

Housing Authority of the City of Redding

Redding, California

*Basic Financial Statements
and Independent Auditors' Reports*

For the year ended June 30, 2006

Housing Authority of the City of Redding

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Caporicci & Larson
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Affordable Housing Commission
of the Housing Authority of the City of Redding
Redding, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Redding Housing Authority (Authority), a component unit of the City of Redding, as of and for the year ended June 30, 2006, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States 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 basic financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Authority as of June 30, 2006, and the respective changes in financial position for the year then ended in conformity with generally accepted accounting principles in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2006, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result 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 *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Authority has not presented the management discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the financial statements.

Caporicci & Larson

Oakland, California
November 3, 2006

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

Housing Authority of the City of Redding
Statement of Net Assets
June 30, 2006

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and investments	\$ 1,464,028
Receivables:	
Interest	15,602
Damage claims and overpayments	120,799
Intergovernmental receivable	57,971
Restricted assets:	
Cash	97,585
Total current assets	<u>1,755,985</u>
Noncurrent assets:	
Intergovernmental receivable	258,598
FSS emergency loans receivable	2,199
Total noncurrent assets	<u>260,797</u>
Total assets	<u><u>2,016,782</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,379
Accrued liabilities	902
Intergovernmental payable	51,448
Unearned revenue	164,923
Deposits	97,585
Total liabilities	<u>318,237</u>
NET ASSETS	
Restricted for:	
Housing	1,708,121
Unrestricted (deficit)	<u>(9,576)</u>
Total net assets	<u><u>\$ 1,698,545</u></u>

See accompanying Notes to Basic Financial Statements.

Housing Authority of the City of Redding
Statement of Activities and Changes in Net Assets
For the year ended June 30, 2006

Expenses:	
Housing:	
Administrative	\$ 926,452
Rental assistance	<u>5,936,167</u>
Total Program expenses	<u>6,862,619</u>
Program Revenues:	
Operating grants and contributions	<u>7,165,950</u>
Net program income	<u>303,331</u>
General revenues:	
Investment earnings	71,510
Other	<u>40,293</u>
Total general revenues	<u>111,803</u>
Change in net assets	415,134
Net assets - beginning of year	<u>1,283,411</u>
Net assets - end of year	<u>\$ 1,698,545</u>

See accompanying Notes to Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

Housing Authority of the City of Redding
Balance Sheet
Governmental Funds
June 30, 2006

	General Fund	MOD 1 Special Revenue	MOD 2 Special Revenue	Section 8 Voucher Special Revenue	Total Governmental Funds
ASSETS					
Current assets:					
Cash and investments	\$ 1,464,028	\$ -	\$ -	\$ -	\$ 1,464,028
Receivables:					
Interest	9,437	-	-	6,165	15,602
Damage claims and overpayments	120,799	-	-	-	120,799
Intergovernmental	27,603	4,932	50,505	-	83,040
Due from other funds	64,439	-	-	803,339	867,778
Restricted assets:					
Cash	-	-	-	97,585	97,585
Non current assets:					
Intergovernmental receivables	258,598	-	-	-	258,598
FSS emergency loans receivable	-	-	-	2,199	2,199
Total assets	\$ 1,944,904	\$ 4,932	\$ 50,505	\$ 909,288	\$ 2,909,629
LIABILITIES AND FUND BALANCES					
Current liabilities:					
Accounts payable	\$ 1,401	\$ -	\$ -	\$ 1,978	\$ 3,379
Accrued liabilities	-	2	12	888	902
Intergovernmental payable	-	560	-	75,957	76,517
Due to other funds	803,339	6,280	58,159	-	867,778
Deferred revenue	120,799	-	30,368	44,124	195,291
Deposits	-	-	-	97,585	97,585
Total liabilities	925,539	6,842	88,539	220,532	1,241,452
Fund Balances:					
Reserved for:					
Housing	1,019,365	-	-	688,756	1,708,121
Unreserved, undesignated reported in:					
Special revenue funds	-	(1,910)	(38,034)	-	(39,944)
Total fund balances	1,019,365	(1,910)	(38,034)	688,756	1,668,177
Total liabilities and fund balances	\$ 1,944,904	\$ 4,932	\$ 50,505	\$ 909,288	\$ 2,909,629

See accompanying Notes to Basic Financial Statements.

Housing Authority of the City of Redding
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Assets
June 30, 2006

Total Fund Balances - Total Governmental Funds	\$ 1,668,177
Revenue reported as deferred revenue in the governmental funds was recorded as revenue in the statement of activities.	<u>30,368</u>
Net Assets of Governmental Activities	<u>\$ 1,698,545</u>

See accompanying Notes to Basic Financial Statements.

