

**Yankton Housing and  
Redevelopment Commission**

**Independent Auditor's Report  
and Financial Statements**

**For the Years Ended  
June 30, 2025 and 2024**

# Yankton Housing and Redevelopment Commission

## Table of Contents

---

	Page
<b>Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b> -----	1-2
<b>Independent Auditor’s Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance</b> -----	3-5
<b>Schedule of Prior Audit Findings</b> -----	6
<b>Schedule of Current Audit Findings and Questioned Costs</b> -----	7-8
<b>Corrective Action Plan (Unaudited)</b> -----	9
<b>Independent Auditor's Report</b> -----	10-12
<b>Management Discussion and Analysis (MD&amp;A)</b> -----	13-16
<b>Fund Financial Statements</b>	
Proprietary Fund:	
Statement of Net Position -----	17
Statement of Revenues, Expenses and Changes in Net Position -----	18
Statement of Cash Flows -----	19
<b>Notes to Financial Statements</b> -----	20-28
<b>Supplementary Information</b> -----	29
Financial Data Schedules -----	30-32
Schedule of Expenditures of Federal Awards-----	33



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

Board of Commissioners  
Yankton Housing and Redevelopment Commission  
Yankton, South Dakota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, and the major fund of Yankton Housing and Redevelopment Commission, (a component unit of the City of Yankton, South Dakota), as of June 30, 2025 and 2024 and for the years then ended, and the related notes to the financial statements, which collectively comprise Yankton Housing and Redevelopment Commission’s basic financial statements, and have issued our report thereon dated February 3, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Yankton Housing and Redevelopment Commission’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 Yankton Housing and Redevelopment Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of Yankton Housing and Redevelopment Commission'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 Commission'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 weakness or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses and significant deficiencies may exist that have not been identified.

## Report on Compliance and Other Matters

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

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Yankton Housing and Redevelopment Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "CLO Prof LLC".

Sioux Falls, South Dakota  
February 3, 2026



**Independent Auditor’s Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

Board of Commissioners  
Yankton Housing and Redevelopment Commission  
Yankton, South Dakota

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited the Yankton Housing and Redevelopment Commission (A component unit of the City of Yankton), South Dakota (Commission), compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Commission’s major federal programs for the year ended June 30, 2025. The Commission’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Current Audit Findings and Questioned Costs.

In our opinion, the Yankton Housing and Redevelopment Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 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 Commission 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 Commission’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 Commission'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 Commission'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 Commission'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 Commission'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 Commission'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 Commission'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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

### Purpose of this Report

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 purposes. As required by South Dakota Codified Law 4-11-11, this report and our report on compliance for each major federal program are matters of public record and their distribution is not limited.



Sioux Falls, South Dakota  
February 3, 2026

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Schedule of Prior Audit Findings  
For the Year Ended June 30, 2024

---

**Prior Audit Findings**

Prior Other Audit Findings:

Finding Number 2024-001:

A material weakness in internal controls was reported due to a lack of proper segregation of duties for accounting functions, resulting in decreased reliability of reported financial data and increased potential for the loss of public assets.

This prior audit comment has been corrected as a result of improved internal controls and therefore is not repeated under the current audit findings.

**Yankton Housing and Redevelopment Commission**  
 (A Component Unit of the City of Yankton)  
 Schedule of Current Audit Findings and Questioned Costs  
 For the Year Ended June 30, 2025

---

**Section I - Summary of Auditor's Results**

---

**Financial Statements:**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ X _____ no	
Significant deficiencies identified that are not considered to be material weakness(es)?	_____ yes	_____ X _____ none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ X _____ no	

**Federal Awards:**

Internal control over major programs:

Material weakness(es) identified?	_____ yes	_____ X _____ no	
Significant deficiencies identified that are not material weaknesses?	_____ yes	_____ X _____ none reported	

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a). \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

**Identification of Major Programs:**

CFDA Number(s)	Name of Federal Program or Cluster
14.871	Section 8 Housing Choice Vouchers Program

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

\_\_\_\_\_ \$750,000 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Schedule of Current Audit Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2025

---

**Section II – Financial Statement Findings**

---

Current Other Audit Findings

None

**Section III – Federal Award Findings and Questioned Costs**

---

There were no findings or questioned costs relating to federal award programs which is required to be reported in accordance with 2 CFR 200.516(a).

