

Housing Authority of the City of Redding

Redding, California

Independent Auditors' Reports and Basic Financial Statements

For the Year Ended June 30, 2017



Housing Authority of the City of Redding

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INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Commissioners
of the Housing Authority of the City of Redding
Redding, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Housing Authority of the City of Redding (the "Authority"), a component unit of the City of Redding, California (the "City"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2017, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 5 through 8 and 39 through 40 to 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 and other auditors 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

The accompanying Financial Data Schedules for the Housing Authority of the City of Redding are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development (HUD) 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 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 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 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 December 18, 2017, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Walnut Creek, California
December 18, 2017



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Board of Commissioners
of the Housing Authority of the City of Redding
Redding, California

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 governmental activities and each major fund of the Housing Authority of the City of Redding (the "Authority"), a component unit of the City of Redding, California (the "City"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 18, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with these 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 that are required to be reported under *Government Auditing Standards*.

To the Honorable Board of Commissioners
of the Housing Authority of the City of Redding
Redding, California
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Purpose of this Report

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

The PwC Group, LLP

Walnut Creek, California
December 18, 2017

Housing Authority of the City of Redding

Management's Discussion and Analysis

For the Year Ended June 30, 2017

As management of the Housing Authority of the City of Redding (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2017. The management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address future challenges), (d) identify any material deviations from the financial plan (approved budget), and (e) identify individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

- The Authority's net position increased by \$12,890.
- As of the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$756,689 which is an increase of \$3,680 in comparison with the prior year. All of the Authority's fund balance is required to be used for eligible Housing division activities.
- Total operating expenses of all of the Authority's programs were \$8,458,983 for the fiscal year.

USING THIS FINANCIAL REPORT/ OVERVIEW OF REPORT

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. The government-wide financial statements consist of the following parts:

Statement of Net Position: This statement presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, the change in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Statement of Activities: This statement presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flow in future fiscal periods (e.g., unavailable grant revenue, accrued compensated absences, accrued vacation leave, etc.).

The Authority adopts an annual appropriated budget at the entity-wide level. A budgetary comparison statement has been provided for the Authority to demonstrate compliance with this budget.

The government-wide financial statements can be found on pages 13-15 of this report.

**Housing Authority of the City of Redding
Management's Discussion and Analysis (Continued)
For the Year Ended June 30, 2017**

Fund Financial Statements

A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund financial statements to demonstrate compliance with finance-related legal requirements. All of the funds of the Authority are governmental funds.

Governmental Funds: These funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The Authority is a Housing Choice Voucher (HCV) program only housing authority, providing rental assistance and home purchase assistance to qualified residents. Since the Authority does not own or operate rental property, the HCV program is reported as a special revenue fund.

The governmental fund financial statements can be found on pages 18-21 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-36 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following schedule displays a summary breakdown of the Authority's net position as of June 30, 2017 and 2016:

Condensed Statement of Net Position

| | 2017 | 2016 |
|------------------------------|--------------|--------------|
| Current Assets | \$ 1,430,561 | \$ 1,186,011 |
| Non-current capital assets | 21,298 | 2,578 |
| Other non-current assets | - | 403 |
| Total Expenses | 1,451,859 | 1,188,992 |
| Current liabilities | 600,686 | 352,908 |
| Non-current liabilities | 99,113 | 91,587 |
| Total Liabilities | 699,799 | 444,495 |
| Investment in capital assets | 21,298 | 2,578 |
| Unrestricted | 730,762 | 741,919 |
| Ending net position | \$ 752,060 | \$ 744,497 |

The Authority's net position increased to \$752 thousand from \$744 thousand, an increase of 1%. The Authority does not maintain any HAP reserves for more than one quarter, as HUD evaluates reserve balances and recaptures excess HAP reserves on a quarterly basis. It is further anticipated that monthly funding from HUD will continue to be adjusted according to the approximate monthly HAP expenditures.

**Housing Authority of the City of Redding
Management's Discussion and Analysis (Continued)
For the Year Ended June 30, 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following schedule displays a comparison of 2016-17 and 2015-16 fiscal year revenues and expenses for the Authority:

Condensed Statement of Activities and Changes in Net Position

| | 2017 | 2016 |
|-------------------------|--------------|--------------|
| Administrative | \$ 1,149,777 | \$ 1,075,817 |
| Rental Assistance | 7,319,308 | 7,447,423 |
| Total Expenses | 8,469,085 | 8,523,240 |
| Operating grants | 8,443,828 | 8,498,468 |
| Investment and Other | 38,147 | 36,368 |
| Total Revenues | 8,481,975 | 8,534,836 |
| Changes in net position | 12,890 | 11,596 |
| Beginning net position | 744,497 | 732,901 |
| Ending net position | \$ 757,387 | \$ 744,497 |

The increased administrative expenses for the fiscal year ending June 30, 2017 are attributable to increased staffing costs due to deleting a part-time staff person and adding one full-time position and an increase in overhead expenditures. Rental Assistance expenses were reduced due to a combination of an HCV cost per unit decrease and the actual number of Housing Choice Vouchers issued.

In regard to the slight decrease in operating revenues, while administrative revenue increased due to a the actual proration factor exceeding the budget-projected proration factor, there was a greater decrease in HAP revenue that is specifically attributed to the number of HCV voucher issued and HUD's .95 percent reimbursement factor.

BUDGETARY HIGHLIGHTS

The Authority's budget is approved at the entity-wide level. Since the Authority is a component unit of the City, it is budgeted as a special revenue fund of the City.

The Authority prepares a biennial budget prior to knowing its annual subsidy grant from HUD. Actual amounts received from HUD vary from initial projections. Once HUD grant amounts are available the Authority adjusts its budget. Actual expenditures for HAP are subject to actual lease-up. Nevertheless, the program was operated within the Budget Authority (BA) established by HUD for the Program year.

**Housing Authority of the City of Redding
Management's Discussion and Analysis (Continued)
For the Year Ended June 30, 2017**

ANALYSIS OF GOVERNMENTAL FUNDS

The Authority reports each program as a fund in order to segregate and track restricted funds.

General Fund: The Authority's General Fund is used to track resources that do not belong to a HUD program, but that are a part of the City of Redding's Housing Authority Fund.

Section 8 Voucher – Special Revenue Fund: The HCV program's fund balance decreased from a beginning balance of \$512 to \$173. The administrative portion of the fund decreased by \$318. The housing assistance (HAP) portion of the fund decreased by \$21.