Housing Authority of the City of Redding
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2006

	General Fund	MOD 1 Special Revenue	MOD 2 Special Revenue	Section 8 Voucher Special Revenue	Total Governmental Funds
REVENUES:					
Intergovernmental revenues	\$ -	\$ 14,845	\$ 70,376	\$ 7,050,361	\$ 7,135,582
Use of money and property	46,908	-	-	24,602	71,510
Other revenue	-	111	-	40,182	40,293
Total revenues	46,908	14,956	70,376	7,115,145	7,247,385
EXPENDITURES:					
Current:					
Administrative	1,403	2,187	11,247	867,839	882,676
Professional services	-	5	17	1,300	1,322
Rental assistance payments	-	12,773	90,263	5,833,131	5,936,167
FSS service coordinator	-	-	-	42,454	42,454
Total expenditures	1,403	14,965	101,527	6,744,724	6,862,619
Net change in fund balances	45,505	(9)	(31,151)	370,421	384,766
FUND BALANCES:					
Beginning of year	973,860	(1,901)	(6,883)	318,335	1,283,411
End of year	\$ 1,019,365	\$ (1,910)	\$ (38,034)	\$ 688,756	\$ 1,668,177

See accompanying Notes to Basic Financial Statements.

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 and Changes in Net Assets
For the year ended June 30, 2006

Net Change in Fund Balances - Total Governmental Funds	\$ 384,766
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	<u>30,368</u>
Change in Net Assets of Governmental Activities	<u>\$ 415,134</u>

See accompanying Notes to Basic Financial Statements.

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Housing Authority of the City of Redding
Notes to the Basic Financial Statements
For the years ended June 30, 2006

1. REPORTING ENTITY

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 Conventional Low Rent Owned Housing 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 a section 8 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 components of the Redding Redevelopment Agency (RRA). As such, the accompanying financial statements will not agree to what is included in the City's financial statements due to revenue recognition differences and the consolidation of RRA activities and assets in the Housing Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting and Measurement Focus

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.

The financial statements for the Authority are presented as General Fund and Special Revenue Funds, which are governmental funds. Governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenue to be available if they are collectible within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred.

B. Restricted Cash

Restricted cash is recorded for all cash advances received as deposits for housing activities.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements, Continued
For the years ended June 30, 2006

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Deferred/Unearned Revenue

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

In the governmental fund financial statement, deferred revenues arise when potential revenues do not meet both "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Authority before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. Net Assets

Net Assets are classified in the following categories:

Restricted Net Assets – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of "restricted net assets."

E. 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.

3. CASH AND INVESTMENTS

The Authority maintains a cash and investment pool, which includes cash balances and authorized investments of all funds, which the Authority invests to enhance interest earnings. The pooled interest earned is allocated to the funds annually, based on an analysis of cash activity and fund balances.

A. Cash Deposits

At June 30, 2006, the carrying amount of the Authority's deposits was \$603,205. Bank balances before reconciling items were \$610,029 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 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.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements, Continued
For the years ended June 30, 2006

3. CASH AND INVESTMENTS, Continued

A. Cash Deposits, Continued

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 \$100,000 by the Federal Deposit Insurance Corporation. The Authority, however, has not waived the collateralization requirements.

B. Investments

The Authority reports its investments in accordance with Governmental Accounting Standards Board (GASB) Statement Number 31. This standard requires that the Authority's investments be reported at fair value with realized and unrealized gains or losses reported in the statement of revenues, expenditures and changes in fund balance

The Authority invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through the Local Agency Investment Fund (LAIF), a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee.

LAIF has oversight by the Local Agency Investment Advisory Board. The fair value of the Authority's position in the pool is materially equivalent to the value of pool shares.

In accordance with authorized investment laws, LAIF invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. As of June 30, 2006, 2.567% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. The City valued its investments in LAIF as of June 30, 2006, by multiplying its account balance with LAIF by a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants' total aggregate fair value by total aggregate amortized cost resulting in a factor of .998185821. No rating is available from a nationally recognized statistical rating organization for LAIF.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements, Continued
For the years ended June 30, 2006

3. CASH AND INVESTMENTS, Continued

C. Summary of Cash and Investments

As of June 30, 2006, the Authority had the following cash and investments:

	Fair Value	Investment Maturity in Year Less Than One Year
Cash and Investments:		
<i>Deposits:</i>		
Cash in bank	\$ 603,205	\$ 603,205
Cash on hand	2,184	2,184
Total deposits	<u>605,389</u>	<u>605,389</u>
<i>Investments:</i>		
Local Agency Investment Funds	858,639	858,639
Total investments	<u>858,639</u>	<u>858,639</u>
Total Cash and Investments	<u><u>\$ 1,464,028</u></u>	<u><u>\$ 1,464,028</u></u>
 Restricted Cash:		
<i>Deposits:</i>		
Cash in bank	\$ 97,585	\$ 97,585
Total Restricted Cash and Investments	<u><u>\$ 97,585</u></u>	<u><u>\$ 97,585</u></u>

D. 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 91% of investments (Local Agency Investment Fund) 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 the State Treasurer's Investment Pool (LAIF). Reverse repurchase agreements may be made only when prior approval of the Board of Directors has been given.