Current Federal Audit Findings

Internal Control Related Findings and Questioned Costs:

None

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Corrective Action Plan (Unaudited)  
For the Year Ended June 30, 2025

---

There were no current-year audit findings; therefore, no corrective action plan is required.



## Independent Auditor's Report

Board of Commissioners  
Yankton Housing and Redevelopment Commission  
Yankton, South Dakota

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the business-type activities, and the major fund of Yankton Housing and Redevelopment Commission, (a component unit of the City of Yankton), as of June 30, 2025 and 2024, and for the years then ended, and the related notes to the financial statements, which collectively comprise Yankton Housing and Redevelopment Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the major fund of Yankton Housing and Redevelopment Commission as of June 30, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years 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 (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 Yankton Housing and Redevelopment Commission 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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 entity'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 entity'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 (MD&A) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the entity's basic financial statements. The financial data schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is 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 February 3, 2026, on our consideration of the entity'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 entity'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 Yankton Housing and Redevelopment Commission's internal control over financial reporting and compliance.



Sioux Falls, South Dakota  
February 3, 2026

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Management's Discussion and Analysis  
For the Year Ended June 30, 2025

---

The Yankton Housing and Redevelopment Commission (YHRC) offers readers of the Authority's financial statements this overview and analysis of the financial activities for the fiscal year ended June 30, 2025.

The primary focus of the YHRC's financial statement (summarized fund-type information) has been discarded. The new and clearly preferable focus is on both the YHRC as a whole (Authority-wide) and the major individual funds. Both perspectives (authority-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the YHRC's accountability.

### **Financial Statements**

The financial statements are designed to be corporate-like in nature and activities are shown for the entire Authority.

These Statements include a Statement of Net Position. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, equals liabilities, plus "Net Position," formerly known as net assets/equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current."

The focus of the Statement of Net Position (The "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly net assets/equity) are reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted: This component of Net Position consists of restricted assets, caused by constraints placed on the assets by grantors, contributors, laws, regulations, etc.

Unrestricted: Consists of Net Position that does not meet the definition of "Net Investment in Capital Assets," or "Restricted Net Position."

The financial statements also include a Statement of Revenues, Expenses, and Changes in Fund Net Position (similar to an Income Statement). This Statement includes Operating Revenues, such as the authority's share of fraud recovery, Operating Expenses, such as administrative, housing assistance payments, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Position is the "Change in Net Position," which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, capital and related financing activities, and investing activities.

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Management’s Discussion and Analysis  
For the Year Ended June 30, 2025

---

**The Authority’s Funds**

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Yankton Housing and Redevelopment Commission (YHRC) administers contracts with independent landlords that own the property. The YHRC subsidizes the family’s rent through a Housing Assistance Payment Contract made with the landlord. The program is administered under a contract with HUD based on data submitted by the agency through the Voucher Management System (VMS) and PIH Information Center (PIC). HUD provides Annual Contributions Funding to enable the YHRC to structure a lease that sets the participants’ gross rent at no more than 40% of their adjusted monthly income.

**Authority-Wide Statement**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position compared to prior year. The Authority is engaged only in Business-Type Activities.

**Table 1**

	<b>2025</b>	<b>2024</b>
Current and Other Assets	\$ 254,840	\$ 230,206
Total Assets	254,840	230,206
Current Liabilities	10,750	9,609
Noncurrent Liabilities	5,510	4,604
Total Liabilities	16,260	14,213
Net Position:		
Net Investment in Capital Assets	1,390	--
Restricted	12,103	2,392
Unrestricted	122,414	117,123
Unrestricted - Local Funds	102,673	96,478
Total Net Position	\$ 238,580	\$ 215,993

**Yankton Housing and Redevelopment Commission**  
 (A Component Unit of the City of Yankton)  
 Management's Discussion and Analysis  
 For the Year Ended June 30, 2025

---

The following schedule compares the revenues and expense for the current and previous fiscal year. The Yankton Housing & Redevelopment Commission is engaged only in Business-Type Activities.