FSS Program Fund: The FSS Program Fund is used to track FSS Coordinator grant funds. This grant reimburses expenditures related to the FSS Coordinator.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Authority is unable to predict, beyond a given Congressional budget cycle, what funds will be available to administer the HCV program. However, it is anticipated that the budget authority allocations and the published admin percentage reimbursement received per voucher for the 2017 Fiscal Year will remain status quo. At June 30, 2017 the Authority has cash reserves for approximately 2.34 months of administrative expenses and about .25 months of HAP expenses. Due to the HUD recapturing of locally-held HAP reserves, all unspent prior-year BA funds are currently held by HUD and available upon request.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. This report can be found on the City of Redding website, www.ci.redding.ca.us under City Departments, Finance. Questions concerning any information provided in this report or request for additional financial information should be directed to:

The City of Redding – Finance Department
777 Cypress Avenue
Redding, CA 96001

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Housing Authority of the City of Redding
Statement of Net Position
June 30, 2017

| | Governmental Activities |
|---|----------------------------|
| ASSETS | |
| Current assets: | |
| Cash and investments | \$ 1,104,224 |
| Receivables: | |
| Interest | 2,277 |
| Damage claims and overpayments, net | 73,186 |
| Intergovernmental | 6,811 |
| Restricted assets: | |
| Cash and investments | 244,063 |
| Total current assets | 1,430,561 |
| Noncurrent assets: | |
| Capital assets, net of depreciation | 26,625 |
| Total noncurrent assets | 26,625 |
| Total assets | 1,457,186 |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | 10,676 |
| Intergovernmental payable | 134,009 |
| Accounts payable from restricted assets | 8,739 |
| Unearned revenue | 362,463 |
| Deposits payable from restricted assets | 84,799 |
| Total current liabilities | 600,686 |
| Noncurrent liabilities: | |
| Intergovernmental payable | 99,113 |
| Total noncurrent liabilities | 99,113 |
| Total liabilities | 699,799 |
| NET POSITION | |
| Net investment in capital assets | 26,625 |
| Restricted for: | |
| Housing | - |
| Unrestricted | 730,762 |
| Total net position | \$ 757,387 |

Housing Authority of the City of Redding
Statement of Activities
For the Year Ended June 30, 2017

| <u>Functions/Programs</u> | <u>Program Revenues</u> | | | | | |
|--------------------------------------|-------------------------|-----------------------------|-------------------|------------------------------|---|---------------------|
| | <u>Expenses</u> | <u>Charges for Services</u> | | | <u>Operating Grants & Contributions</u> | |
| | | FSS Forfeitures | Other fees (Copy) | Overpayments & Damage Claims | Grants | Restricted Interest |
| Governmental activities: | | | | | | |
| Rental assistance | \$ 7,319,308 | \$ 4,569 | \$ - | \$ 15,908 | \$ 7,295,154 | \$ - |
| Administration | 1,091,008 | - | 29 | 12,688 | 1,089,905 | 934 |
| FSS Coordinator | 58,769 | - | - | - | 58,769 | - |
| Total governmental activities | \$ 8,469,085 | \$ 4,569 | \$ 29 | \$ 28,596 | \$ 8,443,828 | \$ 934 |

Housing Authority of the City of Redding
Statement of Activities (Continued)
For the Year Ended June 30, 2017

| | Net (Expenses) Revenue and Change in Net Position |
|---|--|
| | Governmental Activities |
| <u>Functions/Programs</u> | |
| Governmental activities: | |
| Rental assistance | \$ (3,677) |
| Administration | 12,548 |
| FSS Coordinator | - |
| Total governmental activities | 8,871 |
| General revenues: | |
| Unrestricted investment earnings | 4,019 |
| Total general revenues and transfers | 4,019 |
| Change in net position | 12,890 |
| Net position - beginning of year | 744,497 |
| Net position - end of year | \$ 757,387 |

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FUND FINANCIAL STATEMENTS

Housing Authority of the City of Redding
Balance Sheet
Governmental Funds
June 30, 2017

| | General Fund | FSS Program Coordinator Special Revenue | Housing Choice Voucher Special Revenue | Total Governmental Funds |
|--|-------------------|---|--|--------------------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 754,402 | \$ - | \$ 349,822 | \$ 1,104,224 |
| Receivables: | | | | |
| Interest | 2,114 | - | 163 | 2,277 |
| Damage claims and overpayments, net | - | - | 73,186 | 73,186 |
| Intergovernmental | - | 6,811 | - | 6,811 |
| Restricted assets: | | | | |
| Cash and investments | - | - | 244,063 | 244,063 |
| Total assets | \$ 756,516 | \$ 6,811 | \$ 667,234 | \$ 1,430,561 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ 10,676 | \$ 10,676 |
| Intergovernmental payable | - | 6,811 | 127,198 | 134,009 |
| Accounts payable from restricted assets | - | - | 8,739 | 8,739 |
| Unearned revenue | - | - | 362,463 | 362,463 |
| Deposits payable from restricted assets | - | - | 84,799 | 84,799 |
| Total current liabilities | - | 6,811 | 593,875 | 600,686 |
| Total liabilities | - | 6,811 | 593,875 | 600,686 |
| Deferred inflows of resources: | | | | |
| Unavailable revenues | - | - | 73,186 | 73,186 |
| Fund balances: | | | | |
| Unassigned | 756,516 | - | 173 | 756,689 |
| Total fund balances | 756,516 | - | 173 | 756,689 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 756,516 | \$ 6,811 | \$ 667,234 | \$ 1,430,561 |

Housing Authority of the City of Redding
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2017

| | |
|---|--------------------------|
| Total Fund Balances - Total Governmental Funds | \$ 756,689 |
| Capital assets have not been included as financial resources in governmental fund activities. | 26,625 |
| Accrued vacation and other leave (compensated absences) for City of Redding employees is not included in intergovernmental payables as reported in governmental funds, but is recorded as expense in the Statement of Activities. | (99,113) |
| Unavailable revenues reported in the governmental funds was recorded as revenue in the Statement of Activities. | <u>73,186</u> |
| Net Position of Governmental Activities | <u><u>\$ 757,387</u></u> |

