,479	-	-	-	-	-	105,479	-	105,479
96700	Total Interest Expense and Amortization Cost	-	105,479	-	-	-	-	-	105,479	-	105,479
96900	Total Operating Expenses	2,325,610	930,251	950,361	51,519	-	2,019	327,612	4,587,372	(199,580)	4,387,792
97000	Excess of Op. Revenue Over Op. Expenses	543,653	149,190	6,489,720	-	63,816	258,584	95,626	7,600,589	-	7,600,589
97100	Extraordinary Maintenance	-	7,500	-	-	-	-	-	7,500	-	7,500
97300	Housing Assistance Payments	-	-	6,638,927	-	-	233,543	-	6,872,470	-	6,872,470
97350	HAP Portability-In	-	-	68,244	-	-	-	-	68,244	-	68,244
97400	Depreciation Expense	368,767	254,357	9,760	-	-	4,843	-	637,727	-	637,727
90000	Total Expenses	2,694,377	1,192,108	7,667,292	51,519	-	235,562	332,455	12,173,313	(199,580)	11,973,733
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	174,886	(112,667)	(227,211)	-	63,816	25,041	90,783	14,648	-	14,648
11030	Beginning Equity	6,009,744	623,461	26,915	-	22,788	45,220	5,617,182	7,852	12,353,162	12,353,162
11040	Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
11040	Equity Transfers	-	-	-	-	-	-	-	-	-	-



Housing Authority of the City of Madera

**BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-4

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** RESOLUTION #1351 OF THE HOUSING AUTHORITY OF THE CITY OF MADERA TO CONSIDER ESTABLISHING, REAFFIRMING, AND APPOINTING AD HOC COMMITTEES OF THE BOARD OF COMMISSIONERS.

---

**EXECUTIVE SUMMARY:**

The purpose of this memorandum is to request that the Board of Commissioners formally reaffirm existing Ad Hoc Committees and consider the establishment and appointment of additional Ad Hoc Committees to support focused oversight of key agency priorities, including capital projects, financial oversight, real estate strategy, and executive leadership evaluation.

At the April 2026 Special Board Meeting, the Board of Commissioners took action to retain and/or appoint members to the following Ad Hoc Committees:

**Real Estate / Property Committee**

Vice Chair Rodriguez, Commissioner Steve Montes, and Commissioner Rohi Zacharahi have been appointed to the Real Estate/Property Ad Hoc Committee. This committee will review and provide recommendations related to real estate matters, including property strategy, repositioning discussions (including RAD and other HUD repositioning options), acquisition opportunities, disposition considerations, and long-term asset management planning. This committee is intended to support strategic and proactive real estate planning for the Agency.

**Executive Director Evaluation Committee**

This committee will continue to consist of the Chair, Vice Chair, and one (1) Commissioner. Currently Commissioner Rohi Zacharahi will continue to be appointed to this committee. This committee will conduct the annual evaluation and contract review of the Executive Director and provide recommendations to the full Board.





## Housing Authority of the City of Madera

At that same meeting, consideration of additional Ad Hoc Committees was tabled due to the absence of three (3) Commissioners in order to allow full Board participation in the discussion and appointment process.

HAMC currently has an Ad Hoc Committee focused on the Madera Rescue Mission project and related coordination efforts. Given the overlap with broader real estate planning and redevelopment initiatives, the Board may consider continuing this committee as a project-specific advisory group or incorporating its responsibilities within the Real Estate / Property Committee framework or continue as a stand-alone committee. Establishing formal committee parameters through Board action will provide greater clarity, accountability, and consistency with governance best practices.

Ad Hoc Committees are temporary committees established for a specific purpose and may be dissolved upon completion of their assigned objectives. These committees are intended to provide focused review, analysis, and recommendations to the full Board and do not possess independent decision-making authority.

Given the Agency's size and operational portfolio, including Public Housing, Farm Labor, Migrant Housing, and Housing Choice Voucher programs, it is appropriate to utilize a limited number of targeted Ad Hoc Committees to support Board oversight while avoiding duplication of staff responsibilities.

Staff recommends that the Board consider the establishment and appointment of the following additional Ad Hoc Committees:

### **Capital Projects Committee**

To provide oversight and review of Capital Fund projects and major modernization efforts, including procurement approaches, project schedules, budget performance, and compliance considerations. This committee would support timely project delivery and help minimize the risk of delays, change orders, and compliance concerns.

### **Finance and Audit Committee**

To strengthen financial oversight through the review of budgets, financial trends, grant utilization, audit findings, and internal controls. This committee would support accountability and fiscal transparency, including oversight related to grant reconciliations and funding utilization, such as Emergency Housing Voucher (EHV) service fee reconciliations.





## Housing Authority of the City of Madera

### **Ad Hoc Committee Scope:**

Each Ad Hoc Committee shall serve in an advisory capacity, consisting of no more than three (3) Commissioners, and operate within a defined scope and timeframe established by the Board. Unless otherwise extended by Board action, the committees shall expire annually or upon completion of their assigned purpose. All committees shall report recommendations back to the full Board and shall not exercise independent decision-making authority.

### **RECOMMENDATION:**

Staff recommends that the Board of Commissioners adopt the attached resolution establishing and reaffirming Ad Hoc Committees with defined scope, membership, and duration.

### **FISCAL IMPACT:**

There is no fiscal impact on this item. Item is the formation of Ad Hoc Committees.



**RESOLUTION NO. 1351**

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MADERA ESTABLISHING, REAFFIRMING, AND APPOINTING AD HOC COMMITTEES OF THE BOARD OF COMMISSIONERS**

A. **WHEREAS**, the Housing Authority of the City of Madera (“HACM”) is governed by a Board of Commissioners responsible for providing policy direction, oversight, and fiduciary responsibility for the Agency’s programs and operations; and

B. **WHEREAS**, ad hoc committees are temporary committees of the Board formed for specific purposes to provide focused review, analysis, and recommendations to the full Board and do not possess independent decision-making authority; and

C. **WHEREAS**, HACM currently has ad hoc committees in place, including the Madera Rescue Mission Project Committee and the Executive Director Evaluation Committee, which have not been formally established with defined scopes, objectives, membership, or duration; and

D. **WHEREAS**, establishing and reaffirming ad hoc committees through formal Board action promotes clarity of purpose, accountability, consistency with governance best practices, and effective oversight of key agency priorities; and

E. **WHEREAS**, given HACM’s operational portfolio, including Public Housing, Farm Labor Housing, Migrant Housing, Housing Choice Voucher programs, capital projects, real estate activities, and financial compliance obligations, it is appropriate to utilize a limited number of targeted ad hoc committees to support Board oversight without duplicating staff functions; and

F. **WHEREAS**, HACM staff recommends the establishment, reaffirmation, and appointment of specific ad hoc committees with clearly defined scopes, membership limits, reporting requirements, and duration;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MADERA THAT:**

Section 1. Recitals.

The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Establishment and Reaffirmation of Ad Hoc Committees.

The Board of Commissioners hereby establishes and reaffirms the following ad hoc committees, each to serve in an advisory capacity only and be comprised of no more than three (3)

Commissioners:

- Capital Projects Committee
- Finance and Audit Committee
- Real Estate / Property Committee

- Executive Director Evaluation Committee (annual / temporary)

Section 3. Scope and Duration.

Each ad hoc committee shall operate within a defined scope and timeframe, shall report back to the full Board with recommendations, shall have no independent decision-making authority, and shall expire annually unless extended by Board action or dissolved upon completion of its assigned purpose.

Section 4. Effective Date of Resolution.

This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the City of Madera this 20<sup>th</sup> day of April 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Chair Anita Evans

ATTEST:

---

Executive Director  
Blanca Mendoza-Navarro

Giselle Flores, Clerk for the Housing Authority of the City of Madera, herein attests or certifies, as a witness to a board meeting held on April 20<sup>th</sup>, 2026, and swears or confirms, that the foregoing information in this resolution is true and correct and has not been altered or amended.

By: \_\_\_\_\_  
Giselle Flores  
Executive Assistant

Approved as to Legal Form:

---

Megan Crouch, Legal Counsel



## Housing Authority of the City of Madera

### **BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-3

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Megan Crouch, General Counsel

**DATE:** May 7, 2026

**SUBJECT:** RESOLUTION NO. 1354 OF THE HOUSING AUTHORITY OF THE CITY OF MADERA  
APPOINTMENT OF BOARD MEMBERS TO MADERA AFFORDABLE HOUSING CORPORATION  
NON-PROFIT TO FILL VACANCIES AND EXTEND CURRENT TERMS

---

#### **EXECUTIVE SUMMARY:**

The Board of Commissioners previously established a non-profit named Madera Affordable Housing Corporation (“MAHC”). Currently, Chair Anita Evans and Commissioner Elsa Mejia are members of the Board of Directors for MAHC with terms expiring on May 16, 2026. However, two of the five seats on the Board of Directors for MAHC remain vacant.

In order for the Board of Directors to remain up and running, the Board of Commissioners need to discuss who they would like to appoint to the two vacant seats on the Board of MAHC. Additionally, the Board of Commissioners should consider whether to extend Chair Evans and Commissioner Mejia’s seats for an additional three years as well to ensure those seats do not become vacant in May. Mattie Mendez currently sits on the Board as well, but her seat expires on May 16, 2026. Ms. Mendez has stated that she is willing to continue to serve on the Board.

At the previous Council meeting, Commissioner Montes was nominated to serve on the Board. Additionally, Cindy Wilson and Monica Bravo were nominated by the Board of Commissioners. All have accepted their nominations.

Up for consideration tonight, the Board must decide two things:

- 1) Which nominees would it like to appoint to the two vacant board positions?
- 2) How would it like to fill the three seats that will become vacant on May 16, 2026.

#### **RECOMMENDATION:**

Staff recommends the Board appoint members to fill the two (2) vacancies on the MAHC Board and appoint members to fulfill the seats that will expire on May 16, 2026.