**Table 2**

	<b>2025</b>	<b>2024</b>
<b>Revenue</b>		
HUD PHA Grants	\$ 778,374	\$ 707,366
Contribution from City of Yankton	21,663	38,862
Interest Income	2,652	2,419
Miscellaneous Income	21,347	19,848
Total Revenues	824,036	768,495
<b>Expense</b>		
Administrative	162,530	142,324
Housing Assistance Payment	638,919	576,477
Total Expenses	801,449	718,801
Change in Net Position	22,587	49,694
Beginning Net Position	215,993	166,299
Ending Net Position	\$ 238,580	\$ 215,993

**Yankton Housing and Redevelopment Commission**  
 (A Component Unit of the City of Yankton)  
 Management’s Discussion and Analysis  
 For the Year Ended June 30, 2025

---

**Major Factors Affecting the Statement of Revenue, Expenses  
 And Changes in Net Position**

The specific economic factors that can affect the YHRC are as follows:

- Federal funding of the Department of Housing and Urban Development.
- Annual changes in Fair Market Rents and rental rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of assistance current participants are eligible for.
- Inflationary pressure on utility rates, supplies and other costs.

**Table 3**

	<b>2025</b>	<b>2024</b>	<b>Change</b>
Furniture and equipment	\$ 8,163	\$ 6,733	\$ 1,430
Less accumulated depreciation	(6,773)	(6,733)	(40)
Total capital assets, net	\$ 1,390	\$ --	\$ 1,390

**Financial Contact**

The individual to be contacted regarding this report is Camille Mertens, Executive Director for the Yankton Housing and Redevelopment Commission, at (605) 668-5256. Specific requests may be submitted to Camille Mertens, The Yankton Housing and Redevelopment Commission, PO Box 176, Yankton, SD 57078-0176.

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Proprietary Fund – Statement of Net Position  
June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 127,139	\$ 116,102
Cash and cash equivalents - Local Funds	101,089	103,826
Other Receivables	6,912	1,816
Prepaid insurance	6,207	6,070
Total Current Assets	241,347	227,814
<b>Restricted Assets</b>		
Restricted cash	12,103	2,392
<b>Property and Equipment</b>		
Equipment and furniture	8,163	6,733
Less accumulated depreciation	(6,773)	(6,733)
Net Property and Equipment	1,390	--
Total Assets	\$ 254,840	\$ 230,206
<b>Liabilities &amp; Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable - other governments	\$ 260	\$ 214
Wages Payable	5,614	5,628
Accrued Employee's Leave-Current	4,876	2,311
Unearned revenue	--	1,456
Total Current Liabilities	10,750	9,609
<b>Non Current Liabilities</b>		
Accrued Employee's Leave-Non Current	5,510	4,604
Total Liabilities	16,260	14,213
<b>Net Position</b>		
Net investment in capital assets	1,390	--
Restricted	12,103	2,392
Unrestricted	122,414	117,123
Unrestricted-Local Funds	102,673	96,478
Total Net Position	238,580	215,993
	\$ 254,840	\$ 230,206

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**Yankton Housing and Redevelopment Commission**

(A Component Unit of the City of Yankton)

Proprietary Fund – Statement of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2025 and 2024