Housing Authority of the City of Redding
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

| | General Fund | FSS Program Coordinator Special Revenue | Housing Choice Voucher Special Revenue | Total Governmental Funds |
|---|-------------------|---|--|--------------------------------|
| REVENUES: | | | | |
| Intergovernmental revenues | \$ - | \$ 58,769 | \$ 8,385,059 | \$ 8,443,828 |
| Interest revenue | 4,019 | - | 934 | 4,953 |
| Other revenue | - | - | 40,505 | 40,505 |
| Total revenues | <u>4,019</u> | <u>58,769</u> | <u>8,426,498</u> | <u>8,489,286</u> |
| EXPENDITURES: | | | | |
| Administration | - | - | 1,080,906 | 1,080,906 |
| Rental assistance payments | - | - | 7,319,308 | 7,319,308 |
| FSS services coordinator | - | 58,769 | - | 58,769 |
| Capital outlay | - | - | 26,623 | 26,623 |
| Total expenditures | <u>-</u> | <u>58,769</u> | <u>8,426,837</u> | <u>8,485,606</u> |
| REVENUES OVER (UNDER) EXPENDITURES | <u>4,019</u> | <u>-</u> | <u>(339)</u> | <u>3,680</u> |
| Net change in fund balances | 4,019 | - | (339) | 3,680 |
| FUND BALANCES: | | | | |
| Beginning of year | 752,497 | - | 512 | 753,009 |
| End of year | <u>\$ 756,516</u> | <u>\$ -</u> | <u>\$ 173</u> | <u>\$ 756,689</u> |

Housing Authority of the City of Redding
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-Wide Statement of Activities
For the Year Ended June 30, 2017

| | | |
|---|----|-------------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | 3,680 |
| Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position. It did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in governmental funds. | | (2,576) |
| Capital outlay and losses on sales of assets are expenditures on the governmental fund statements, but are reported as changes to capital assets on the government-wide statements. | | 26,623 |
| Damage claims and overpayments (fraud) receivable are not expected to provide current financial resources. Therefore, the net change in fraud receivables is a change in deferred revenue on the governmental funds, but on the Government-Wide Statement of Activities and Changes in Net Position the change is recorded as a revenue, reduction in revenue, or bad debt expense. | | (7,311) |
| Compensated absences (for City of Redding employees who work for the Housing Authority) in the Statement of Activities is reported as an expense but is not reported in the governmental funds. | | <u>(7,526)</u> |
| Change in Net Position of Governmental Activities | | <u><u>\$ 12,890</u></u> |

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Redding
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For the Year Ended June 30, 2017

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Housing Authority of the City of Redding
Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Note 1 – Reporting Agency

The Housing Authority of the City of Redding (Authority), a component unit of the City of Redding, California (City), was established pursuant to the laws of the State of California to provide housing, transact business and to have those powers as defined by law. The Authority has entered into an annual contribution contract with the U.S. Department of Housing and Urban Development (HUD) pertaining to its Housing Choice Vouchers (HCV) Program.

The Authority is an integral part of the City, and the accompanying financial statements are being presented as governmental funds as a means of disclosing what has been presented to HUD in the required annual compliance reports, submitted on HUD's Real Estate Assessment Center (REAC) system. REAC collects and reviews data from housing authorities to assure the accuracy, timeliness and reliability of the information used by HUD to assess the condition of HUD's portfolio as well as to provide information to help ensure safe, decent and affordable housing and to restore the public trust by identifying fraud, abuse and waste of HUD resources.

The Authority is an HCV only housing authority that does not own its own rental property. Therefore the Authority has opted to maintain its records as a governmental fund and is accounted for as a special revenue fund. It is included on the City's financial statements as part of the Housing Special Revenue Fund along with the Successor Housing Agency (SHA) (formerly the Housing elements of the City's redevelopment agencies -RRA). As such, the accompanying financial statements will not agree to what is included in the City's financial statements due to the consolidation of SHA and RRA activities and assets in the Housing Fund.

Note 2 – Summary of Significant Accounting Policies

The following is a summary of the more significant accounting policies of the Authority, all of which conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting standards. More significant accounting policies of the Authority are as follows:

A. *Basis of Accounting and Measurement Focus*

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained in accordance with legal and managerial requirements.

Government - Wide Financial Statements

The Authority's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental activities for the Authority.

The government-wide financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in Net Position as presented in these statements to the Net Position presented in the Government-Wide Financial Statements. The Authority has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recognized as soon as they are both "measurable" and "available". Revenues are considered to be available when they are collectible within the current period as soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The Authority reports the all governmental funds as major governmental funds:

The **General Fund** is the fund the Authority uses for resources within the fund that are not HUD resources. These funds must be used for housing purposes, but are not restricted by HUD.

The **HCV Special Revenue Fund** is for all activity in the Housing Choice Voucher program.

The **FSS Coordinator Special Revenue Fund** is for all activity related to the FSS Coordinator Grant.

B. Cash and Investments

The Authority pools its available cash for investment purposes. The Authority considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Cash and Investments (Continued)

Certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentration of Credit Risk
- Foreign Currency Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

C. Restricted Cash

Restricted cash is recorded for cash held in trust for FSS Escrow participants and for cash restricted for use on housing assistance payments.

D. Damage Claims and Overpayments Receivable

The Authority records an allowance for doubtful accounts on damage claims and overpayments receivable based on the experience method.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

| <u>Asset Types</u> | <u>Useful Life (in years)</u> |
|-------------------------------------|-------------------------------|
| Buildings | 10-30 |
| Improvements other than buildings | 5-40 |
| Equipment, furnishings and vehicles | 5-10 |
| Assets under capital lease | 4-30 |

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Unearned Revenue

Unearned revenue in the governmental-wide financial statement is recognized for transactions for which revenues have not yet been earned. Typical transactions recorded as unearned revenues are unspent grant funds.

G. Deferred Outflows / Inflows of Resources

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time. At June 30, 2017, the Authority has no items that qualify as Deferred Outflows of Resources.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time. At June 30, 2017, the Authority has one item, unavailable revenues, that qualifies for reporting in this category, which is related to damage claims and overpayments due from Housing program participants.

In subsequent periods, when both revenue recognition criteria (“measureable” and “available”) are met, or when the Authority has a legal claim to the resources, the Deferred Inflow is removed from the balance sheet and revenue is recognized.

H. Net Position or Fund Balance

Net Position

For government-wide reporting as well as in proprietary funds, fund equity is called net position. Net position is comprised of three components: net investment in capital assets; restricted; and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows or resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Summary of Significant Accounting Policies (Continued)

H. Net Position or Fund Balance (Continued)

Fund Equity

In the fund financial statements, governmental funds aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications; restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed ordinances of the City Council – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for the use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the City Council ‘s “intent” to be used for specific purposes, but are neither restricted nor committed. The City Council and City Manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use externally restricted resources first, the unrestricted resources-committed, assigned, and unassigned-in order as needed.

I. Use of Estimates

The preparation of the 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.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 3 – Cash and Investments

The Authority maintains a separate bank account for Housing Assistance Payment (HAP) activity. Balances deemed not necessary for each month's HAP expenditures are kept in the Authority's Local Agency Investment Fund (LAIF) with the State Treasurer in order to maintain a higher return. Administrative costs are handled through the pooled cash of the City and reimbursements are made to the City monthly.