## Housing Authority of the City of Madera

### **FISCAL IMPACT:**

There is no fiscal impact.





## Housing Authority of the City of Madera

### **BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-4

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** RESOLUTION #1355 OF THE HOUSING AUTHORITY OF THE CITY OF MADERA, CONSIDERATION OF ADOPTING UPDATED PROCUREMENT POLICY TO COMPLY WITH CURRENT FEDERAL AND STATE PROCUREMENT RULES.

---

#### **EXECUTIVE SUMMARY:**

The purpose of this memo is to request approval from the Board of Commissioners to approve the updates to the Procurement Policy to ensure compliance with the current federal procurement standards, HUD regulations and recent procurement related regulatory updates.

Federal procurement requirements applicable to public housing agencies have evolved significantly under:

- 2 CFR Part 200 (Uniform Guidance)
- HUD Procurement Handbook 7460.8 REV-2/REV-3 guidance
- HUD Section 3 regulations under 24 CFR Part 75
- Build America, Buy America Act (BABA)

The proposed Procurement Policy modernizes HACM's procurement procedures, strengthens internal controls, improves audit readiness, and supports future capital improvement and development activities.

#### **PROPOSED CHANGES:**

The updated Procurement Policy includes the following significant revisions and enhancements:

1. Federal Threshold Updates
  - Updated procurement thresholds to align with current federal standards, including:
    - a. Micro-purchase threshold provisions
    - b. Simplified Acquisition Threshold (SAT) of \$350,000
2. Strengthened Micro-Purchase Controls
  - Added written justification requirements for any increase above the standard micro-purchase





## Housing Authority of the City of Madera

threshold

- Added Executive Director approval and annual review requirements for elevated thresholds

### 3. Procurement Planning Requirements

- Added formal procurement planning requirements aligned with:
  - a. Capital Fund Program (CFP)
  - b. Modernization activities
  - c. Development and construction projects

### 4. Enhanced Cost Controls

- Expanded Independent Cost Estimate (ICE) requirements
- Strengthened cost and price analysis documentation requirements

### 5. Contract Administration Enhancements

- Added contractor performance monitoring standards
- Added inspection and deliverable verification requirements
- Added procedures addressing contractor non-performance
- Expanded procurement file documentation standards

### 6. Procurement File and Audit Readiness Improvements

- Added procurement file checklist requirements, including:
  - a. ICE documentation
  - b. Quotes and proposals
  - c. Cost/price analysis
  - d. SAM.gov and HUD LDP verification
  - e. Contract modifications and closeout documentation

### 7. Section 3 Compliance Updates

- Updated policy to reflect current HUD Section 3 requirements under 24 CFR Part 75
- Added Section 3 labor-hour tracking and reporting requirements

### 8. Build America, Buy America Act (BABA)

- Added compliance requirements for federally funded infrastructure projects
- Added waiver documentation and product sourcing record requirements

### 9. Cooperative Purchasing Clarifications

- Added requirements verifying that cooperative purchasing agreements comply with 2 CFR Part 200 procurement standards

### 10. Surplus Property and Asset Disposition Controls

- Clarified procedures for disposition of surplus property
- Added Board approval requirements for disposition of significant assets exceeding the Simplified Acquisition Threshold (SAT)
- Added compliance requirements for federally funded property dispositions under 2 CFR Part 200





## Housing Authority of the City of Madera

### 11. Record Retention Updates

- Updated records retention requirements to align with 2 CFR 200.334

### 12. Appeals and Protest Procedure Clarifications

- Updated bid protest procedures and clarified HUD's limited role in procurement protests

### **RECOMMENDATION:**

Staff recommends that the Board of Commissioners approve the attached Resolution to approve the updated changes to the Procurement Policy.

The update to the policy strategically positions HACM to:

- Maintain compliance with HUD procurement requirements
- Improve operational efficiency and internal controls
- Strengthening procurement transparency and accountability
- Support future modernization, development, and capital activities
- Improve readiness for HUD reviews and independent audits

### **FISCAL IMPACT:**

There is no direct fiscal impact associated with adoption of the updated policy. Adoption of the revised policy strengthens HACM's eligibility for continued federal funding and reduces potential audit and compliance risk.

### **ATTACHMENTS:**

1. Updated Procurement Policy



**RESOLUTION NO. 1355**

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MADERA  
UPDATING THE PROCUREMENT POLICY FOR THE HOUSING AUTHORITY OF  
THE CITY OF MADERA**

**RECITALS**

A. **WHEREAS**, the Housing Authority of the City of Madera (the “Housing Authority”), adopted Resolution No. 196 on December 15, 1980, which adopted a Procurement Policy for the Housing Authority in accordance with the requirements of the U.S. Department of Housing and Urban Development (“HUD”);

B. **WHEREAS**, the Housing Authority adopted Resolution No. 1298 on July 10, 2024, to update said Procurement Policy; and

C. **WHEREAS**, the Housing Authority wishes to further update its Procurement Policy to ensure continued compliance with HUD and its conforming regulations;

**NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MADERA DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of the 2026 Updates to the Housing Authority’s Procurement Policy. The Housing Authority’s Board of Commissioners has considered and herein approves the updates to the Procurement Policy.

Section 3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the City of Madera this 13<sup>th</sup> day of May 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair Anita Evans

ATTEST:

\_\_\_\_\_  
Executive Director  
Blanca Mendoza-Navarro

I, Giselle Flores, Executive Administrative Assistant to the Executive Director for the Housing Authority of the City of Madera herein attests or certifies, as a witness to a board meeting held on May 13, 2026, and swears or confirms, that the foregoing information in this resolution is true and correct and has not been altered or amended.

By: \_\_\_\_\_  
Giselle Flores  
Executive Administrative Assistant

Approved as to Legal Form:

\_\_\_\_\_  
Megan Crouch, Legal Counsel

## Housing Authority of the City of Madera

Adopted: 12/15/80	<b>PROCUREMENT POLICY</b>	Resolution #: <del>1298</del>
Revision #: 8		Revision Date: 07/10/2024

### Table of Contents

Section	Description	Page
<b>1.0</b>	<b>Introduction</b>	<b>3</b>
1.1	General	3
<b>2.0</b>	<b>General Provisions</b>	<b>3</b>
2.1	General	3
2.2	Application	3
2.3	Definition	3
2.4	Exclusions	3
2.5	Changes in Laws and Regulations	4
2.6	Public Access to Procurement Information	4
<b>3.0</b>	<b>Ethics in Public Contracting</b>	<b>4</b>
3.1	General	4
3.2	Conflict of Interest	4
3.3	Gratuities, Kickbacks, and Use of Confidential Information	4
3.4	Prohibition Against Contingent Fees	4
<b>4.0</b>	<b>Procurement Planning</b>	<b>5</b>
4.1	General	5
<b>5.0</b>	<b>Procurement Methods</b>	<b>5</b>
5.1	Petty Cash Purchases	5
5.2	Small Purchase Procedures	5
5.3	Scaled Bids	6
5.4	Competitive Proposals	7
5.5	Nonecompetitive Proposals	8
5.6	Cooperative Purchasing/Intergovernmental Agreements	10
<b>6.0</b>	<b>Independent Cost Estimate (ICE)</b>	<b>10</b>
6.1	General	10
<b>7.0</b>	<b>Cost and Price Analysis (CPA)</b>	<b>10</b>
7.1	General	10
<b>8.0</b>	<b>Solicitation and Advertising</b>	<b>11</b>
8.1	Method of Solicitation	11
8.2	Time Frame	11
8.3	Form	12
8.4	Time Period for submission of Bids	12
8.5	Cancellation of Solicitations	12
8.6	Credit (or Purchasing) Cards	13

**Table of Contents (con'd)**

Section	Description	Page
<b>9.0</b>	<b>Bonding Requirements</b>	<b>13</b>
9.1	General	13
<b>10.0</b>	<b>Contractor Qualifications and Duties</b>	<b>14</b>
10.1	Contractor Responsibility	14
10.2	Suspension and Debarment	15
10.3	Vendor Lists	15
<b>11.0</b>	<b>Contract Pricing Arrangements</b>	<b>15</b>
11.1	Contract Types	15
11.2	Options	15
<b>12.0</b>	<b>Contract Clauses</b>	<b>16</b>
12.1	Contract Pricing Arrangements	16
12.2	Required Forms	16
12.3	Required Contract Clauses	16
<b>13.0</b>	<b>Contract Administration</b>	<b>16</b>
13.1	General	16
<b>14.0</b>	<b>Specifications</b>	<b>16</b>
14.1	General	16
14.2	Limitation	16
<b>15.0</b>	<b>Appeals and Remedies</b>	<b>17</b>
15.1	General	17
15.2	Informal Appeals Procedure	17
15.3	Formal Appeals Procedure	17
<b>16.0</b>	<b>Assistance to Small and Other Businesses</b>	<b>17</b>
16.1	Required Efforts	17
16.2	Goals	18
16.3	Definitions	18
<b>17.0</b>	<b>Board Approval of Procurement Actions</b>	<b>19</b>
17.1	Authority	19
<b>18.0</b>	<b>Delegation of Contracting Authority</b>	<b>19</b>
18.1	Delegation	19
18.2	Procedures	19
<b>19.0</b>	<b>Documentation</b>	<b>19</b>
19.1	Required Records	19
19.2	Level of Documentation	20
19.3	Record Retention	20
<b>20.0</b>	<b>Disposition of Surplus Property</b>	<b>20</b>
20.1	General	20
<b>21.0</b>	<b>Funding Availability</b>	<b>20</b>
21.1	General	20
21.2	American Recovery and Reinvestment Act (ARRA)	20
	Table: History Procurement Policy	20