---

	2025	2024
<b>Operating Income</b>		
Other Income	<u>\$ 21,347</u>	<u>\$ 19,848</u>
<b>Operating Expenses</b>		
Administration Expenses	162,530	142,324
Housing Assistance Payments	<u>638,919</u>	<u>576,477</u>
Total Operating Expenses	<u>801,449</u>	<u>718,801</u>
Loss From Operations	<u>(780,102)</u>	<u>(698,953)</u>
<b>Non Operating Revenue (Expense)</b>		
Revenue from Local Sources:		
Earnings on Investments and Deposits	535	445
Earnings on Investments and Deposits-Local Funds	2,117	1,974
Contributions from the City of Yankton	21,663	38,862
Revenue from Federal Sources:		
Annual Housing Voucher Subsidies-HUD	<u>778,374</u>	<u>707,366</u>
Total Non Operating Revenue	<u>802,689</u>	<u>748,647</u>
<b>Increase in Net Position</b>	22,587	49,694
<b>Net Position, Beginning of Year</b>	<u>215,993</u>	<u>166,299</u>
<b>Net Position, End of Year</b>	<u><u>\$ 238,580</u></u>	<u><u>\$ 215,993</u></u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)  
 Proprietary Fund – Statement of Cash Flows  
 For the Years Ended June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>Cash Flows From Operating Activities:</b>		
Other Operating Cash Receipts	\$ 19,891	\$ 21,304
Other Operating Cash Payments	(5,096)	9,970
Payments to Suppliers and Employees	(679,588)	(622,178)
Payments to Employees	(118,455)	(97,917)
Net Cash (Used) by Operating Activities	<u>(783,248)</u>	<u>(688,821)</u>
<b>Cash Flows From Investing Activities:</b>		
Interest received	<u>2,652</u>	<u>2,419</u>
Net Cash Provided by Investing Activities	<u>2,652</u>	<u>2,419</u>
<b>Cash Flows From Noncapital Financing Activities:</b>		
Operating subsidies	<u>800,037</u>	<u>746,228</u>
Net Cash Provided by Noncapital Financing Activities	<u>800,037</u>	<u>746,228</u>
<b>Cash Flows From Capital Financing Activities:</b>		
Building improvements/equipment purchased	<u>(1,430)</u>	<u>--</u>
Net Cash (Used) by Capital Financing Activities	<u>(1,430)</u>	<u>--</u>
Increase in Cash	18,011	59,826
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>222,320</u>	<u>162,494</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 240,331</u>	<u>\$ 222,320</u>
<b>Reconciliation of (Loss) From Operations to Net Cash (Used) by Operating Activities:</b>		
(Loss) From Operations	\$ (780,102)	\$ (698,953)
<b>Adjustments to Reconcile (Loss) From Operations to Net Cash (Used) by Operating Activities:</b>		
Depreciation	40	59
Non Operating Income		
(Increase) Decrease in Current Assets:		
Accounts receivable	(5,096)	9,970
Prepaid insurance	(137)	(4,388)
(Decrease) Increase in Current Liabilities:		
Accounts payable- other governments	46	(147)
Wages Payable	(14)	1,418
Unearned revenue	(1,456)	1,456
Accrued Compensated Absences	3,471	1,764
<b>Net Cash (Used) by Operating Activities</b>	<u>\$ (783,248)</u>	<u>\$ (688,821)</u>
<b>Composition of Cash, Cash Equivalents, and Restricted Cash</b>		
Cash and cash equivalents	\$ 127,139	\$ 116,102
Restricted cash	12,103	2,392
Cash and cash equivalents-local funds	<u>101,089</u>	<u>103,826</u>
	<u>\$ 240,331</u>	<u>\$ 222,320</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)

Notes to Financial Statements

June 30, 2025 and 2024

---

### 1. Summary of Significant Accounting Policies:

#### a. Reporting Entity:

Yankton Housing and Redevelopment Commission is a component unit of the City of Yankton, South Dakota. The Commission was organized in 1994, pursuant to the Municipal Housing and Redevelopment Act of South Dakota as a public housing agency to provide financial assistance to low-income people in accordance with the United States Housing Act of 1937. The Yankton Housing and Redevelopment Commission administers the United States Department of Housing and Urban Development, Section 8 Housing Choice Vouchers Program. The Commission is authorized to operate 160 units under this program.

The mayor and the city council appoint the five members of the governing board of the Commission for five-year staggered terms. The Commission elects its own chairperson and recruits employees, who are considered to be City of Yankton employees. However, the local governing board of the City of Yankton, South Dakota has the authority to modify or otherwise veto the decisions of the Commission to construct a specific project and issue debt.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significant of their relationship with the primary government are such that exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The Commission is financially accountable if its governing body has a voting majority which is appointed by another governing board. This governing board has the ability to impose its will on the organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burden on the primary government of the Commission. The Commission presently has no component unit included within its reporting entity; however, it is a component unit of the City of Yankton, South Dakota.

#### b. Basis of Presentation:

The Commission represents a public housing Commission engaged in a single government program that provides financial assistance for low-income public housing. As such, the Commission presents a combined net position financial statement and government-wide statement.

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Fund Net Position display information about the reporting entity as a whole. They include all funds of the reporting entity. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position reports all financial and capital resources in a net position form. Net position is displayed in three components, as applicable, net investment in capital assets, restricted (distinguishing between major categories of restriction), and unrestricted.

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)

Notes to Financial Statements

June 30, 2025 and 2024

---

### 1. Summary of Significant Accounting Policies: (Continued)

Fund Financial Statements:

The fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. This fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund net position, revenues, and expenses. There is only one major proprietary fund. A fund is considered major if it is the primary operating fund of the organization or it meets the following criteria:

1. Total assets, liabilities, revenues, or expenses of the individual enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, liabilities, revenues, or expenses of the individual enterprise fund are at least 5 percent of the corresponding total for all enterprise funds combined, or
3. Management has elected to classify one or more enterprise funds as major for consistency in reporting from year to year, or because of public interest in the fund's operations.