As of June 30, 2017, cash and investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within the fair value hierarchy in which the fair value measurements fall at June 30, 2017:

| | Fair Value | Investment | Measurement |
|-----------------------------------|---------------------|---------------------|---------------|
| | | Maturity in Years | |
| | | Less Than | Input |
| | | One Year | |
| Cash and Investments: | | | |
| <i>Deposits:</i> | | | |
| Cash in bank | \$ 447,469 | \$ 477,469 | N/A |
| Total Deposits | 447,469 | 477,469 | N/A |
| <i>Investments:</i> | | | |
| Local Agency Investment Fund | 656,755 | 656,755 | Uncategorized |
| Total Investments | 656,755 | 656,755 | |
| Total Cash and Investments | \$ 1,104,224 | \$ 1,134,224 | |
| Restricted Cash: | | | |
| <i>Deposits</i> | | | |
| Cash in bank | \$ 244,063 | \$ 244,063 | N/A |
| Total Deposits | 244,063 | 244,063 | N/A |
| Total Cash and Investments | \$ 244,063 | \$ 244,063 | |

A. Cash Deposits

At June 30, 2017, the carrying amount of the Authority's deposits (unrestricted and restricted combined) was \$691,532. Bank balances before reconciling items were \$697,388 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the Authority's name as discussed below.

The California Government Code (Code) requires California banks and savings and loan associations to secure the Authority's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the Authority's name.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the Authority's cash deposits. California law also allows institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the Authority's total cash deposits. The Authority may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The Authority, however, has not waived the collateralization requirements.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 3 – Cash and Investments (Continued)

B. Investments

The Authority reports its investments at fair value with realized and unrealized gains or losses reported in the Statement of Revenues, Expenditures and Changes in Fund Balances.

Investments in Local Agency Investment Pool

The Authority invests funds in the State Treasurer’s Pooled Money Investment Account (PMIA) through LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Authority’s investments in LAIF included a portion of pool funds invested in Structure Notes and Asset-Backed Securities:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2017, the Authority had \$656,755 invested in LAIF, which had invested 2.70% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The Authority valued its investments in LAIF as of June 30, 2017, by multiplying its account balance with LAIF times a fair value factor of 0.998940671, as determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value. The fair value of the City’s position in the pool is the same as the value of the pool shares. No rating is available from a nationally recognized statistical rating organization for LAIF.

C. Risk Disclosures

Interest Rate Risk - In accordance with its investment policy, the Authority manages its exposure to declines in fair values by limiting the average maturity of its investment portfolio to less than one year, with 100% of investments LAIF being available on demand.

Credit Risk - The California Government Code and the investment policy of the Authority authorize the Authority to invest in obligations, participations, or other instruments of the U.S. Government or its agencies, state and municipal bonds, commercial paper of “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by Standard & Poor’s Corporation or Moody’s Investor Service, Inc., bankers’ acceptances, repurchase agreements, medium-term notes of maximum five-year maturity with a rating category of A or its equivalent or better by a nationally recognized rating agency, and LAIF. Reverse repurchase agreements may be made only when prior approval of the Board of Directors has been given.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 3 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Concentration of Credit Risk - The Authority has 49% of its cash invested with the LAIF. In addition to the safety provided by investing in high quality securities, LAIF's policies limit concentration risk by spreading investments over different investment types to minimize the impact of any one industry/investment class and by spreading investments over multiple credits/issuers within an investment type to minimize the credit exposure of the portfolio to any single firm or institution.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All of the Authority's investments in securities are held in the name of the Authority. The Authority's custodial agreement policy prohibits counterparties holding securities not in the Authority's name.

D. Restricted Cash

Certain deposits are received by the Authority which are not part of pooled cash and investments, but are recorded and tracked separately as restricted assets until refunded or applied.

Note 4 – Damage Claims and Overpayments Receivable

Damage claims and overpayments, net, at June 30, 2017 consisted of \$241,431 of receivables and an allowance for doubtful accounts of \$168,245.

Note 5 – Intergovernmental Receivable

Intergovernmental receivable consists of a \$6,811 receivable from HUD.

Note 6 – Capital Assets

Summary of changes in capital assets for the year ended June 30, 2017, is as follows:

| | Balance July 1, 2016 | Additions | Deletions | Balance June 30, 2017 |
|--|-------------------------|-----------|-----------|--------------------------|
| Capital assets, being depreciated: | | | | |
| Improvements | \$ - | \$ 26,623 | \$ - | \$ 26,623 |
| Vehicles & Equipment | 34,490 | - | - | 34,490 |
| Total capital assets, being depreciated | 34,490 | 26,623 | - | 61,113 |
| Accumulated depreciation: | | | | |
| Vehicles & Equipment | (31,912) | (2,576) | - | (34,488) |
| Total accumulated depreciation | (31,912) | (2,576) | - | (34,488) |
| Total capital assets, being depreciated, net | \$ 2,578 | \$ 24,047 | \$ - | \$ 26,625 |

Depreciation expense for the year ending June 30, 2017 was \$2,576.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 7 – Intergovernmental Payables - Current

The Authority's personnel costs and other administrative costs are paid by the City of Redding. These costs are recorded as intergovernmental payables to the City of Redding. Payments are typically made on those payments the month following the expense. In the governmental fund financial statements, the intergovernmental payables at June 30, 2017 consisted of \$134,009 payable to the City of Redding.

Note 8 – Unearned Revenue

The Authority's unearned revenue consists of unspent HUD grants for HAP payments and Administrative costs in the amounts of \$150,525 and \$211,938, respectively.

Note 9 – Intergovernmental Payables – Non-current

The Authority's personnel costs related to vested and unpaid compensated absences (accrued vacation and sick pay) are paid by the City of Redding. These costs are recorded in the government-wide statement of net position as non-current intergovernmental payables to the City of Redding.

Note 10 – Deferred Inflows of Resources

In the governmental fund financial statements the deferred inflows of resources balance at June 30, 2017 was \$73,186. The balance consisted of the following:

- ◆ \$73,186 for damage claims and overpayments due from Housing program participants were considered by the Authority not to have met the conditions and criteria to be recognized as revenue.

Note 11 – Contingencies

A. *Litigation*

Should the Authority be a defendant in certain legal actions arising in the normal course of operations. The liability for the probable amounts of loss associated with these claims is covered through the City of Redding's insurance programs.