**TABLE OF CONTENTS**

<b>1.0 INTRODUCTION</b>	<b>5</b>
<b>2.0 GENERAL PROVISIONS</b>	<b>5</b>
2.1 General	5
2.1.1 – 2.1.5 Procurement System Requirements	5
2.2 Application	5
2.3 Definition	5
2.4 Exclusions	5
2.5 Changes in Laws and Regulations	6
2.6 Public Access to Procurement Information	6
<b>3.0 ETHICS IN PUBLIC CONTRACTING</b>	<b>6</b>
3.1 General	6
3.2 Conflicts of Interest	6
3.3 Gratuities, Kickbacks, and Confidential Information	6
3.4 Prohibition Against Contingent Fees	6
3.5 Sanctions	7
<b>4.0 PROCUREMENT PLANNING</b>	<b>7</b>
4.1 General Requirements	7
<b>5.0 PROCUREMENT METHODS</b>	<b>7</b>
5.1 Methods of Payment	7
A. Petty Cash Purchases	7
B. Purchase Cards	7
5.2 Purchase Procedures	8
A. Micro-Purchase Thresholds	8
B. Small Purchases (Simplified Acquisitions)	8
C. Competition & Purchasing Requirements	9
5.3 Sealed Bids (IFB)	9
5.3.1 Conditions for Use	9
5.3.2 Solicitation & Receipt of Bids	9
5.3.3 Bid Opening & Award	10
5.3.4 Mistakes in Bids	10
5.4 Competitive Proposals (RFP)	10
5.4.1 Conditions for Use	10

---

5.4.2 Form of Solicitation	10
5.4.3 Evaluation	11
5.4.4 Negotiations	11
5.4.5 Award	12
5.4.6 A/E Services (Qualifications-Based Selection)	12
5.5 Noncompetitive Proposals	12
5.5.1 Conditions for Use	12
5.5.2 Justification Requirements	12
5.6 Cooperative Purchasing / Intergovernmental Agreements	13
<b>6.0 INDEPENDENT COST ESTIMATE (ICE)</b>	<b>13</b>
6.1 General Requirements	13
<b>7.0 COST AND PRICE ANALYSIS (CPA)</b>	<b>14</b>
7.1 General Requirements	14
7.1.1 Petty Cash & Micro-Purchases	14
7.1.2 Small Purchases	14
7.1.3 Sealed Bids	14
7.1.4 Competitive Proposals	14
7.1.5 Contract Modifications	14
<b>8.0 SOLICITATION AND ADVERTISING</b>	<b>15</b>
8.1 Method of Solicitation	15
8.2 Time Frame	15
8.3 Form of Solicitation Notice	15
8.4 Submission Time Periods	15
8.5 Cancellation of Solicitations	16
8.5.1 – 8.5.6 Cancellation Conditions	16
8.6 Credit (Purchasing) Cards	17
<b>9.0 BONDING REQUIREMENTS</b>	<b>17</b>
9.1 General	17
9.1.1 Bid Bonds	17
9.1.2 Payment Bonds	17
<b>10.0 CONTRACTOR QUALIFICATIONS AND DUTIES</b>	<b>18</b>

---

10.1 Contractor Responsibility	18
10.1.1 Responsibility Criteria	18
10.1.2 Non-Responsibility Determinations	18
10.2 Suspension & Debarment	18
10.3 Vendor Lists	19
<b>11.0 CONTRACT PRICING ARRANGEMENTS</b>	<b>19</b>
11.1 Contract Types	19
11.2 Options	19
<b>12.0 CONTRACT CLAUSES</b>	<b>20</b>
12.1 Contract Pricing Arrangements	20
12.2 Required HUD Forms	20
12.3 Required Federal Contract Clauses	20
<b>13.0 CONTRACT ADMINISTRATION</b>	<b>20</b>
13.1 General Requirements	20
(Including cost-principle compliance under 2 CFR Part 200 Subpart E)	
<b>14.0 SPECIFICATIONS</b>	<b>20</b>
14.1 General	20
14.2 Limitations on Specifications	20
<b>15.0 APPEALS AND REMEDIES</b>	<b>21</b>
15.1 General	21
15.2 Informal Appeals Procedure (≤ SAT)	21
15.3 Formal Appeals Procedure (> SAT)	21
15.3.1 Bid Protests	21
15.3.2 Contractor Claims	21
<b>16.0 ASSISTANCE TO SMALL AND OTHER BUSINESSES</b>	<b>22</b>
16.1 Required Efforts	22
16.2 Participation Goals	22
16.3 Definitions	23
<b>17.0 BOARD APPROVAL OF PROCUREMENT ACTIONS</b>	<b>23</b>
17.1 Authority	23
<b>18.0 DELEGATION OF CONTRACTING AUTHORITY</b>	<b>23</b>

---

18.1 Delegation	23
18.2 Procedures	24
<b>19.0 DOCUMENTATION</b>	<b>24</b>
19.1 Required Records	24
19.2 Level of Documentation	24
19.3 Record Retention Requirements	24
<b>20.0 DISPOSITION OF SURPLUS PROPERTY</b>	<b>25</b>
20.1 General	25
<b>21.0 FUNDING AVAILABILITY</b>	<b>25</b>
21.1 General	25
21.2 Build America, Buy America Act (BABA) Requirements	25
<b>History – Procurement Policy Revisions</b>	<b>26</b>

## 1.0 INTRODUCTION

**General.** Established for the Housing Authority of the City of Madera (hereinafter “HACM”) by Action of ~~the~~ HACM Board of Commissioners (Board) on February 13, 2008, this Procurement Policy (Policy) complies with the Annual Contributions Contract (ACC) between ~~the~~ HACM and the United States Department of Housing and Urban Development (HUD), Federal Regulations at 24 CFR ~~85.36~~ Part 200 (Uniform Guidance), including ~~and~~ 2 CFR ~~§200.317 through §200.327~~, the procurement standards of the Procurement Handbook for Public Housing Authorities (PHAs), HUD Handbook 7460.8, REV 23 and applicable State and Local laws.

This procurement Policy has been reviewed and updated to reflect applicable federal, HUD, State, and local procurement requirements in effect for calendar years 2025 and 2026.

## 2.0 GENERAL PROVISIONS

### 2.1 **General.** ~~The~~ HACM shall:

- 2.1.1 Provide for a procurement system of quality and integrity,
- 2.1.2 Provide for the fair and equitable treatment of all persons or firms involved in purchasing by ~~the~~ HACM,
- 2.1.3 Ensure that supplies and services (including construction) are procured efficiently, effectively and at the most favorable and valuable prices available to ~~the~~ HACM.;
- 2.1.4 Promote competition in contracting, and
- 2.1.5 Assure that HACM purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State and local laws.

2.2 **Application.** This Policy applies to all procurement actions undertaken by ~~the~~ HACM, regardless of the source of funds, except as noted under “exclusions” below. However, nothing in this Policy shall prevent ~~the~~ HACM from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

2.3 **Definition.** The term “procurement,” as used in this Policy, includes the procuring, purchasing, leasing or renting of: (1) goods, supplies, equipment and materials, (2) construction, maintenance and consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

- 2.4 **Exclusions.** This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program or non-program income; (e.g., fee-for-service revenue); under 24 CFR Part 990. These excluded areas are subject to applicable State and local requirements.
- 2.5 **Changes in Laws and Regulations.** In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.
- 2.6 **Public Access to Procurement Information.** Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the California ~~Freedom-Public Recordsof Information~~ Act ([Gov. Code 7920.000 et seq.](#)).

### 3.0 ETHICS IN PUBLIC CONTRACTING

- 3.1 **General.** ~~The~~ HACM hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct, ~~ete-including standards governing ethical behavior, conflicts of interest, procurement integrity, and professional conduct,~~ is consistent with applicable Federal, State ~~and/or~~ local law.
- 3.2 **Conflicts of Interest.** No employee, officer, Board member, or agent of ~~the~~ HACM shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, financial or otherwise, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:
- 3.2.1 An employee, officer, Board member or agent involved in making the award;<sup>5</sup>
- 3.2.2 His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister);<sup>5</sup>
- 3.2.3 His/her partner;<sup>5</sup> or
- 3.2.4 An organization which employs or is negotiating to employ;<sup>7</sup> or has an arrangement concerning prospective employment of any of the above.
- 3.3 **Gratuities, Kickbacks, and Use of Confidential Information.** No officer, employee, Board member or agent of ~~the~~ HACM shall ask for or accept gratuities, favors, or items of more than nominal value (i.e. inexpensive hat with logo) from any contractor, potential

contractor or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

- 3.4 Prohibition Against Contingent Fees.** Contractors wanting to do business with ~~the~~ HACM must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

**3.5 Sanctions.** The Executive Director and the Board of Commissioners are responsible for establishing sanctions for violation of the ethical standards. HACM may impose any one or more of the following:

3.5.1 Oral or written warnings or reprimands,

3.5.2 Suspension with or without pay for specified period,

3.5.3 Termination of employment, and/or

3.5.4 Dismissal from the official or agency position.

#### **4.0 PROCUREMENT PLANNING**

- 4.1 General.** Planning is essential to managing the procurement function properly. Hence, ~~the~~ HACM will periodically review its record of prior purchases, as well as future needs, to:

**4.1.1** Find patterns of procurement actions that could be performed more efficiently or economically,

**4.1.2** Maximize competition and competitive pricing among contracts and decrease ~~the~~ HACM's procurement costs,

**4.1.3** Reduce HACM administrative costs,

**4.1.4** Ensure that supplies and services are obtained without any need for re-procurement (e.g., resolving bid protests), and

**4.1.5** Minimize errors that occur when there is inadequate lead-time.

**4.1.6** HACM shall develop and maintain an annual procurement plan aligned with its Capital Fund Program (CFP), operating needs and any development or modernization activities. This plan shall be used to promote efficiency, competition and compliance with federal requirements."

Consideration should be given to storage, security and handling requirements when planning the most appropriate purchasing actions.