All of the Commission's activities are accounted for within the proprietary fund.

#### Proprietary Funds:

Enterprise Funds – Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds if any one of the following criteria is met.

- a. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Debt that is secured by a pledge of net revenues from fees and charges and the full faith and credit of a related primary government or component unit-even if that government is not expected to make any payments-is not payable solely from fees and charges of the activity. (Some debt may be secured, in part, by a portion of its own proceeds but should be considered as payable "solely" from the revenues of the activity.)
  - b. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.
  - c. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).
- c. Measurement Focus and Basis of Accounting:

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the account and reported in the financial statements, regardless of the measurement focus.

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Notes to Financial Statements  
June 30, 2025 and 2024

---

**1. Summary of Significant Accounting Policies: (Continued)**

Measurement Focus:

Fund Financial Statements – In the fund financial statements, the “economic resources” measurement focus and the accrual basis of accounting is applied to the proprietary fund.

Basis of Accounting:

Fund Financial Statements – In the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position, activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues and related assets are recorded when earned (usually when the right to receive cash vests); and expenses and related liabilities are recorded when an obligation is incurred (usually when the obligation to pay cash in the future vests).

d. Capital Assets:

Capital assets include equipment and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at the acquisition value on the date donated. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use. Subsequent to initial capitalization, improvements or betterments that are significant and which extend the useful life of a capital asset are also capitalized.

The total June 30, 2025 balance of capital assets for business type activities are all valued at original cost.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Revenues, Expenses, and Changes in Net Position with net capital assets reflected in the Statement of Net Position. Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the proprietary funds are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Machinery and Equipment	\$ 1,000	straight-line	3-7 years

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)

Notes to Financial Statements

June 30, 2025 and 2024

---

### 1. Summary of Significant Accounting Policies: (Continued)

#### e. Program Revenues:

In the Statement of Revenues, Expenses, and Changes in Fund Net Position, reported program revenues derive directly from the program itself or from parties other than the Commission's citizenry, as a whole. Program revenues are classified into three categories as follows:

1. Charges for services – These arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services.
2. Program-specific operating grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.
3. Program-specific capital grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for the acquisition of capital assets for use in a particular program.

#### f. Proprietary Funds Revenue and Expense Classifications:

In the proprietary fund's Statement of Revenues, Expenses and Changes in Fund Net Position, revenues and expenses are classified in a manner consistent with how they are classified in the Statement of Cash Flows. That is, transactions for which related cash flows are reported as capital and related financing activities, noncapital financing activities, or investing activities are not reported as components of operating revenues or expenses.

#### g. Cash and Cash Equivalents:

For the purposes of the Statement of Cash Flows, the Commission considers all highly liquid investments (including restricted assets) with a term to maturity of three months or less when purchased to be cash equivalents.

#### h. Equity Classifications:

Equity is classified as net position and is displayed in three components:

1. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)

Notes to Financial Statements

June 30, 2025 and 2024

---

### 1. Summary of Significant Accounting Policies: (Continued)

2. Restricted net position – Consists of net position with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

i. Application of Net Position:

It is the Commission’s policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

j. Budgets and Budgetary Accounting:

Every year, the Commission proposes and adopts budgets according to the Commission’s policy, procedures and federal program requirements.

k. Use of Estimates:

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

l. Federal Income Taxes:

No provision for federal income taxes has been made as the Yankton Housing and Redevelopment Commission is a governmental unit and is, therefore, not liable for income taxes.

## Yankton Housing and Redevelopment Commission

(A Component Unit of the City of Yankton)

Notes to Financial Statements

June 30, 2025 and 2024

---

### 2. Deposits and Investments & Credit Risk, Concentrations of Credit Risk and Interest Rate Risk:

Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

**Deposits** – The Commission’s deposits are made in qualified public depositories as defined by SDCL 4-6A-1. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by federal home loan banks accompanied by written evidence of that bank’s public debt rating which may not be less than “AA” or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

**Investments** – Under SDCL 11-7-31, the Commission has the power to invest reserve and debt service funds. A commission shall have further power to invest reserve and debt service funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control. In general, SDCL 4-5-6 permits local governments’ funds to be invested only in (a) securities of the United States Government either directly or indirectly; or (b) repurchase agreements fully collateralized by securities described in (a) above; or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) above and repurchase agreements described in (b) above. Also, SDCL 4-5-9 requires investments to be in the physical custody of the political subdivision or may be deposited in a safekeeping account with any bank or trust company designated by the political subdivision as its fiscal agent.