B. *Grants*

Grants have been received by the Authority for specific purposes that are subject to review and additional audit by HUD. Such audits could lead to a request for reimbursement for expenditures disallowed under the terms of the grant. The amount, if any, of expenditures that may be disallowed by HUD cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

Note 12 – Economic Dependence

The Authority is dependent upon grant funding from HUD for a significant portion of the Authority's operations. Grant receipts from HUD are subject to audits to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations.

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REQUIRED SUPPLEMENTARY INFORMATION

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Housing Authority of the City of Redding
Required Supplementary Information
For the Year Ended June 30, 2017

Note 1 – Budgetary Principles

Budget Data

The operating budget of the Authority is adopted by the Housing Board prior to July 1 each year at the Housing Authority level (fund level within the City) primarily on a cash basis. The City Manager of the City is authorized to transfer budget amounts between divisions of a department within any fund; however, any revisions that alter the total expenditures of the Housing Authority require a Housing Board resolution.

Budget information is adopted and presented for the Authority as a whole. The presentations represent original appropriations adjusted for supplemental appropriations, if any, made during the year.

Summary of Differences between Budgetary Basis and Generally Accepted Accounting Principles (GAAP)

The following are the differences between the Authority's budgetary basis and GAAP:

- A. The Authority does not budget for the fair market value adjustment required under GASB 31.
- B. The Authority does not budget for accounts payable or intergovernmental payables.
- C. The Authority does not budget for benefit accruals.
- D. The Authority budgets for certain receivables and payables on a cash basis.
- E. Encumbrances are not included in the Statement of Revenue, Expenditures and Changes in Fund Balance
- F. The Authority does not budget for Unearned Revenue
- G. The Authority budgets for and records loan payments received in the revenue accounts, but adjusts the actual payment to loans receivable.

Housing Authority of the City of Redding
Required Supplementary Information (Continued)
For the Year Ended June 30, 2017

Note 2 – Budgetary Comparison Schedule

| | Budgeted Amounts | | Actual Amounts Budgetary Basis | Variance with Final Budget- Positive (Negative) |
|--|-------------------|-------------------|---|--|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental revenues | \$ 8,735,170 | \$ 8,735,710 | \$ 8,673,851 | \$ (61,859) |
| Interest revenue | 900 | 900 | 5,854 | 4,954 |
| Other | 20,000 | 35,900 | 40,908 | 5,008 |
| Total revenues | <u>8,756,070</u> | <u>8,772,510</u> | <u>8,720,613</u> | <u>(51,897)</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Community development | 8,794,331 | 8,786,031 | 8,460,914 | 325,117 |
| Capital outlay | 5,000 | 30,000 | 21,294 | 8,706 |
| Total expenditures | <u>8,799,331</u> | <u>8,816,031</u> | <u>8,482,208</u> | <u>333,823</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(43,261)</u> | <u>(43,521)</u> | <u>238,405</u> | <u>281,926</u> |
| Net change in fund balance | <u>(43,261)</u> | <u>(43,521)</u> | <u>238,405</u> | <u>281,926</u> |
| Beginning fund balance | <u>753,009</u> | <u>753,009</u> | <u>753,009</u> | <u>-</u> |
| Budgetary fund balances (deficit), end of year | <u>\$ 709,748</u> | <u>\$ 709,488</u> | <u>\$ 991,414</u> | <u>\$ 281,926</u> |

Explanation of differences between the end of year fund balance reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance and the Budgetary fund balance, end of year.

Fund balance as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance

| | |
|--|-----------------------|
| | 756,689 |
| (1) Fair Market value adjustments to investments are not recorded in budgetary accounts. | 996 |
| (2) Accounts payable accruals are reflected in GAAP based financial statements but are not included in budgetary expenditures | 8,725 |
| (3) The Authority budgets for grants on a cash basis. | (2,487) |
| (4) End of year encumbrances are included in budgetary expenditures but are not included in the GAAP based Statement of Revenues, Expenditures, and Changes in Fund Balance. | (5,327) |
| (5) The Authority budgets for interest income on notes receivable, trust fund assets and rolling stock cash on a cash basis. | (95) |
| (6) The Authority does not budget for unearned revenue. | 232,510 |
| (7) The Authority budgets for and records loan payments received in the revenue accounts, but adjusts the actual payment to loans receivable. | 403 |
| Budgetary Fund balance, end of year | <u><u>991,414</u></u> |

The Authority's budget is approved at the entity-wide level as it is a component unit of the City of Redding and is budgeted as a single fund within the City.