## 5.0 PROCUREMENT METHODS

### 5.1 Methods of Payment

A. Petty Cash Purchases. The Executive Director may administratively adjust the petty cash limit, provided it does not exceed applicable micro-purchase thresholds and internal controls are maintained. The ED shall establish a petty cash limit by administrative procedure. Purchases under \$50 may be handled through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period (e.g., one month). For all Petty Cash Accounts, ~~the~~ HACM shall ensure that security is maintained, and only authorized individuals have access to the account. These accounts shall be reconciled monthly and replenished periodically as needed based on documented expenditure.

B. Purchase Cards. All purchase card transactions must comply with the procurement standards in 2 CFR 200.320, including micro-purchase thresholds, documentation requirements and price reasonableness determination. A purchase card may only be used after the procurement method has been followed. The card is not a substitute for procurement.

General requirements:

- Purchase cards (e.g., credit or debit cards) may be used only as a payment tool for approved HACM purchases, and only by the assigned cardholder.
- Use of a purchase card does not exempt staff from following required procurement procedures for micro-purchases or other informal procurement methods.
- Purchase cards may be used to reduce administrative costs associated with completing small transactions, but only when used properly and within established limits.

All purchase card transactions must be supported by receipts and reconciled monthly. Personal use is strictly prohibited.

5.2 ~~Small~~ Purchase Procedures. HACM may use informal procurement methods only when the total value of the supplies, services, or construction does not exceed the Federal Simplified Acquisition Threshold (SAT), currently \$350,000, as adjusted by OMB.

Informal procurement methods include micro-purchases and small (simplified) purchases, each of which has its own separate dollar threshold under federal regulation. The SAT applies only to small (simplified) purchases and does not apply to micro-purchases.

HACM may adopt lower internal thresholds, as permitted by state or local law, but may not exceed federally prescribed maximums established under 2 CFR 200.320.

A. Micro-Purchase Thresholds

Base micro-purchase threshold is \$10,000. PHA may increase to \$50,000 with internal justification. FAR thresholds do not control PHA procurement. HACM adopts the following standards:

- For construction, maintenance, or repair subject to Davis-Bacon and Related Acts, HACM shall follow applicable labor standards. [Micro-purchase threshold remains governed by 2 CFR 200.320].
- HACM may adopt a micro-purchase threshold above \$10,000, up to \$50,000, but only when permitted under:
  - 2 CFR 200.320(a)(1)(iv) – allowing increases up to \$50,000, or
  - 2 CFR 200.320(a)(1)(v) – allowing increases above \$50,000 when certain regulatory criteria are met.

**Commented [DD1]:** Davis-Bacon (\$2,000) is no longer a federal requirement after the 2022 UG rewrite.

If HACM establishes a higher micro-purchase ceiling, it must retain written justification explaining that it would be impractical or unreasonable to obtain competition for the item or service, consistent with 2 CFR 200.320. All micro-purchases must be priced reasonably, equitably distributed among qualified suppliers, and documented appropriately. HACM shall maintain a standard micro-purchase threshold of \$10,000. Any increases above this threshold must be supported by written justification demonstrating that it is impractical or unreasonable to obtain competition. Such justification must be approved by the Executive Director, documented in the procurement file, and reviewed no less than annually. For any amounts above the Micro Purchase ceiling, but not exceeding \$150,000, the HACM may use Small Purchase Procedures. Under Small Purchase Procedures, the HACM shall obtain a reasonable number of quotes (preferably three); however, for purchases of less than \$50,000, also known as Micro Purchases, only one quote is required, provided the quote is considered reasonable (NOTE: The Micro Purchase Threshold pertaining to construction is \$2,000). To the greatest extent feasible and to promote competition, small purchases should be distributed among qualified sources. Quotations for Small Purchases (QSP), or quotes, may be obtained orally (either in person or by phone), by fax, in writing or through e-procurement. Award shall be made to the responsive and responsible vendor that submits the lowest cost to the HACM. If the award is to be made for reasons other than the lowest price, documentation shall be provided in the contract file.

B. Small Purchases (Simplified Acquisitions)

Small purchases procedures apply to procurement transactions above the micro-purchase threshold and up to the PHA's Simplified Acquisition Threshold (SAT). The current SAT is \$350,000, and HACM adopts \$350,000, as amended, as its small-

purchasing ceiling; this limit changes. HACM may use a lower limit when required by state and local law, but it may not exceed the Federal maximum.

For small purchases, HACM must obtain competitive price quotes from an adequate number of qualified sources. HUD defines “adequate competition” as obtaining at least three (3) responsible quotations, when available. Price reasonableness must be documented in the procurement file.

These procedures allow HACM to procure mid-range items efficiently while maintaining competition and compliance with 2 CFR 200.320(a)(2).

### C. Competition and Purchasing Requirements

Micro-purchases may be awarded without competitive quotations when the Contracting Officer determines the price is reasonable based on research, experience, or prior purchases. Documentation of this determination must be included in the procurement file.

Small Purchases/Simplified Acquisitions require solicitation of competitive quotes. HACM’s Procurement Policy must clearly state that what it considers “adequate competition,” with HUD requiring no fewer than three sources.

Bid Splitting is prohibited. HACM may not divide a larger procurement into smaller transactions simply to remain under micro-purchase or simplified acquisition thresholds. Formal procurement methods must be used whenever total value exceeds the SAT.

Exception: HACM may break larger requirement into smaller parts solely to expand opportunities for small, minority-owned, women-owned, veteran-owned, and labor surplus-area businesses. When using this exception, the Contracting Officer must document the justification in the contract file.

~~The HACM shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to: (1) permit use of the small purchase procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.~~

- 5.3 Sealed Bids.** Sealed bidding, also known as Invitation for Bids (IFB), shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals, or non-competitive proposals, as these terms are defined in Section 5.4 of this Policy. Under sealed bids, the HACM publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsive and responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed \$~~150~~350,000.00. (Exception: The RFP method under Section 5.4 of this Policy may be used to procure such non-complex service contracts if it is determined, in writing, to be in the best interests of the HACM to do so).

- 5.3.1 Conditions for Using Sealed Bids.** ~~The~~HACM shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.
- 5.3.2 Solicitation and Receipt of Bids.** An IFB is issued which includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place for both receiving the bids and the public bid opening. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.
- 5.3.3 Bid Opening and Award.** Bids ~~shall~~should be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, which shall then be made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, an award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis.
- 5.3.4 Mistakes in Bids.** Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document, but the intended bid is unclear, or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of ~~the~~HACM or fair competition shall not be permitted.
- 5.4 Competitive Proposals (RFP's).** Unlike sealed bidding, the competitive proposal method, also known as Request For Proposals (RFP), permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that

represents the best overall value to ~~the~~HACM, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.

- 5.4.1 Conditions for Use.** Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold. As detailed within Section 7.2.B of HUD Procurement Handbook 7460.8 REV 23, “Only under limited circumstances would construction services be procured by competitive proposals.”
- 5.4.2 Form of Solicitation.** Other than A/E services, developer-related services, and energy performance contracting, competitive proposals shall be solicited through the issuance of an RFP. The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. ~~The~~ HACM shall assign price a specific weight in the evaluation factors, or ~~the~~ HACM may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.
- 5.4.3 Evaluation.** The proposals shall be evaluated only on the factors stated in the RFP. Where not apparent from the evaluation factors, ~~the~~HACM shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.
- 5.4.4 Negotiations.** Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be given any information about any other offeror’s proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between ~~the~~HACM and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to

price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal and shall be conducted by the contracting officer with each offeror within the competitive range. The primary object of discussions is to maximize ~~the~~ HACM's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The contracting officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as cost, price, technical approach, past performance, and terms and conditions) that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the contracting officer's judgment. The contracting officer may inform an offeror that its price is considered by ~~the~~ HACM to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price that ~~the~~ HACM's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower their price) is prohibited.

**5.4.5 Award.** After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to ~~the~~ HACM provided that the price is within the maximum total project budgeted amount established for the specific property or activity.

**5.4.6 A/E Services.** ~~The~~ HACM may contract for A/E services using Qualifications-based Selection (QBS) procedures, utilizing a Request For Qualifications (RFQ). Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures ~~shall~~should not be used to purchase other types of services, other than Energy Performance Contracting and Developer services, though architectural/engineering firms are potential sources.

## 5.5 Noncompetitive Proposals.

**5.5.1 Conditions for Use.** Procurement by noncompetitive proposals (sole-source or single-source) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:

- 5.5.1.1 The item is available only from a single source, based on a good faith review of available sources.
  - 5.5.1.2 An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the HACM, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency.
  - 5.5.1.3 HUD authorizes the use of noncompetitive proposals or
  - 5.5.1.4 After solicitation of a number of sources, competition is determined inadequate.
- 5.5.2 **Justification.** Each procurement based on noncompetitive proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency emergencies or sole-source procurements. The justification, to be included in the procurement file, should include the following information:
- 5.5.2.1 Description of the requirement,
  - 5.5.2.2 History of prior purchases and their nature (competitive vs. noncompetitive),
  - 5.5.2.3 The specific exception in 2 CFR 200.320(f)(1)-(4) which applies,
  - 5.5.2.4 Statement as to the unique circumstances that require award by noncompetitive proposals,
  - 5.5.2.5 Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.),
  - 5.5.2.6 Statement as to efforts that will be taken in the future to promote competition for the requirement
  - 5.5.2.7 Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer), and

5.5.2.8 Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

5.6 **Cooperative Purchasing/Intergovernmental Agreements.** ~~The~~HACM may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment and other relevant terms and conditions. ~~The~~HACM may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with 2 CFR 200.317 ~~through~~ 200.327. HACM shall document that the originating agency's procurement complied with 2 CFR procurement standards prior to utilizing any cooperative purchasing agreement.