Concentration of Credit Risk - The Authority has about 91% 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.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements, Continued
For the years ended June 30, 2006

3. CASH AND INVESTMENTS, Continued

D. Risk Disclosures, Continued

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.

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.

4. INTERFUND ACTIVITIES

At June 30, 2006 interfund activities were as follows:

Due To Other Funds	Due From Other Funds		Total
	General Funds	Section 8 Fund	
General Fund	\$ -	\$ 803,339	\$ 803,339
MOD 1 Special Revenue Fund	6,280	-	6,280
MOD 2 Special Revenue Fund	58,159	-	58,159
Total	\$ 64,439	\$ 803,339	\$ 867,778

5. DEFERRED / UNEARNED REVENUES

In the governmental fund financial statements the deferred revenue balance at June 30, 2006 was \$195,291. The balance consisted of the following:

- ♦ \$30,368, due from the Department of Housing and Urban Development for the MOD 2 Housing program which was determined by the Authority not to be readily available to be recognized as revenue.
- ♦ An advance payment of \$44,124 was received from the Department of Housing and Urban Development for the Housing Assistance Program.
- ♦ \$120,799 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.

In the Government-wide financial statements the Authority recognized the \$30,368 due from the Department of Housing and Urban Development for the MOD 2 Housing program, as revenue. The remaining balance was determined to be unearned revenue based on the specific criteria of the transactions.

Housing Authority of the City of Redding
Notes to the Basic Financial Statements, Continued
For the years ended June 30, 2006

6. CONTINGENCIES

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.

7. ECONOMIC DEPENDENCE

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



Caporicci & Larson
Certified Public Accountants

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

To the Affordable Housing Commission
of the Housing Authority of the City of Redding
Redding, California

We have audited the financial statements of the Housing Authority of the City of Redding (Authority), a component unit of the City of Redding (City), as of and for the year ended June 30, 2006, and have issued our report thereon dated November 3, 2006. We conducted our audit in accordance with generally accepted auditing standards in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Governing Board, management of the Authority, and the State Controller. However, this report is a matter of public record and its distribution is not limited.

Caporicci & Larson

Oakland, California
November 3, 2006

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SUPPLEMENTARY INFORMATION

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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors
 Of the City of Redding Housing Authority
 Redding, California

We have performed the procedure described in the second paragraph of this report, which was agreed to by the City of Redding Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents included within the OMB Circular A-133 reporting package. The City of Redding Housing Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in the *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the chart below.

Procedures	UFRS Rule Information	Hard Copy Documents	Agreed	Does Not Agreed
1	Balance Sheet, Revenue and Expense and Cash Flow data (account numbers 111 to 1121)	Financial Data Templates (i.e. Supplemental Schedules)	X	
2	Footnotes (G5000-010)	Footnotes to Audited Basic Financial Statements	X	
3	Type of opinion on the Financial Statement and auditor reports (G5100-010)	Auditor's Reports on the Financial Statements, Compliance and Internal Control	X	
4	Audit finding narrative (G5200-010)	Schedule of Findings and Questioned Costs	X	
5	General information (G2000, G2100, G2200, G9000, and G9100 series of accounts)	OMB Data Collection Form	X	
6	Information (G3000-005 to G3000-050)	OMB Data Collection Form	X	
7	General information (G4000-010 to G4100-040)	OMB Data Collection Form		X See Comment
8	Federal Agencies required to receive reporting package (G4000-050)	OMB Data Collection Form	X	

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To the Board of Directors
Of the City of Redding Housing Authority
Redding, California

Finding:

The amount reported as the dollar threshold used to distinguish Type A and Type B programs on line G4000-20 of the electronic submission was incorrect. The amount reported should be \$473,402 instead of \$482,538. The electronic submission was not updated to reflect a minor change made to the Single Audit Report.

We were engaged to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, City of Redding Housing Authority, HUD Project No. 106 as of and for the year ended June 30, 2006, and have issued our report thereon dated November 3, 2006. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplemental information dated November 3, 2006 was expressed in relation to the basic financial statements of City of Redding Housing Authority, HUD Project No. 106 taken as a whole.