SUPPLEMENTARY INFORMATION

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HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Program Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Total |
|--|--|-----------------------------------|--------------------------|-------------|
| 111 Cash - Unrestricted | | \$349,822 | | \$349,822 |
| 112 Cash - Restricted - Modernization and Development | | | | |
| 113 Cash - Other Restricted | | \$229,015 | | \$229,015 |
| 114 Cash - Tenant Security Deposits | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | \$15,048 | | \$15,048 |
| 100 Total Cash | \$0 | \$593,885 | \$0 | \$593,885 |
| 121 Accounts Receivable - PHA Projects | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$6,811 | | | \$6,811 |
| 124 Accounts Receivable - Other Government | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | |
| 126 Accounts Receivable - Tenants | | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | |
| 128 Fraud Recovery | | \$241,431 | | \$241,431 |
| 128.1 Allowance for Doubtful Accounts - Fraud | | -\$168,245 | | -\$168,245 |
| 129 Accrued Interest Receivable | | \$163 | \$2,114 | \$2,277 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$6,811 | \$73,349 | \$2,114 | \$82,274 |
| 131 Investments - Unrestricted | | | \$754,402 | \$754,402 |
| 132 Investments - Restricted | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | |
| 142 Prepaid Expenses and Other Assets | | | | |
| 143 Inventories | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | |
| 144 Inter Program Due From | | | | |
| 145 Assets Held for Sale | | | | |
| 150 Total Current Assets | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 |
| 161 Land | | | | |
| 162 Buildings | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | |
| 164 Furniture, Equipment & Machinery - Administration | | | | |
| 165 Leasehold Improvements | | | | |
| 166 Accumulated Depreciation | | | | |
| 167 Construction in Progress | | | | |
| 168 Infrastructure | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$0 | \$0 | \$0 | \$0 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | |
| 173 Grants Receivable - Non Current | | | | |
| 174 Other Assets | | | | |
| 176 Investments in Joint Ventures | | | | |
| 180 Total Non-Current Assets | \$0 | \$0 | \$0 | \$0 |
| 200 Deferred Outflow of Resources | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)
Redding, CA
Program Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Total |
|---|--|-----------------------------------|--------------------------|-------------|
| 311 Bank Overdraft | | | | |
| 312 Accounts Payable <= 90 Days | | \$19,415 | | \$19,415 |
| 313 Accounts Payable >90 Days Past Due | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | | | |
| 322 Accrued Compensated Absences - Current Portion | | | | |
| 324 Accrued Contingency Liability | | | | |
| 325 Accrued Interest Payable | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | |
| 332 Account Payable - PHA Projects | | | | |
| 333 Accounts Payable - Other Government | \$6,811 | \$127,198 | | \$134,009 |
| 341 Tenant Security Deposits | | | | |
| 342 Unearned Revenue | | \$362,463 | | \$362,463 |
| 343 Current Portion of Long-term Debt - Capital | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | |
| 345 Other Current Liabilities | | \$15,048 | | \$15,048 |
| 346 Accrued Liabilities - Other | | | | |
| 347 Inter Program - Due To | | | | |
| 348 Loan Liability - Current | | | | |
| 310 Total Current Liabilities | \$6,811 | \$524,124 | \$0 | \$530,935 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | |
| 353 Non-current Liabilities - Other | | \$69,751 | | \$69,751 |
| 354 Accrued Compensated Absences - Non Current | | | | |
| 355 Loan Liability - Non Current | | | | |
| 356 FASB 5 Liabilities | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$69,751 | \$0 | \$69,751 |
| 300 Total Liabilities | \$6,811 | \$593,875 | \$0 | \$600,686 |
| 400 Deferred Inflow of Resources | | \$73,186 | | \$73,186 |
| 508.3 Nonspendable Fund Balance | | | | |
| 509.3 Restricted Fund Balance | \$0 | \$0 | \$0 | \$0 |
| 510.3 Committed Fund Balance | | | | |
| 511.3 Assigned Fund Balance | | | | |
| 512.3 Unassigned Fund Balance | | \$173 | \$756,516 | \$756,689 |
| 513 Total Equity - Net Assets / Position | \$0 | \$173 | \$756,516 | \$756,689 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Program Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14,896 PIH Family Self- Sufficiency Program | 14,871 Housing Choice Vouchers | 1 Business Activities | Total |
|---|--|---|--------------------------|-------------|
| 70300 Net Tenant Rental Revenue | | | | |
| 70400 Tenant Revenue - Other | | | | |
| 70500 Total Tenant Revenue | \$0 | \$0 | \$0 | \$0 |
| 70600 HUD PHA Operating Grants | \$58,769 | \$8,385,059 | | \$8,443,828 |
| 70610 Capital Grants | | | | |
| 70710 Management Fee | | | | |
| 70720 Asset Management Fee | | | | |
| 70730 Book Keeping Fee | | | | |
| 70740 Front Line Service Fee | | | | |
| 70750 Other Fees | | | | |
| 70700 Total Fee Revenue | | | | |
| 70800 Other Government Grants | | | | |
| 71100 Investment Income - Unrestricted | | \$934 | \$4,019 | \$4,953 |
| 71200 Mortgage Interest Income | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | |
| 71310 Cost of Sale of Assets | | | | |
| 71400 Fraud Recovery | | \$35,906 | | \$35,906 |
| 71500 Other Revenue | | \$4,599 | | \$4,599 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | |
| 72000 Investment Income - Restricted | | | | |
| 70000 Total Revenue | \$58,769 | \$8,426,498 | \$4,019 | \$8,489,286 |
| 91100 Administrative Salaries | | | | |
| 91200 Auditing Fees | | \$13,685 | | \$13,685 |
| 91300 Management Fee | | | | |
| 91310 Book-keeping Fee | | | | |
| 91400 Advertising and Marketing | | | | |
| 91500 Employee Benefit contributions - Administrative | | | | |
| 91600 Office Expenses | | \$108,728 | | \$108,728 |
| 91700 Legal Expense | | | | |
| 91800 Travel | | | | |
| 91810 Allocated Overhead | | \$188,286 | | \$188,286 |
| 91900 Other | | \$770,207 | | \$770,207 |
| 91000 Total Operating - Administrative | \$0 | \$1,080,906 | \$0 | \$1,080,906 |
| 92000 Asset Management Fee | | | | |
| 92100 Tenant Services - Salaries | | | | |
| 92200 Relocation Costs | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | |
| 92400 Tenant Services - Other | \$58,769 | | | \$58,769 |
| 92500 Total Tenant Services | \$58,769 | \$0 | \$0 | \$58,769 |
| 93100 Water | | | | |
| 93200 Electricity | | | | |
| 93300 Gas | | | | |
| 93400 Fuel | | | | |
| 93500 Labor | | | | |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Program Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14,896 PIH Family Self- Sufficiency Program | 14,871 Housing Choice Vouchers | 1 Business Activities | Total |
|---|--|---|--------------------------|-------------|
| 93600 Sewer | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | |
| 93800 Other Utilities Expense | | | | |
| 93000 Total Utilities | \$0 | \$0 | \$0 | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | |
| 94000 Total Maintenance | \$0 | \$0 | \$0 | \$0 |
| 95100 Protective Services - Labor | | | | |
| 95200 Protective Services - Other Contract Costs | | | | |
| 95300 Protective Services - Other | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | | | | |
| 96120 Liability Insurance | | | | |
| 96130 Workmen's Compensation | | | | |
| 96140 All Other Insurance | | | | |
| 96100 Total insurance Premiums | \$0 | \$0 | \$0 | \$0 |
| 96200 Other General Expenses | | | | |
| 96210 Compensated Absences | | | | |
| 96300 Payments in Lieu of Taxes | | | | |
| 96400 Bad debt - Tenant Rents | | | | |
| 96500 Bad debt - Mortgages | | | | |
| 96600 Bad debt - Other | | | | |
| 96800 Severance Expense | | | | |
| 96000 Total Other General Expenses | \$0 | \$0 | \$0 | \$0 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | |
| 96730 Amortization of Bond Issue Costs | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 |
| 96900 Total Operating Expenses | \$58,769 | \$1,080,906 | \$0 | \$1,139,675 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$0 | \$7,345,592 | \$4,019 | \$7,349,611 |
| 97100 Extraordinary Maintenance | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | |
| 97300 Housing Assistance Payments | | \$7,319,308 | | \$7,319,308 |
| 97350 HAP Portability-In | | | | |
| 97400 Depreciation Expense | | | | |
| 97500 Fraud Losses | | | | |
| 97600 Capital Outlays - Governmental Funds | \$0 | \$26,623 | \$0 | \$266,923 |
| 97700 Debt Principal Payment - Governmental Funds | \$0 | \$0 | \$0 | \$0 |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Program Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14,896 PIH Family Self- Sufficiency Program | 14,871 Housing Choice Vouchers | 1 Business Activities | Total |
|---|--|---|--------------------------|-------------|
| 97800 Dwelling Units Rent Expense | | | | |
| 90000 Total Expenses | \$58,769 | \$8,426,837 | \$0 | \$8,485,606 |
| 10010 Operating Transfer In | | | | |
| 10020 Operating transfer Out | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | |
| 10060 Proceeds from Property Sales | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | |
| 10093 Transfers between Program and Project - In | | | | |
| 10094 Transfers between Project and Program - Out | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$0 | -\$339 | \$4,019 | \$3,680 |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$0 | \$512 | \$752,497 | \$753,009 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction | | | | |
| 11050 Changes in Compensated Absence Balance | \$0 | \$0 | \$0 | \$0 |
| 11060 Changes in Contingent Liability Balance | \$0 | \$0 | \$0 | \$0 |
| 11070 Changes in Unrecognized Pension Transition Liability | \$0 | \$0 | \$0 | \$0 |
| 11080 Changes in Special Term/Severance Benefits Liability | \$0 | \$0 | \$0 | \$0 |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | \$0 | \$0 | \$0 | \$0 |
| 11100 Changes in Allowance for Doubtful Accounts - Other | \$0 | \$0 | \$0 | \$0 |
| 11170 Administrative Fee Equity | | \$173 | | \$173 |
| 11180 Housing Assistance Payments Equity | | \$0 | | \$0 |
| 11190 Unit Months Available | | 18816 | | 18816 |