## 6.0 **INDEPENDENT COST ESTIMATE (ICE)**

6.1 **General.** For all purchases above the Micro-Purchase ~~T~~hreshold, ~~the~~HACM shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

## 7.0 **COST AND PRICE ANALYSIS (CPA)**

7.1 **General.** ~~The~~ HACM shall require assurance that, before entering into a contract, including contract modification, the price is reasonable, in accordance with the following instructions.

Price Analysis – used when comparing lump-sum prices in competitive situations (e.g., sealed bids).

Cost analysis – requires evaluating labor, materials, overhead, profit, and other cost elements in detail. It is required when price competition does not exist, such as:

- Competitive proposal/negotiated procurements (A/E, consulting, professional services)
- Sole source procurements.
- Only one bid received, especially if it differs from the independent estimate.

- 7.1.1 **Petty Cash and Micro Purchases.** No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.
- 7.1.2 **Small Purchases.** A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, comparison to the ICE or any other reasonable basis.
- 7.1.3 **Sealed Bids.** The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where ~~the~~ HACM cannot reasonably determine price reasonableness, ~~the~~ HACM must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.
- 7.1.4 **Competitive Proposals.** The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient proposals are not received, ~~the~~ HACM must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, ~~the~~ HACM must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.
- 7.1.5 **Contract Modifications.** A cost analysis, consistent with federal guidelines, ~~shall~~must be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$~~100,000~~350,000.

## 8.0 SOLICITATION AND ADVERTISING

### 8.1 Method of Solicitation.

- 8.1.1 **Petty Cash and Micro Purchases.** ~~The~~ HACM may contact only one source if the price is considered reasonable.
- 8.1.2 **Small Purchases.** Quotes may be solicited orally, through fax, E-Procurement or by any other reasonable method.

- 8.1.3 Sealed Bids and Competitive Proposals.** Solicitation must ~~be done~~ be carried out publicly. ~~The~~ HACM must use one or more of the following solicitation methods provided that the method employed provides for meaningful competition.
- 8.1.3.1** Advertising in newspapers or other print mediums of local or general circulations.
  - 8.1.3.2** Advertising in various trade journals or publications (for construction).
  - 8.1.3.3** E-Procurement. ~~The~~ HACM may utilize electronic procurement platforms to facilitate competitive solicitations. conduct its public procurements through the Internet using e-procurement systems. However, all ~~electronic-~~ procurements platforms must otherwise be in compliance with 2 CFR 200.317 ~~through~~ 200.327, State and local requirements and the Authority's procurement policy.
- 8.2 Time Frame.** For purchases of more than ~~\$150,000~~ \$50,000, the public notice should run not less than once each week for two consecutive weeks, which is a PHA approach (Federal rules (FAR 5.203) generally require 15 days before issuance of a solicitation, and 30 days minimum response time for contracts above SAT).
- 8.3 Form.** Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact that can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).
- 8.4 Time Period for Submission of Bids and Proposals.** A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.
- 8.5 Cancellation of Solicitations.**
- 8.5.1** An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:
    - 8.5.1.1** The supplies, services or construction is no longer required;
    - 8.5.1.2** The funds are no longer available,
    - 8.5.1.3** Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best, or
    - 8.5.1.4** Other similar reasons.

- 8.5.2** A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
- 8.5.2.1** The supplies or services (including construction) are no longer required,
  - 8.5.2.2** Ambiguous or otherwise inadequate specifications were part of the solicitation,
  - 8.5.2.3** All factors of significance to ~~the~~HACM were not considered,
  - 8.5.2.4** Prices exceed available funds, and it would not be appropriate to adjust quantities to come within available funds,
  - 8.5.2.5** There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive or may have been submitted in bad faith, or
  - 8.5.2.6** For good cause of a similar nature when it is in the best interest of ~~the~~HACM.
- 8.5.3** The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
- 8.5.4** A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.
- 8.5.5** If all otherwise acceptable bids received in response to an IFB are at unreasonable prices an analysis should be conducted to see if there is a problem in either the specifications or ~~the~~HACM's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either
- 8.5.5.1** Re-solicit using an RFP, or
  - 8.5.5.2** Complete the procurement by using the competitive proposal method. The Contracting Officer must determine, in writing, that such an action is appropriate, must inform all bidders of ~~the~~HACM's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
- 8.5.6** If problems are found with the specifications, ~~the~~HACM should cancel the solicitation, revise the specifications and re-solicit using an IFB.

**8.6 Credit (or Purchasing) Cards.** Credit card usage should follow the rules for all other small purchases. For example, the Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card. When using credit cards, ~~the~~ HACM shall adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards). Reference is made to HACM's Credit Card Policy adopted pursuant to Board Resolution No. 1284 which includes safeguards.

## 9.0 BONDING REQUIREMENTS

**9.1 General.** The standards under this section apply to construction or facility improvement contracts that exceed Simplified Acquisition Threshold (currently at \$100,000350,000). There are no bonding requirements for small purchases or for competitive proposals. ~~The~~ HACM ~~may~~ will require appropriate bid guarantees, performance bonds, payment bonds or HUD-approved alternatives for any construction or capital project contract meeting the applicable thresholds. These protections are mandatory and are intended to safeguard both program integrity and federal funding. in these latter circumstances when deemed appropriate; h However, non-construction contracts should generally not require bid bonds.

**9.1.1 Bid Bonds.** For construction contracts exceeding the Simplified Acquisition Threshold (SAT), \$100,000350,000, ~~offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price~~ a bid guarantee of 5% is required.

**9.1.2 Payment Bonds.** For construction or facility-improvement contracts exceeding SAT, \$100,000350,000, the successful bidder ~~shall~~ must furnish the required an- ~~assurances~~ of completion. At minimum, federal requirements mandate, under 2 CFR 200.326(b)-(c)This assurance may be any one of the following four:

**9.1.2.1** A performance ~~and payment~~ bond ~~for in a penal sum of 100% of the contract price, and or~~

**9.1.2.2** A payment bond for 100% of the contract price. Separate performance and payment bonds, each for 50% or more of the contract price; or

~~**9.1.2.3** A 20 % cash escrow; or~~

~~**9.1.2.4** A 25 % irrevocable letter of credit.~~

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State of California. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory. [HUD- approved alternatives to bonding, where applicable, may include irrevocable letters of credit or other acceptable financial assurances.](#)

## **10.-0 CONTRACTOR QUALIFICATIONS AND DUTIES**

### **10.1 Contractor Responsibility**

- 10.1.1** ~~The~~ HACM shall not award any contract until the prospective contractor; (i.e., low responsive bidder, or successful offeror), has been determined to be responsible. A responsible bidder/offeror must:
- 10.1.1.1** Have adequate financial resources to perform the contract, or the ability to obtain them;~~;~~
  - 10.1.1.2** Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all of the bidder's/offeror's existing commercial and governmental business commitments;~~;~~
  - 10.1.1.3** Have a satisfactory performance record,
  - 10.1.1.4** Have a satisfactory record of integrity and business ethics,
  - 10.1.1.5** Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;~~;~~
  - 10.1.1.6** Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them;~~;~~ and
  - 10.1.1.7** Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not being suspended, debarred or under a HUD-imposed LDP.
- 10.1.2** If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

**10.2 Suspension and Debarment.** Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (2 CFR 200.317 ~~through~~ 200.3267) or by other Federal agencies, (e.g., Department of Labor for violation of labor regulations), when necessary to protect housing authorities in their business dealings. Prior to issuance of a contract, HACM staff shall, as detailed within Section 10.2.H.1 and 10.2.H.2 of HUD Procurement Handbook 7460.8 REV 32, conduct the required searches within the HUD Limited Denial of Participation (LDP) system and the U.S. General Services Administration (GSA) System for Award Management (SAM) and place within the applicable contract file a printed copy of the results of each such search.

**10.3 Vendor Lists.** All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

## **11.0 CONTRACT PRICING ARRANGEMENTS**

**11.1 Contract Types.** Any type of contract which is appropriate to the procurement and which will promote the best interests of ~~the~~HACM may be used, **provided the cost - plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used.** All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and ~~the~~HACM. For all cost reimbursement contracts, ~~the~~HACM must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

**11.2 Options.** Options for additional quantities or performance periods may be included in contracts, provided that:

- 11.2.1 The option is contained in the solicitation,
- 11.2.2 The option is a unilateral right of ~~the~~HACM,
- 11.2.3 The contract states a limit on the additional quantities and the overall term of the contract,
- 11.2.4 The options are evaluated as part of the initial competition,
- 11.2.5 The contract states the period within which the options may be exercised,
- 11.2.6 The options may be exercised only at the price specified in or reasonably determinable from the contract, and
- 11.2.7 The options may be exercised only if determined to be more advantageous to ~~the~~HACM than conducting a new procurement.

## 12.0 CONTRACT CLAUSES

- 12.1 Contract Pricing Arrangements.** All contracts ~~should~~must identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by ~~the~~ HACM.
- 12.2 Required Forms.** Additionally, the forms HUD-5369, 5369-A, 5369-B, ~~5369~~, 5370, 5370-C, and 51915 or 51915-A, which contain all HUD-required clauses and certifications for contracts of more than ~~\$100,000~~\$350,000, as well as any forms/clauses as required by HUD for small purchases, shall be used in all corresponding solicitations and contracts issued by ~~the~~ HACM.
- 12.3 Required Contract Clauses.** ~~The~~ HACM ~~shall~~must ensure that each contract executed by ~~the~~ HACM contains the required contract clauses detailed with ~~ing~~ 2 CFR 200.317 ~~through~~ 200.3267, Appendix II.

## 13.0 CONTRACT ADMINISTRATION

- 13.1 General.** ~~The~~ HACM shall maintain a system of contract administration designed to ensure that ~~c~~contractors perform in accordance with the terms, conditions, and specifications of their contracts.