**Custodial Credit Risk** – The risk, that in the event of a depository failure, the Commission’s deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk.

As of June 30, 2025 and 2024, the Commission had no uninsured deposits.

**Interest Rate Risk** – The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – State law limits eligible investments for the Commission as discussed above. The Commission has no investment policy that would further limit its investment choices. As of June 30, 2025 and 2024, the Commission had no investments.

**Concentration of Credit Risk** – The Commission places no limit on the amount that may be invested with any one issuer. As of June 30, 2025 and 2024, the Commission had no investments.

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Notes to Financial Statements  
June 30, 2025 and 2024

---

**3. Restricted Cash:**

Assets restricted to use for a specific purpose through segregation of balances in separate accounts are as follows:

Purpose	6/30/2025	6/30/2024
Restricted by HUD	\$ 12,103	\$ 2,392

**4. Receivables and Payables:**

Receivables and payables are not aggregated in these financial statements. Appropriate allowances for estimated uncollectibles have been established as follows:

	6/30/2025	6/30/2024
Other HUD receivables	\$ 3,433	\$ --
Other local receivables	3,479	1,816
	\$ 6,912	\$ 1,816

**5. Changes in Capital Assets:**

A summary of changes in capital assets for the fiscal year end June 30, 2025 is as follows:

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements				
Equipment and furniture	\$ 6,733	\$ 1,430	\$ --	\$ 8,163
Totals	6,733	1,430	--	8,163
Less accumulated depreciation	6,733	40	--	6,773
Total capital assets, being depreciated, net	--	1,390	--	1,390
Business type activities capital assets, net	\$ --	\$ 1,390	\$ --	\$ 1,390

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Notes to Financial Statements  
June 30, 2025 and 2024

---

**6. Risk Management:**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During the period ended June 30, 2025 and 2024, the Commission managed its risks as follows:

Liability Insurance:

The Commission purchases liability insurance for risks related to torts; theft or damage to property; and omissions of public officials from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years and there were no claims during the period ended June 30, 2025 and 2024.

**7. Restricted Net Position:**

As of June 30, 2025 and 2024, the restricted net position was as follows:

<u>Restricted by</u>	<u>6/30/2025</u>	<u>6/30/2024</u>
HUD	\$ 12,103	\$ 2,392

**8. Current Vulnerability to Certain Concentrations:**

The Commission's operations are concentrated in the multifamily rental market. In addition, the Commission operates in a heavily regulated environment. The operations of the Commission are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directive, 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 cost, including the additional administrative burden, to comply with a change.

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Notes to Financial Statements  
June 30, 2025

---

**9. Unrestricted Net Position:**

The following table shows the breakdown of unrestricted net position:

	<u>Pre - 2004</u>	<u>Post - 2003</u>	<u>Total</u>
Unrestricted Net Asset Balance at 6/30/03	\$ 43,898	\$ --	\$ 43,898
Net Admin Fee Operating Income (Loss) for the year ended 6/30/04	(40,366)	--	(40,366)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/05	(1,155)	--	(1,155)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/06	--	11,095	11,095
Net Admin Fee Operating Income (Loss) for the year ended 6/30/07	--	78,799	78,799
Net Admin Fee Operating Income (Loss) for the year ended 6/30/08	--	9,121	9,121
Net Admin Fee Operating Income (Loss) for the year ended 6/30/09	--	17,101	17,101
Net Admin Fee Operating Income (Loss) for the year ended 6/30/10	--	(1,428)	(1,428)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/11	--	12,946	12,946
Net Admin Fee Operating Income (Loss) for the year ended 6/30/12	--	(2,687)	(2,687)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/13	(2,377)	(13,099)	(15,476)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/14	--	(19,635)	(19,635)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/15	--	(14,830)	(14,830)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/16	--	(11,409)	(11,409)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/17	--	(22,927)	(22,927)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/18	--	(16,792)	(16,792)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/19	--	(355)	(355)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/20	--	4,787	4,787
Net Admin Fee Operating Income (Loss) for the year ended 6/30/21	--	(9,955)	(9,955)
Net Admin Fee Operating Income (Loss) for the year ended 6/30/22	--	22,580	22,580
Net Admin Fee Operating Income (Loss) for the year ended 6/30/23	--	33,372	33,372
Net Admin Fee Operating Income (Loss) for the year ended 6/30/24	--	41,588	41,588
Net Admin Fee Operating Income (Loss) for the year ended 6/30/25	--	4,142	4,142
<b>Balance at 6/30/2025</b>	<u>\$ --</u>	<u>\$ 122,414</u>	<u>\$ 122,414</u>