A copy of the reporting package required by OMB Circular A-133, which includes the auditor's reports, is available in its entirety from the City of Redding Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of the City of Redding Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Capricci & Carson

Oakland, California
March 6, 2007

PHA: CA106 FYED: 06/30/2006

Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0001	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0002	Housing Choice Vouchers	Total
113	Cash - Other Restricted	\$0	\$0	\$97,585	\$97,585
100	Total Cash	\$0	\$0	\$97,585	\$97,585
124	Accounts Receivable - Other Government	\$0	\$30,368	\$0	\$30,368
125	Accounts Receivable - Miscellaneous	\$4,932	\$20,137	\$0	\$25,069
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$6,165	\$6,165
120	Total Receivables, net of allowances for doubtful accounts	\$4,932	\$50,505	\$6,165	\$61,602
144	Interprogram Due From	\$0	\$0	\$803,339	\$803,339
150	Total Current Assets	\$4,932	\$50,505	\$907,089	\$962,526
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0
171	Notes, Loans, & Mortgages Receivable - Non Current	\$0	\$0	\$2,199	\$2,199
180	Total Non-Current Assets	\$0	\$0	\$2,199	\$2,199
190	Total Assets	\$4,932	\$50,505	\$909,288	\$964,725

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Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0001	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0002	Housing Choice Vouchers	Total
312	Accounts Payable <= 90 Days	\$0	\$0	\$1,978	\$1,978
333	Accounts Payable - Other Government	\$560	\$0	\$0	\$560
342	Deferred Revenues	\$0	\$0	\$44,124	\$44,124
345	Other Current Liabilities	\$0	\$0	\$75,957	\$75,957
346	Accrued Liabilities - Other	\$2	\$12	\$888	\$902
347	Interprogram Due To	\$6,280	\$58,159	\$0	\$64,439
310	Total Current Liabilities	\$6,842	\$58,171	\$122,947	\$187,960
353	Noncurrent Liabilities - Other	\$0	\$0	\$97,585	\$97,585
350	Total Noncurrent Liabilities	\$0	\$0	\$97,585	\$97,585
300	Total Liabilities	\$6,842	\$58,171	\$220,532	\$285,545
508	Total Contributed Capital	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$0	\$0	\$0
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$-1,910	\$-7,666	\$688,756	\$679,180
513	Total Equity/Net Assets	\$-1,910	\$-7,666	\$688,756	\$679,180
600	Total Liabilities and Equity/Net Assets	\$4,932	\$50,505	\$909,288	\$964,725

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Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0001	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0002	Housing Choice Vouchers	Total
705	Total Tenant Revenue	\$0	\$0	\$0	\$0
706	HUD PHA Operating Grants	\$14,845	\$100,744	\$7,050,361	\$7,165,950
711	Investment Income - Unrestricted	\$0	\$0	\$24,602	\$24,602
713.1	Cost of Sale of Assets	\$0	\$0	\$0	\$0
714	Fraud Recovery	\$0	\$0	\$8,381	\$8,381
715	Other Revenue	\$111	\$0	\$31,801	\$31,912
720	Investment Income - Restricted	\$0	\$0	\$0	\$0
700	Total Revenue	\$14,956	\$100,744	\$7,115,145	\$7,230,845

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Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0001	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0002	Housing Choice Vouchers	Total
911	Administrative Salaries	\$1,070	\$5,500	\$419,220	\$425,790
912	Auditing Fees	\$5	\$17	\$1,300	\$1,322
915	Employee Benefit Contributions - Administrative	\$587	\$3,022	\$230,363	\$233,972
916	Other Operating - Administrative	\$530	\$2,725	\$218,256	\$221,511
969	Total Operating Expenses	\$2,192	\$11,264	\$869,139	\$882,595
970	Excess Operating Revenue over Operating Expenses	\$12,764	\$89,480	\$6,246,006	\$6,348,250
973	Housing Assistance Payments	\$12,773	\$90,263	\$5,875,585	\$5,978,621
900	Total Expenses	\$14,965	\$101,527	\$6,744,724	\$6,861,216
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-9	\$-783	\$370,421	\$369,629

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Line Item No.	Account Description	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0001	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat CA106MR0002	Housing Choice Vouchers	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$-1,889	\$-6,845	\$286,788	\$278,054
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$-12	\$-38	\$31,547	\$31,497
1113	Maximum Annual Contributions Commitment (Per ACC)	\$9,894	\$48,760	\$0	\$58,654
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$9,463	\$260,949	\$0	\$270,412
1116	Total Annual Contributions Available	\$19,357	\$309,709	\$0	\$329,066
1120	Unit Months Available	45	228	18,036	18,309
1121	Number of Unit Months Leased	42	216	16,464	16,722

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