~~These systems shall: at a minimum: provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts and similar matters.~~

- Monitoring contract performance
- Verification of deliverables prior to payment
- Documentation of inspections (for construction and maintenance)
- Written performance evaluations, as applicable
- Procedures for addressing non-performance

Contract administration records shall be maintained in the procurement file.

~~For cost-reimbursement contracts, only costs are allowable only to the extent that they are consistent with the under cost principles in HUD Handbook 2210.18. 2 CFR Part 200 Subpart E may be charged.~~

## 14.0 SPECIFICATIONS

- 14.1 General.** All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying ~~the~~ HACM's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided

whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

**14.2 Limitation.** The following types of specifications shall be avoided:

- 14.2.1** Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available),
- 14.2.2** Brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).
- 14.2.3** Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

## **15.0 APPEALS AND REMEDIES**

**15.1 General.** It is HACM's policy to resolve all contractual issues informally and without litigation whenever possible. Disputes ~~will~~ shall not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, ~~the HACM may utilize a mediator mediation to help resolve differences between the parties. may be used to help resolve differences.~~

**15.2 Informal Appeals Procedure.** For procurements at or below the Simplified Acquisition threshold (SAT), currently \$350,000, as adjusted by OMB, the HACM shall adopt maintain an informal bid protest/appeal procedure, for contracts of \$100,000 or less. Under these procedures, ~~the bidder or contractor~~ may request an opportunity to meet with the appropriate Contract Officer to discuss and resolve concerns.

**15.3 Formal Appeals Procedure.** For procurements exceeding the SAT of \$350,000, the HACM A formal appeals procedure shall implement a formal appeals and bid-protest procedure as detailed below be established for solicitations/contracts of more than \$100,000.

**15.3.1 Bid Protest.** Any actual or prospective contractor may protest the solicitation or award of a contract for alleged serious violations of this Procurement Policy or applicable procurement standards, e principles of this Policy.

- Any pProtest regarding against a solicitation must be received before the due date for submission the receipt of bids or proposals,

- ~~and any protest~~ regarding against a -the contract award ~~of a contract~~ must be received within ten (10) calendar days ~~after the of the~~ contractor's receipt ~~of yes the~~ notice of ~~the contract~~ award.

~~or the All~~ protests ~~must~~ will not be considered. All bid protests shall be submitted in writing ~~, submitted~~ to the Contracting Officer or designee, who shall issue a written decision on the matter.

The Contracting Officer may, at ~~his/her/their~~ discretion, suspend the procurement pending resolution of the protest if warranted by the facts presented ~~so warrant~~.

HUD will not review bid protest unless the protest alleges a violation of Federal law or regulations.

**15.3.2 Contractor Claims.** All claims by a contractor relating to performance of a contract ~~shall must~~ be submitted in writing to the Contracting Officer for a written decision. The contractor may request a conference to discuss ~~on~~ the claim.

~~The written Contracting Officer's~~ decision shall inform the contractor of its appeal rights to the next higher level of authority in HACM. Contractor claims shall be governed by the Changes clause contained in HUD Form HUD-5370 (or the applicable HUD form for the contract type).

## 16.0 ASSISTANCE TO SMALL AND OTHER BUSINESSES

**16.1 Required Efforts.** Consistent with Presidential Executive Orders 11625, 12138, ~~and~~ 12432, and the requirements of Section 3 of the HUD Act of 1968, as implemented under 24 CFR Part 75. ~~the HACM shall make~~ all feasible efforts ~~shall be made~~ to ensure that small businesses, and minority-owned businesses, women-owned 's ~~businesses,~~ labor-surplus-area businesses, and businesses owned by or employing low-income persons have maximum practicable opportunity to participate in enterprises and other individuals or firms located in or owned in substantial part by persons residing in the area of the HACM contracting, project are used when possible. Such efforts shall include, but shall ~~not be limited to:~~ HACM and its contractor shall track and report Section 3 labor hours in accordance with 24 CFR Part 75. Compliance shall be monitored as part of contract administration.

Such efforts shall include, but are not limited to

**16.1.1** Including qualified such firms, ~~when qualified,~~ on solicitation mailing lists to promote full and open competition, consistent with 2 CFR 200.319.

**16.1.2** Encouraging ~~their~~ participation of such firms through direct solicitation ~~of bids or proposals~~ when ever they are potential sources,

- 16.1.3 Dividing ~~procurement total~~ requirements, ~~when economically feasible,~~ into smaller tasks or quantities, where economically feasible, to facilitate ~~to permit maximum~~ participation by ~~small and disadvantaged~~ ~~such~~ firms.
- 16.1.4 Establishing delivery schedules, where the requirement permits, ~~which that~~ encourage participation by ~~such small, minority-owned, women-owned and local~~ firms.
- 16.1.5 Using the services and assistance of the Small Business Administration (SBA), and the U.S. Department of Commerce Minority Business Development Agency ~~of the Department of Commerce~~ (MBDA).
- 16.1.6 ~~Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low income residents, as described in 24 CFR Part 135 (so-called Section 3 businesses); and~~ When applicable under 24 CFR Part 75, ensuring that contractors provide employment, training, or contracting opportunities to low-income persons and, to the greatest extent feasible, to Section 3 business concerns, consistent with HUD's current Section 3 labor-hour requirements.
- 16.1.7 Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.
- 16.2 **Goals.** HACM shall be periodically established periodically for participation goals for small businesses, minority-owned businesses, women-owned businesses, labor ~~surplus~~ area businesses, and Section 3 business concerns ~~in HACM prime contracts and subcontracting opportunities (as applicable under 24 CFR Part 75)~~
- 16.3 **Definitions.**
- 16.3.1 A small business is defined as a business that is independently owned, not dominant in its field of operation and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- 16.3.2 A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members or in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans and Hasidic Jewish Americans.

- 16.3.3 A women’s business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
- 16.3.4 ~~“Section 3 business” preferences no longer apply to procurements by the HACM. Under HUD’s current Section 3 regulation (24 CFR Part 75), the former business preference system under 24 CFR Part 135 no longer applies. Section 3 obligations now focus primarily on labor-hour benchmarks. Section 3 business concerns remain recognized but no longer receive automatic procurement “preference points.”~~
- 16.3.5 A labor surplus area business is defined as a business ~~which that~~, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract ~~work in a federally recognized labor-surplus area, in an area of concentrated unemployment or underemployment, as defined by the DOL in 20 CFR Part 654, Subpart A, and in the list of labor surplus areas published by the U.S. Department of Labor Employment and Training Administration.~~

## 17.0 BOARD APPROVAL OF PROCUREMENT ACTIONS

- 17.1 **Authority.** The Board appoints and delegates procurement authority to the Executive Director (ED), ~~servicing as the Contracting Officer, for all procurement actions up to the current Simplified Acquisition Threshold (SAT), which is in the amount not to exceed \$1350,000, as adjusted by OMB. The Board retains responsibility and is responsible~~ for ensuring that ~~HACM’s any~~ procurement policies and procedures adopted are appropriate ~~and compliant with applicable Federal, State, and local requirements, for the HACM.~~ All procurement actions ~~that exceeding \$1350,000~~ must have approval from the Board prior to contract award and/or contract execution.

~~Contract modifications that cause the total contract value to exceed the SAT are subject to Board approval prior to execution.~~

## 18.0 DELEGATION OF CONTRACTING AUTHORITY

- 18.1 **Delegation.** While the ED is responsible for ensuring that ~~the~~ HACM’s procurements comply with this Procurement Policy and federal procurement standards, the ED may delegate procurement authority in writing to designated staff ~~all procurement authority as is~~ necessary and appropriate to efficiently conduct the business of ~~the~~ HACM. Such delegation must remain consistent with internal controls and oversight expectations under 2 CFR 200.318.
- 18.2 **Procedures.** ~~Pursuant to Further, and in accordance with~~ this delegation of authority, the ED shall, ~~where necessary,~~ establish and maintain operational procedures (such as a procurement manual or standard operating procedures) to ensure clear, consistent implementation of this Policy.

The ED shall also establish a system of sanctions and corrective actions for violations of the ethical standards described in Section III ~~below~~, consistent with applicable Federal, State or local law.

## 19.0 DOCUMENTATION

**19.1 Required Records.** ~~The~~ HACM must maintain records sufficient to detail the significant history of each procurement action, consistent with the procurement documentation requirement of 2 CFR 200.318 - 200.319. These records shall include, but shall not necessarily be limited to, the following:

Required documentation shall include, but is not limited to:

- 19.1.1 ~~The r~~Rationale for the method of procurement (if not self-evident),
- 19.1.2 ~~The r~~Rationale of contract pricing arrangement (also if not self-evident),
- 19.1.3 ~~The r~~Reason for accepting or rejecting the bids or offers,
- 19.1.4 ~~The b~~Basis for the contract price, including cost or price analysis as applicable (as prescribed in this handbook),
- 19.1.5 A copy of ~~all executed~~the contract documents ~~awarded or issued and~~ signed by the Contracting Officer,
- 19.1.6 ~~B~~The basis for contract modifications, and
- 19.1.7 ~~Records of later~~contract administration actions, including inspections, monitoring, performance, evaluations, and related correspondence.
- 19.1.8 Procurement File Checklist – Each procurement file shall include, as applicable:
  - Independent Cost Estimate (ICE)
  - Method of procurement justification
  - Quotes, bids, or proposals received
  - Cost/price analysis documentation
  - SAM.gov and HUD LDP verification
  - Executed contract and any modifications
  - Contract administration records
  - Closeout documentation

~~19.1.7~~

**19.2 Level of Documentation.** The level of documentation ~~required shall~~ should be commensurate with the value of the procurement, consistent with internal controls and federal procurement standards.

**19.3 Record Retention.** ~~Procurement and contract-related R~~ records shall be retained ~~are to be retained~~ in accordance with 2 CFR 200.334, which requires a minimum retention ~~for a~~ period of three (3) years from the date of the final financial or expenditure report submitted to the federal agency or pass-through entity after final payment and all matters pertaining to the contract are closed.