## Supplementary Information

**Yankton Housing and Redevelopment Commission**

SD-058VO0055

(A Component Unit of the City of Yankton)

HUD REAC Financial Data Schedules

June 30, 2025

Line item number & Description	Total Programs	Housing Choice Vouchers	State/Local
111 Cash - Unrestricted	\$228,228	\$127,139	\$101,089
113 Cash - Other Restricted	\$12,103	\$12,103	\$0
114 Cash - Tenant Security Deposits	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0
100 Total Cash	\$240,331	\$139,242	\$101,089
122 Accounts Receivable - HUD Other Projects	\$3,433	\$3,433	\$0
125 Accounts Receivable - Miscellaneous	\$3,479	\$0	\$3,479
128 Fraud Recovery	\$1,697	\$1,697	\$0
128.1 Allow ance for Doubtful Accounts - Fraud	-\$1,697	-\$1,697	\$0
120 Total Receivables, Net of Allow ances for Doubtful Accounts	\$6,912	\$3,433	\$3,479
142 Prepaid Expenses and Other Assets	\$6,207	\$6,207	\$0
144 Inter Program Due From	\$1,247	\$1,247	\$0
150 Total Current Assets	\$254,697	\$150,129	\$104,568
164 Furniture, Equipment & Machinery - Administration	\$8,163	\$8,163	\$0
166 Accumulated Depreciation	-\$6,773	-\$6,773	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,390	\$1,390	\$0
180 Total Non-Current Assets	\$1,390	\$1,390	\$0
290 Total Assets and Deferred Outflow of Resources	\$256,087	\$151,519	\$104,568
312 Accounts Payable <= 90 Days	\$158	\$158	\$0
321 Accrued Wage/Payroll Taxes Payable	\$5,614	\$5,068	\$546
322 Accrued Compensated Absences - Current Portion	\$4,876	\$4,876	\$0
333 Accounts Payable - Other Government	\$102	\$0	\$102
342 Unearned Revenue	\$0	\$0	\$0
347 Inter Program - Due To	\$1,247	\$0	\$1,247
310 Total Current Liabilities	\$11,997	\$10,102	\$1,895
354 Accrued Compensated Absences - Non-Current	\$5,510	\$5,510	\$0
350 Total Non-Current Liabilities	\$5,510	\$5,510	\$0
300 Total Liabilities	\$17,507	\$15,612	\$1,895
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$1,390	\$1,390	\$0
511.4 Restricted Net Position	\$12,103	\$12,103	\$0
512.4 Unrestricted Net Position	\$225,087	\$122,414	\$102,673
513 Total Net Position	\$238,580	\$135,907	\$102,673
600 Total Liabilities and Net Position	\$256,087	\$151,519	\$104,568

**Yankton Housing and Redevelopment Commission**

SD-058VO0055

(A Component Unit of the City of Yankton)

HUD REAC Financial Data Schedules

June 30, 2025

Line item number & Description	Total Programs	Housing Choice Vouchers	State/Local
70600-010 Housing Assistance Payments	\$648,378	\$648,378	\$0
70600-020 Ongoing Administrative Fees Earned	\$129,996	\$129,996	\$0
70600 HUD PHA Operating Grants	\$778,374	\$778,374	\$0
71100-020 Investment Income - Unrestricted	\$2,652	\$535	\$2,117
71100 Investment Income - Unrestricted	\$2,652	\$535	\$2,117
71400-010 Housing Assistance Payment	\$252	\$252	\$0
71400-020 Administrative Fee	\$252	\$252	\$0
71400 Fraud Recovery	\$504	\$504	\$0
71500-040 Port Admin Fees	\$0	\$0	\$0
71500-050 Port In Payment Received	\$0	\$0	\$0
71500-900 Other Revenue	\$20,843	\$780	\$20,063
70000 Total Revenue	\$802,373	\$780,193	\$22,180
91100 Administrative Salaries	\$111,259	\$100,074	\$11,185
91200 Auditing Fees	\$7,081	\$6,229	\$852
91310 Bookkeeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$20,543	\$18,449	\$2,094
91600 Office Expenses	\$3,925	\$3,585	\$340
91800 Travel	\$384	\$384	\$0
91900 Other	\$12,797	\$11,476	\$1,321
91000 Total Operating - Administrative	\$155,989	\$140,197	\$15,792
96120 Liability Insurance	\$1,602	\$1,409	\$193
96140 All Other Insurance	\$900	\$900	\$0
96100 Total insurance Premiums	\$2,502	\$2,309	\$193
96200 Other General Expenses	\$528	\$528	\$0
96210 Compensated Absences	\$3,471	\$3,471	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96000 Total Other General Expenses	\$3,999	\$3,999	\$0
96900 Total Operating Expenses	\$162,490	\$146,505	\$15,985
97000 Excess of Operating Revenue over Operating Expenses	\$639,883	\$633,688	\$6,195
97300 Housing Assistance Payments	\$638,919	\$638,919	\$0
97400 Depreciation Expense	\$40	\$40	\$0
90000 Total Expenses	\$801,449	\$785,464	\$15,985
10030 Operating Transfers from/to Primary Government	\$21,663	\$21,663	\$0
10100 Total Other financing Sources (Uses)	\$21,663	\$21,663	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$22,587	\$16,392	\$6,195

**Yankton Housing and Redevelopment Commission**

SD-058VO0055

(A Component Unit of the City of Yankton)

HUD REAC Financial Data Schedules

June 30, 2025

Line item number & Description	Total Programs	Housing Choice Vouchers	State/Local
11030 Beginning Equity	\$215,993	\$119,515	\$96,478
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$22,587	\$16,392	\$6,195
11170-001 Admin Fee Equity - Beginning Balance	\$117,123	\$117,123	\$0
11170-010 Administrative Fee Revenue	\$129,996	\$129,996	\$0
11170-040 Investment Income	\$535	\$535	\$0
11170-045 Fraud Recovery Revenue	\$252	\$252	\$0
11170-050 Other Revenue	\$22,443	\$22,443	\$0
11170-060 Total Admin Fees Revenues	\$153,226	\$153,226	\$0
11170-080 Total Operating Expenses	\$146,505	\$146,505	\$0
11170-090 Depreciation	\$40	\$40	\$0
11170-100 Other Expenses	\$0	\$0	\$0
11170-110 Total Expenses	\$146,545	\$146,545	\$0
11170-002 Net Administrative Fee	\$6,681	\$6,681	\$0
11170-003 Administrative Fee Equity - Ending Balance	\$123,804	\$123,804	\$0
11170-006 Post-2003 Administrative Fee Reserves	\$123,804	\$123,804	\$0
11180-001 HAP Equity - Beginning Balance	\$2,392	\$2,392	\$0
11180-010 Housing Assistance Payment Revenues	\$648,378	\$648,378	\$0
11180-020 Other Revenues	\$0	\$0	\$0
11180-045 Fraud Recovery Revenue	\$252	\$252	\$0
11180-030 Total HAP Revenues	\$648,630	\$648,630	\$0
11180-080 Housing Assistance Payments	\$638,919	\$638,919	\$0
11180-090 Other Expenses (Portion of Fraud Losses)	\$0	\$0	\$0
11180-100 Total HAP Expenses	\$638,919	\$638,919	\$0
11180-002 Net Housing Assistance Payments	\$9,711	\$9,711	\$0
11180-003 HAP Equity - Ending Balance	\$12,103	\$12,103	\$0
11190-210 Total ACC HCV Units	1,737		
11190-220 Unfunded Units	-		
11190 Unit Months Available	1,737		
11210 Number of Unit Months Leased	1,686		

**Yankton Housing and Redevelopment Commission**  
(A Component Unit of the City of Yankton)  
Schedule of Expenditures of Federal Awards  
June 30, 2025

---

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Expenditures</u>
<b>U.S. Department of Housing and Urban Development:</b>		
Direct Federal Funding:		
Section 8 Housing Choice Voucher Program (Note 3)	14.871	\$ 778,374
Total U.S. Department of Housing and Urban Development		<u>\$ 778,374</u>

**Note 1: Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Yankton Housing and Redevelopment Commission under programs of the federal government for the year ended June 30, 2025. Expenditures for the Housing Choice Voucher Program represent the amount of federal revenue recognized during the period, which includes housing assistance payments and administrative fees, in accordance with HUD guidance.

The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Commission has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3: Major Federal Financial Assistance Program**

This represents a major federal award program.