| 11210 Number of Unit Months Leased | | 18674 | | 18674 |
| 11270 Excess Cash | | | | |
| 11610 Land Purchases | | | | |
| 11620 Building Purchases | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | |
| 11650 Leasehold Improvements Purchases | | | | |
| 11660 Infrastructure Purchases | | | | |
| 13510 CFFP Debt Service Payments | | | | |
| 13901 Replacement Housing Factor Funds | | | | |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Subtotal | ELIM | Total |
|---|--|--------------------------------------|--------------------------|-------------|------|-------------|
| 111 Cash - Unrestricted | | \$349,822 | | \$349,822 | | \$349,822 |
| 112 Cash - Restricted - Modernization and Development | | | | | | |
| 113 Cash - Other Restricted | | \$229,015 | | \$229,015 | | \$229,015 |
| 114 Cash - Tenant Security Deposits | | | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | \$15,048 | | \$15,048 | | \$15,048 |
| 100 Total Cash | \$0 | \$593,885 | \$0 | \$593,885 | | \$593,885 |
| 121 Accounts Receivable - PHA Projects | | | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$6,811 | | | \$6,811 | | \$6,811 |
| 124 Accounts Receivable - Other Government | | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | | | |
| 126 Accounts Receivable - Tenants | | | | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | | |
| 128 Fraud Recovery | | \$241,431 | | \$241,431 | | \$241,431 |
| 128.1 Allowance for Doubtful Accounts - Fraud | | -\$168,245 | | -\$168,245 | | -\$168,245 |
| 129 Accrued Interest Receivable | | \$163 | \$2,114 | \$2,277 | | \$2,277 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$6,811 | \$73,349 | \$2,114 | \$82,274 | | \$82,274 |
| 131 Investments - Unrestricted | | | \$754,402 | \$754,402 | | \$754,402 |
| 132 Investments - Restricted | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | |
| 142 Prepaid Expenses and Other Assets | | | | | | |
| 143 Inventories | | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | | |
| 144 Inter Program Due From | | | | | | |
| 145 Assets Held for Sale | | | | | | |
| 150 Total Current Assets | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 | | \$1,430,561 |
| 161 Land | | | | | | |
| 162 Buildings | | | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | | | |
| 164 Furniture, Equipment & Machinery - Administration | | | | | | |
| 165 Leasehold Improvements | | | | | | |
| 166 Accumulated Depreciation | | | | | | |
| 167 Construction in Progress | | | | | | |
| 168 Infrastructure | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | | |
| 173 Grants Receivable - Non Current | | | | | | |
| 174 Other Assets | | | | | | |
| 176 Investments in Joint Ventures | | | | | | |
| 180 Total Non-Current Assets | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 200 Deferred Outflow of Resources | | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 | | \$1,430,561 |
| 311 Bank Overdraft | | | | | | |
| 312 Accounts Payable <= 90 Days | | \$19,415 | | \$19,415 | | \$19,415 |
| 313 Accounts Payable >90 Days Past Due | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | | | | | |
| 322 Accrued Compensated Absences - Current Portion | | | | | | |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Subtotal | ELIM | Total |
|--|--|--------------------------------------|--------------------------|-------------|------|-------------|
| 324 Accrued Contingency Liability | | | | | | |
| 325 Accrued Interest Payable | | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | | |
| 332 Account Payable - PHA Projects | | | | | | |
| 333 Accounts Payable - Other Government | \$6,811 | \$127,198 | | \$134,009 | | \$134,009 |
| 341 Tenant Security Deposits | | | | | | |
| 342 Unearned Revenue | | \$362,463 | | \$362,463 | | \$362,463 |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | | |
| 345 Other Current Liabilities | | \$15,048 | | \$15,048 | | \$15,048 |
| 346 Accrued Liabilities - Other | | | | | | |
| 347 Inter Program - Due To | | | | | | |
| 348 Loan Liability - Current | | | | | | |
| 310 Total Current Liabilities | \$6,811 | \$524,124 | \$0 | \$530,935 | | \$530,935 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | | |
| 353 Non-current Liabilities - Other | | \$69,751 | | \$69,751 | | \$69,751 |
| 354 Accrued Compensated Absences - Non Current | | | | | | |
| 355 Loan Liability - Non Current | | | | | | |
| 356 FASB 5 Liabilities | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$69,751 | \$0 | \$69,751 | | \$69,751 |
| 300 Total Liabilities | \$6,811 | \$593,875 | \$0 | \$600,686 | | \$600,686 |
| 400 Deferred Inflow of Resources | | \$73,186 | | \$73,186 | | \$73,186 |
| 508.3 Nonspendable Fund Balance | | | | | | |
| 509.3 Restricted Fund Balance | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 510.3 Committed Fund Balance | | | | | | |
| 511.3 Assigned Fund Balance | | | | | | |
| 512.3 Unassigned Fund Balance | | \$173 | \$756,516 | \$756,689 | | \$756,689 |
| 513 Total Equity - Net Assets / Position | \$0 | \$173 | \$756,516 | \$756,689 | | \$756,689 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | \$6,811 | \$667,234 | \$756,516 | \$1,430,561 | | \$1,430,561 |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Subtotal | ELIM | Total |
|---|--|--------------------------------------|--------------------------|-------------|------|-------------|
| 70300 Net Tenant Rental Revenue | | | | | | |
| 70400 Tenant Revenue - Other | | | | | | |
| 70500 Total Tenant Revenue | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 70600 HUD PHA Operating Grants | \$58,769 | \$8,385,059 | | \$8,443,828 | | \$8,443,828 |
| 70610 Capital Grants | | | | | | |
| 70710 Management Fee | | | | | | |
| 70720 Asset Management Fee | | | | | | |
| 70730 Book Keeping Fee | | | | | | |
| 70740 Front Line Service Fee | | | | | | |
| 70750 Other Fees | | | | | | |
| 70700 Total Fee Revenue | | | | | | |
| 70800 Other Government Grants | | | | | | |
| 71100 Investment Income - Unrestricted | | \$934 | \$4,019 | \$4,953 | | \$4,953 |
| 71200 Mortgage Interest Income | | | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | | |
| 71310 Cost of Sale of Assets | | | | | | |
| 71400 Fraud Recovery | | \$35,906 | | \$35,906 | | \$35,906 |
| 71500 Other Revenue | | \$4,599 | | \$4,599 | | \$4,599 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | | |
| 72000 Investment Income - Restricted | | | | | | |
| 70000 Total Revenue | \$58,769 | \$8,426,498 | \$4,019 | \$8,489,286 | | \$8,489,286 |
| 91100 Administrative Salaries | | | | | | |
| 91200 Auditing Fees | | \$13,685 | | \$13,685 | | \$13,685 |
| 91300 Management Fee | | | | | | |
| 91310 Book-keeping Fee | | | | | | |
| 91400 Advertising and Marketing | | | | | | |
| 91500 Employee Benefit contributions - Administrative | | | | | | |
| 91600 Office Expenses | | \$108,728 | | \$108,728 | | \$108,728 |
| 91700 Legal Expense | | | | | | |
| 91800 Travel | | | | | | |
| 91810 Allocated Overhead | | \$188,286 | | \$188,286 | | \$188,286 |
| 91900 Other | | \$770,207 | | \$770,207 | | \$770,207 |
| 91000 Total Operating - Administrative | \$0 | \$1,080,906 | \$0 | \$1,080,906 | | \$1,080,906 |
| 92000 Asset Management Fee | | | | | | |
| 92100 Tenant Services - Salaries | | | | | | |
| 92200 Relocation Costs | | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | | |
| 92400 Tenant Services - Other | \$58,769 | | | \$58,769 | | \$58,769 |
| 92500 Total Tenant Services | \$58,769 | \$0 | \$0 | \$58,769 | | \$58,769 |
| 93100 Water | | | | | | |
| 93200 Electricity | | | | | | |
| 93300 Gas | | | | | | |
| 93400 Fuel | | | | | | |
| 93500 Labor | | | | | | |
| 93600 Sewer | | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | | |
| 93800 Other Utilities Expense | | | | | | |
| 93000 Total Utilities | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and Other | | | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | | | | | | |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Subtotal | ELIM | Total |
|---|--|--------------------------------------|--------------------------|-------------|------|-------------|
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | | | |
| 94000 Total Maintenance | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 95100 Protective Services - Labor | | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | | |
| 95300 Protective Services - Other | | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 96110 Property Insurance | | | | | | |
| 96120 Liability Insurance | | | | | | |
| 96130 Workmen's Compensation | | | | | | |
| 96140 All Other Insurance | | | | | | |
| 96100 Total insurance Premiums | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 96200 Other General Expenses | | | | | | |
| 96210 Compensated Absences | | | | | | |
| 96300 Payments in Lieu of Taxes | | | | | | |
| 96400 Bad debt - Tenant Rents | | | | | | |
| 96500 Bad debt - Mortgages | | | | | | |
| 96600 Bad debt - Other | | | | | | |
| 96800 Severance Expense | | | | | | |
| 96000 Total Other General Expenses | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 96900 Total Operating Expenses | \$58,769 | \$1,080,906 | \$0 | \$1,139,675 | | \$1,139,675 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$0 | \$7,345,592 | \$4,019 | \$7,349,611 | | \$7,349,611 |
| 97100 Extraordinary Maintenance | | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | | |
| 97300 Housing Assistance Payments | | \$7,319,308 | | \$7,319,308 | | \$7,319,308 |
| 97350 HAP Portability-In | | | | | | |
| 97400 Depreciation Expense | | | | | | |
| 97500 Fraud Losses | | | | | | |
| 97600 Capital Outlays - Governmental Funds | \$0 | \$26,623 | \$0 | \$26,623 | | \$26,623 |
| 97700 Debt Principal Payment - Governmental Funds | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 97800 Dwelling Units Rent Expense | | | | | | |
| 90000 Total Expenses | \$58,769 | \$8,426,837 | \$0 | \$8,485,606 | | \$8,485,606 |
| 10010 Operating Transfer In | | | | | | |
| 10020 Operating transfer Out | | | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | | |
| 10060 Proceeds from Property Sales | | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | | |
| 10093 Transfers between Program and Project - In | | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 | | \$0 |