For awards renewed quarterly or annually, the three-year period begins ~~from~~ with the submission of the quarterly or annual report, respectively.

Exceptions that extend the retention period – the three-year period must be extended when:

19.3.1 There is litigation, a claim, or audit started before the retention period expires—records must be retained until all matters are fully resolved.

19.3.2 ~~The~~ HACM is notified in writing by HUD, a pass-through entity, or a cognizant/oversight agency to extend the retention period.

19.3.3 Records related to real property or equipment purchased with federal funds—these must be retained for three years after final disposition.

19.3.4 Records relating to program income earned after the period of performance—these must be retained for three years from the end of the fiscal year in which the income was earned.

19.3.5 Records pertaining to indirect cost rate proposals, cost allocation plans, or similar accounting computations—they must be retained according to the special rules in 2 CFR 200.334(f)

## **20.0 DISPOSITION OF SURPLUS PROPERTY**

**20.1 General.** Property ~~(non-real property)~~ (non-real property) ~~no longer necessary for the HACM’s purposes~~ shall be transferred, sold, or disposed of in a manner that maximizes value and complies with all in accordance with applicable Federal, State and local laws and regulations/requirements.

The Executive Direct may authorize, transfer, trade-in, or sale of surplus non-real property when the estimated fair market value does not exceed the current Simplified Acquisition Threshold (SAT).

Disposition of surplus non-real property, exceeding the SAT, or involving vehicles, heavy equipment, or other capital assets deemed significant by HACM, shall require prior approval by the Board of Commissioners.

All dispositions shall be documented and conducted in a manner that promotes transparency, internal control, and maximum practical value to HACM.

For non-real property acquired with Federal funds, disposition must comply with 2 CFR Part 200 (including the Uniform Guidance requirements for disposal of equipment and supplies). These requirements include documenting the method of disposition and returning any required proceeds to the funding source, as applicable to the Federal award.

For property acquired with Federal funds shall comply with all applicable requirements of 2 CFR Part 200, including any required HUD notification, reimbursement, or approval thresholds.

## 21.0 FUNDING AVAILABILITY

21.1 **General.** Before initiating any procurement action or entering into any contract or modification, ~~the HACM shall verify ensure that there are sufficient funding is~~ available to cover the full -anticipated cost of the procurement, contract or modification.

21.2 **American Recovery and Reinvestment Act (ARRA) Requirements.** ~~When expending federal American Recovery and Reinvestment Act (ARRA) grant funding, the Housing Authority's Procurement Policy shall require the incorporation by reference of the Buy American Act of 2009, Part 25; CFR 24 Part 85; PIH Notice 2009 12; and HUD Handbook 7460.8 rev 2. These requirements will be set forth in all purchase orders, contracts and service agreements. In the event of any conflict between local, state and federal rules and regulations governing the Housing Authority's procurement activities, the aforementioned federal regulations shall prevail when expending ARRA and CFRC funds. All funds expended under the American Recovery and Reinvestment Act (ARRA) and Capital Fund Recovery Competition (CFRC) grant program shall adhere to these guidelines. In addition, all forms provided and referenced in HUD Handbook 7460.8 rev 2 shall be used in conjunction with the Housing Authority's procurement and contract administration procedures relative to the expenditure of ARRA and CFRC funds.~~ **Current Federal Requirement – Build America, Buy America Act (BABA)** For any current HUD funding subject to federal infrastructure requirements, HACM shall comply with the Build America, Buy America Act (BABA), enacted under the Infrastructure Investment and Jobs Act (IIJA).

HUD's phased implementation of BABA ended on August 23, 2024, meaning that all HUD Federal Financial Assistance obligated after that date is subject to BABA Buy America Preferences (BAP) unless waived.

Accordingly, when HACM expends Federal Financial Assistance (FFA) on infrastructure projects subject to the BABA, all procurement actions shall incorporate the applicable BABA requirements.

HACM shall maintain documentation demonstrating compliance with BABA requirements, including product sourcing and, where applicable, approved waivers. All BABA-related documentation shall be retained in the procurement file.

<b>History—Procurement Policy</b>		
<b>Res. #</b>	<b>Adopted</b>	
196	12/15/80	
353	1/2/90	Repealed Resol # 196
365	5/7/90	Repealed Resol #353
539	11/12/97	
793	2/13/08	
875	1/13/10	Added ARRA Requirements as Section 21.2
1156	03/11/2020	Updates to Section 1.0, 5.2, 17.0, & 17.1
1298	07/10/2024	Updates to Section 1.0, 5.2, 5.3, 5.4.1, 5.5.23, 5.6, 8.6, 10.2, 12.3, 16.3 & 17.1

<b>History – Procurement Policy</b>		
<b>Res. #</b>	<b>Adopted</b>	
196	12/15/1980	-
353	1/2/1990	Repealed Reso# 196
365	5/7/1990	Repealed Reso #353
539	11/12/1997	-
793	2/13/2008	-
875	1/13/2010	Added ARRA Requirements as Section 21.2
1156	3/11/2020	Updates to Section 1.0, 5.2, 17.0, & 17.1
1298	7/10/2024	Updates to Section 1.0, 5.2, 5.3, 5.4.1, 5.5.23, 5.6, 8.6, 10.2, 12.3, 16.3 & 17.1
-	03/30/2026	Updates to Section 2.1,2.2,1.3, 2.4, 3.1, 3.2.2, 3.2.3, 3.2.4, 3.5, 5.1, 5.2, 5.3, 5.4.4, 5.4.6, 5.5.1.1, -5.5.1.3, 5.5.2, 5.6, 6.0, 7.1, 7.1.5, 8.1.3, 8.2, 8.5.1.1, 8.5.2.6, 9.0, 10.0, 12.0, 13.0, 15.0, 16.0, 17.0, 18.0, 19.0, 20.0, 21.0



## Housing Authority of the City of Madera

### **BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-5

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** INFORMATIONAL ITEM – UPDATE ON THE 2026-2027 ANNUAL AGENCY PLAN ,  
ADMINISTRATIVE PLAN (ADMIN PLAN), AND ADMISSIONS AND CONTINUED OCCUPANCY  
POLICY (ACOP)

---

#### **EXECUTIVE SUMMARY:**

The purpose of this memo is to provide the Board of Commissioners with material that will facilitate the review of the proposed changes to the 2026-2027 Public Housing Annual Plan (Agency Plans). As outlined in previous Executive Director Reports, staff has been actively updating the Agency Plans to reflect regulatory changes and agency priorities.

The Public Housing Agency (PHA) Plans serve as a comprehensive guide to the policies, programs, operations, and strategies that a housing authority implements to meet local housing needs and goals.

It consists of the three prevailing policies and administrative documents that serve as the foundational policies guiding the administration of HACM's major programs, ensuring compliance and efficiency.

1. Five-Year Plan/Annual Plans,
2. Administrative Plans,
3. Admissions and Occupancy Policies (ACOP).

#### **Five-Year Plan (2025-2029)**

The Five-Year Plan outlines the long-term vision and strategic objectives of the housing authority over a five-year period. It includes:

- **Mission Statement:** Defines the agency's commitment to providing safe, affordable housing.
- **Goals & Objectives:** Establishes priorities such as increasing affordable housing availability, improving housing quality, promoting resident self-sufficiency, and ensuring equal housing opportunities.





## Housing Authority of the City of Madera

- **Strategies:** Details specific initiatives, including development projects, rehabilitation efforts, and partnerships with other organizations.

### **Annual Plan**

The Annual Plan is a more detailed document submitted to HUD each year (except for qualified PHAs). It provides updates on progress toward the Five-Year Plan's goals and outlines specific activities for the upcoming year, including:

- **Operational Updates:** Adjustments to policies, programs, and procedures.
- **Budget & Resource Allocation:** Plans for funding utilization, including capital improvements.
- **Resident Engagement:** Strategies for involving residents in decision-making.
- **Compliance & Performance Metrics:** Ensuring adherence to HUD regulations and maintaining high performance.

### **Administrative Plan**

The Administrative Plan is a document that outlines the policies and procedures a Public Housing Authority (PHA) follows in administering the Housing Choice Voucher (HCV) program. It must:

- Be formally adopted by the PHA's Board of Commissioners.
- Align with HUD regulations and requirements.
- Cover local policies on applicant selection, voucher issuance, occupancy rules, and program administration.

### **Admissions and Continued Occupancy Policy (ACOP)**

The ACOP is an administrative plan for Public Housing programs. It serves as the Agency's written statement of policies governing:

- **Admissions:** Criteria for applicant eligibility and selection.
- **Occupancy:** Rules for continued tenancy and lease enforcement.
- **Compliance:** Ensuring adherence to federal laws, HUD regulations, and local policies.

Staff is currently updating the plans with the input from the Real Estate Ad Hoc Committee, staff, and the Resident Advisory Board in preparation for the 45-day comment period. The comment period will begin no later than May 22, 2026, and close on July 8<sup>th</sup>, 2026, during the Public Hearing portion of the July Board of Commissioners meeting. During the comment period, stakeholders may submit feedback via mail, email, online portal, or phone to ensure comprehensive engagement.

Staff reached out to all HCV participants and Public Housing residents to request participation in our Resident Advisory Board (RAB) committee. Several HCV participants have expressed interest in joining the Resident Advisory Board (RAB), and additional responses are anticipated. The first RAB meeting is scheduled for next week to review the proposed plan updates.





## Housing Authority of the City of Madera

Changes to the plans are made to reflect changes with HUD requirements, either due to HOTMA or other policy updates via HUD Public Indian Housing (PIH) notices, state and local laws, and/or staff recommendations. Attached is a summary of changes for both plans.

HACM plans to submit the Streamlined Annual PHA Plan for High Performer PHAs since continue to be designated as a High Performer.

### **RECOMMENDATION:**

The item is informational only, however open to suggestions and feedback.

### **FISCAL IMPACT:**

There is no fiscal impact as the item is informational only.





Housing Authority of the City of Madera

**BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** C-6

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** March 26, 2026

**SUBJECT:** DISCUSSION: COMMISSIONER REQUESTED ITEM TO DISCUSS THE HOUSING AUTHORITY OF THE CITY OF MADERA'S 9/80 COMPRESSED WORKWEEK

---

**EXECUTIVE SUMMARY:**

At the request of the Board of Commissioners by consensus, this item is presented for discussion regarding the Housing Authority of the City Madera's current 9/80 Compressed Workweek schedule. This item has been placed on the agenda to allow for Board discussion, feedback, and direction regarding the current work schedule.

The 9/80 Compressed was adopted by Resolution #715 on July 14, 2004, and last revised on September 11, 2013.

This item is a discussion item.

**RECOMMENDATION:**

This is a discussion item only. No action is requested at this time. Staff will take direction from the Board and return with additional information or recommendations, if requested.

**FISCAL IMPACT:**

There is no fiscal impact at this time as this is a discussion item.





Housing Authority of the City of Madera

**BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** E-1

**FROM:** Blanca Mendoza-Navarro, Executive Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** ADMINISTRATIVE REPORT

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Section 8</b>	<b>Section 8</b>											
Households Assisted	611	609	603	599								
YTD Lease Up projection	76%	76%	75%	74%								
MTD HAP Expenses	\$524,583	\$521,334	\$515,253	\$527,073								
Waiting List	269	269	269	269								
<b>Public Housing</b>	<b>Public Housing</b>											
Vacancies	3	2	2	3								
Waiting List	3,099	3,116	3,158	3,229								
Unit Turnover	0	2	2	2								
<b>Farm Labor</b>	<b>Farm Labor</b>											
Vacancies	2	0	0	0								
Waiting List	18	20	19	18								
Unit Turnover	0	2	2	0								
<b>MAINTENANCE</b>												
<b>Public Housing</b>	<b>Public Housing</b>											
Open Work Orders	70	53	115	16								
Average days	19.91	10.56	14.02	5.11								
<b>Farm Labor</b>	<b>Farm Labor</b>											
Open Work Orders	48	150	150	73								
Average days	25.46	26	26	16.72								

**April 2025 vs. April 2026 Comparison**

**Housing Choice Voucher (HCV / Section 8)**

Metric	April 2025	April 2026	YoY Change
Households Assisted	694	599	▼ 95





## Housing Authority of the City of Madera

Metric	April 2025	April 2026	YoY Change
Lease-Up Rate	86%	74%	▼ 12 pts
Monthly HAP	\$614,532	\$527,073	▼ \$87,479
Waiting List	269	269	No change

### Summary:

HCV utilization continued to decline significantly. Reduced leasing activity directly impacted households served and HAP expenditures. Waiting list remains closed and unchanged. This continues to be primarily contributed to HUD's Shortfall prevention measures. HUD recently sent the 2026 Budget Authority, and staff is reviewing to assess continued shortfall prevention measures. We are pending start up calls for HUD; however, these have not been scheduled.

### Public Housing

Metric	April 2025	April 2026	YoY Change
Vacancies	7	3	▼ 4
Waiting List	3161	3229	▲ 316
Unit Turnover	4	2	▲ 2

### Summary:

Occupancy improved; 2 turnovers in April 2026 slightly helped admissions from the waiting list despite a continued increase in demand. These numbers show the need to explore options such as Repositioning our PH portfolio, access Section 18 Blend project, and/or Rebuild and Restore to name a few.

### Farm Labor Housing

Metric	April 2025	April 2026	YoY Change
Vacancies	1	0	▼ 1
Waiting List	8	18	▲ 10
Unit Turnover	0	0	0

### Summary:

Demand increased slightly year over year while turnover declined, tightening availability with full occupancy.





## Housing Authority of the City of Madera

### Maintenance Performance

#### Public Housing Maintenance

Metric	April 2025	April 2026	YoY Change
Open Work Orders	37	16	▼ 21
Avg. Days to Complete	15.88	5.11	▼ 10.77

#### Farm Labor Maintenance

Metric	April 2025	April 2026	YoY Change
Open Work Orders	105	73	▼ 32
Avg. Days to Complete	12.12	16.72	▲ 4.6

#### Summary:

Maintenance backlogs improved substantially year over year. Farm Labor completion times remain elevated. These changes are primarily due to annual inspection have been completed generating workorders.





Housing Authority of the City of Madera

**BOARD MEMORANDUM**

**TO:** Board of Commissioners  
Housing Authority of the City of Madera

**BOARD MEETING:** May 13, 2026

**AGENDA ITEM:** F-1

**FROM:** Blanca Mendoza-Navarro, Executive  
Director

**AUTHOR:** Blanca Mendoza-Navarro, Executive Director

**DATE:** May 8, 2026

**SUBJECT:** UPDATES, COMMUNICATIONS, TRAININGS, AND AUDITS

---

**1. DEPARTMENTAL REPORTS:**

- **HCV Department**
  - The HCV Manager continues to collaborate with the VA Department to coordinate the HUD VASH program. At this time, 38 Veterans are successfully housed, 7 are actively searching for units, 3 are pending a briefing, and 8 vouchers are available for issuance.
  - The EHV program was able to process and pay for April HAP. The agency is currently receiving guidance from HUD regarding the transition of EHV families into the HCV program. Staff remain in ongoing communication with participants to provide updates, answer questions, and support them through this transition period. Community partners continue to offer support. Currently there are 17 active participants.
  - The agency is coordinating with HUD's Shortfall Prevention Team to assess current HAP utilization and implement any required cost-containment measures to avoid entering shortfall status during this fiscal year. Current status is still considered as short fall.
- **FSS** – Families are continuously being contacted and invited to enroll in the FSS program to enhance support and engagement. Currently there are 10 participants who have shown interests in joining the program
- **POMONA RANCH** - The rodent abatement program initiated addressing gophers, squirrels, and mice throughout the center, with weekly service scheduled for an eight-week period.
  - The annual inspection and testing of the fire alarm pull stations, horns, and pump were completed, resulting in a failed report and a corresponding repair estimate;





## Housing Authority of the City of Madera

OMS has already approved the use of Reserve Funds to proceed with the necessary repairs.

- All 56 fire extinguishers have been tested, certified, and are ready for the upcoming season.
- Madera Pumps repaired the high-pressure sensor on the water system, and the alarm is no longer triggering red alerts or audible warnings.
- They've continued collecting newspapers for the required seven-day advertisement run, with only one day remaining for next month.
- The mattress order has been placed, with delivery scheduled for the first week of May. Unit readiness has increased to a total of 45 units prepared for the coming season.
- Of the eight tenants who collectively owed \$840.83 from the 2025 season, we have collected \$830.83, leaving only one tenant with a remaining balance of \$10.00; a zero balance is required for return next season, and follow up calls will be made to collect the outstanding amount.
- At the last Board Meeting, the write off of \$24.36 from 2023 was approved.
- Pending items include completing the smog check for the State owned 1997 Chevy work truck, replacing ten exterior light fixtures at the rental office and shop, and coordinating repairs to a water valve located under concrete, which remains under warranty.
- **PUBLIC HOUSING** – Staff continues to work on annual certifications, and Management is continuing to monitor Federal updates as it relates to this program.
- **FARM LABOR** – Staff continues to work on annual certifications, and Management continues to monitor Federal updates as it relates to the program.
- **FINANCE** – The Finance Department received the final Fiscal Year 2025 Audited Financial Report. Staff is working with all department to assess Mid-Year Budget and any needed revisions along with preparing for the FY 2026-2027 Budget due in September 2026. Staff is also preparing deliverables needed for the various funding agencies, i.e., USDA and OMS.
- **MAINTENANCE** - The Maintenance Department continues to stay busy. Suzy Ramirez has accepted a temporary out-of-class position as Maintenance Tech II and helping out with inspections and day- to-day workorders and vacancies.





## Housing Authority of the City of Madera

- **Public Housing:** There are 4 Vacant units, 2 of which are expected to be ready to house by May 5<sup>th</sup>. One of the PH vehicles was stolen and has not been recovered.
  - **Farm Labor:** Staff continues working on annual inspection workorders along with day-to-day work orders. Farm Labor continues to be 100% occupied.
  - **Pomona Ranch:** Staff continues to prepare the property for the upcoming season. Approximately 45 units have been turned. The air condition units are being serviced this week.
  - **ADMINISTRATIVE:** Staff continues to work on updating Agencies policies and creating new ones as needed. Staff is also working on updating the Agency's Annual Plans, i.e., Administration Plan and Admissions and Continued Occupancy Plan (ACOP). These are due to HUD no later than July 17, 2026.
2. **TRAINING/CONFERENCES** – As part of continued professional development efforts, team members recently participated in specialized training programs to strengthen their knowledge and skills:
- **Public Housing:** no updates at this time.
  - **Farm Labor:** no updates at this time.
  - **HCV:** no updates at this time
  - **Maintenance** – no updates at this time.
  - **Administration:** - Administrative Staff attended the 2026 Annual California Housing Worker's Compensation Authority (CHWCA) Board of Directors Meeting at the end of April in Monterrey. Staff has been attending free webinars regarding repositioning, RAD, Faircloth to RAD trainings put on by NAHRO and has been in conversations with BDO regarding portfolio options.
  - **ASPIRE** - Yardi ASPIRE continues to upload new learning plans. Staff will continue utilizing this tool for training specifically with the Yardi program and best practices.
  - **Board of Commissioners:** The 2026 NAHRO National Conference will be held at the beginning of October 2026. This year the conference will be held in Denver CO. Staff is preparing for the FY2026-2027 budget for all Commissioners to attend this conference. Staff will be reaching out to the Board of Commissioners to obtain available to attend this conference.