HOUSING AUTHORITY OF THE CITY OF REDDING (CA106)

Redding, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

| | 14.896 PIH Family Self- Sufficiency Program | 14.871 Housing Choice Vouchers | 1 Business Activities | Subtotal | ELIM | Total |
|---|--|--------------------------------------|--------------------------|-----------|------|-----------|
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | \$0 | -\$339 | \$4,019 | \$3,680 | | \$3,680 |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11030 Beginning Equity | \$0 | \$512 | \$752,497 | \$753,009 | | \$753,009 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | | | | | | |
| 11050 Changes in Compensated Absence Balance | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11060 Changes in Contingent Liability Balance | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11070 Changes in Unrecognized Pension Transition Liability | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11080 Changes in Special Term/Severance Benefits Liability | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11100 Changes in Allowance for Doubtful Accounts - Other | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11170 Administrative Fee Equity | | \$173 | | \$173 | | \$173 |
| 11180 Housing Assistance Payments Equity | | \$0 | | \$0 | | \$0 |
| 11190 Unit Months Available | | 18816 | | 18816 | | 18816 |
| 11210 Number of Unit Months Leased | | 18674 | | 18674 | | 18674 |
| 11270 Excess Cash | | | | | | |
| 11610 Land Purchases | | | | | | |
| 11620 Building Purchases | | | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | | |
| 11660 Infrastructure Purchases | | | | | | |
| 13510 CFFP Debt Service Payments | | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | | |