

**CITY OF OXNARD HOUSING AUTHORITY**  
(A Component Unit of the City of Oxnard)

Basic Financial Statements  
and Supplemental Data

Year ended June 30, 2016

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CITY OF OXNARD HOUSING AUTHORITY

Basic Financial Statements  
and Supplemental Data

Year ended June 30, 2016

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
City of Oxnard Housing Authority  
Oxnard, California

We have audited the accompanying financial statements of the City of Oxnard Housing Authority (Authority), California, as of and for the year ended June 30, 2016, 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 an opinion 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 from 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 entity'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 entity'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 opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Oxnard Housing Authority, California, as of June 30, 2016, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Report on Summarized Comparative Information***

We have previously audited the City of Oxnard Housing Authority's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 25, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Oxnard Housing Authority's basic financial statements. The accompanying *Financial Data Schedule* and *Schedule of Actual Modernization Cost Certificates* listed in the Table of Contents as Supplemental Data are presented for purposes of additional analysis as required by the Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development and is not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 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 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 Authority's internal control over financial reporting and compliance.

Daniel Fan CP

Irvine, California  
January 31, 2017

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Oxnard Housing Authority (“the Authority”) management’s discussion and analysis provides an overview of the Authority’s financial activity and assists the reader in focusing on significant financial issues for the fiscal year ended June 30, 2016. Readers are encouraged to consider the information presented here in conjunction with the accompanying basic financial statements included in this report.

The Management’s Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### Financial Highlights

- Total operating revenues for all programs were over \$24 million for the year. Rental and other income generated approximately \$4.8 million towards this amount, with HUD grants and subsidies covering the balance.
- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by approximately \$14 million. Of that amount, approximately \$12,600 is restricted net position; and the remainder of approximately \$14.3 million is net investment in capital assets.
- The Authority’s net position increased approximately \$3.8 million as a result of this year’s operations.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority’s basic financial statements. The Authority’s basic financial statements are comprised of a statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows and notes to basic financial statements.

**Financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other moneys. All of the funds of the Authority are classified as one enterprise fund.

Enterprise funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication. The financial data schedules by program are included under supplemental data.

The Statement of Net Position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. Assets and liabilities are presented in order of liquidity, and are classified as "current" (convertible into cash or due within one year) and "non-current." The purpose of the Statement of Net Position is to present the net available liquid (non-capital) assets net of liabilities, for the Authority. Net Position is reported in three broad categories:

Net Investment in Capital Assets: This consists of capital assets less accumulated depreciation on those assets, net of related debt.

Restricted Net Position: This consists of assets with constraints on how they are used.

Unrestricted Net Position: This consists of assets that do not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position."

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Statement of Cash Flows presents the change in the Authority's cash and cash equivalents during the most recent fiscal year.

The Notes to Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

## Financial Analysis

The analysis below focuses on the net position (Table 1) and the changes in net position (Table 2) of the Authority as a whole. By far the largest portion of the Authority's net position reflects its investment in capital assets (e.g., land, buildings, furniture, equipment and machinery), net of all depreciation and related capital debt. The Authority uses these capital assets to provide services to clients; consequently, these assets are not available for future spending. The Authority currently has \$2,920,000 of bonds payable that it used the proceeds of to rehabilitate public housing units. The capital assets to which this debt relates are those in the Low Rent Public Housing program of \$2,313,760. All other investments in capital assets are free of debt as of June 30, 2016.

Table 1  
Statement of Net Position

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>	<u>%</u>
Current and other assets	\$ 13,142,364	\$ 10,320,144	\$ 2,822,220	27.35%
Capital assets, net	<u>14,279,962</u>	<u>14,379,501</u>	<u>(99,539)</u>	-0.69%
 Total assets	 <u>27,422,326</u>	 <u>24,699,645</u>	 <u>2,722,681</u>	 11.02%
Deferred Outflows				
Pension Contribution	1,008,876	489,545	519,331	106.08%
Long-term liabilities	11,699,327	12,335,422	(636,095)	-5.16%
Other Liabilities	<u>1,339,368</u>	<u>1,306,828</u>	<u>32,540</u>	2.49%
 Total Liabilities	 <u>13,038,695</u>	 <u>13,642,250</u>	 <u>(603,555)</u>	 -4.42%
Deferred Inflows				
Pension Accrual	1,653,013	1,565,957	87,056	5.56%
Net position:				
Net investment in capital assets	14,279,962	14,379,501	(99,539)	-0.69%
Restricted	12,617	122,228	(109,611)	-89.68%
Unrestricted	<u>(553,085)</u>	<u>(4,520,748)</u>	<u>3,967,663</u>	-87.77%
Total net position	<u>\$ 13,739,494</u>	<u>\$ 9,980,981</u>	<u>\$ 3,758,513</u>	37.66%

The following is an explanation of the major factors affecting the changes between fiscal years as shown in the table above:

- Capital assets decreased \$99,539 (net of depreciation) as follows:

<u>Asset type</u>	<u>Amount</u>
Land	\$ -
Buildings	541,995
Furniture, equipment and machinery	110,012
Construction in progress	<u>(155,255)</u>
 Total additions	 496,752
 Less depreciation	 <u>(596,291)</u>
 Capital asset decrease	 <u><u>\$ (99,539)</u></u>

- Current and other assets increased by approximately \$2.8 million primarily due to the increase in accounts receivable of approximately \$1.7 million and an increase in cash and investments of approximately \$1.1 million.
- Total liabilities decreased by approximately \$600,000 from the prior year which was primarily due to a reduction of \$348,000 for pension liabilities and a \$295,000 principal payment made on the 2004 Capital Fund Revenue Bonds.

Table 2  
Statement of Revenues, Expenses and Changes in Net Position

	<u>2016</u>	<u>2015</u>	Increase (Decrease)	<u>%</u>
Operating revenue:				
Federal grants and subsidies	\$ 19,655,951	\$ 17,853,909	1,802,042	10.09%
Rental and other	4,751,939	4,711,551	40,388	0.86%
Non-operating revenue:				
Investment income	28,077	16,847	11,230	66.66%
Capital contributions	874,347	839,149	35,198	4.19%
Other	<u>1,889,591</u>	<u>537,147</u>	<u>1,352,444</u>	251.78%
Total revenues	<u>27,199,905</u>	<u>23,958,603</u>	<u>3,241,302</u>	13.53%
Operating expenses:				
Administrative	3,100,731	3,542,083	(441,352)	-12.46%
Tenant services	258,524	213,660	44,864	21.00%
Utilities	825,225	819,378	5,847	0.71%
Maintenance and operations	1,575,935	1,561,792	14,143	0.91%
General	869,328	986,456	(117,128)	-11.87%
Housing assistance payments	15,957,578	15,223,451	734,127	4.82%
Depreciation	704,607	1,057,942	(353,335)	-33.40%
Non-operating expenses:				
Interest	149,436	175,304	(25,868)	-14.76%
Casualty loss	<u>28</u>	<u>4,115</u>	<u>(4,087)</u>	-99.32%
Total expenses	<u>23,441,392</u>	<u>23,584,181</u>	<u>(142,789)</u>	-0.61%
Increase (decrease) in net position	<u>\$ 3,758,513</u>	<u>\$ 374,422</u>	<u>3,384,091</u>	903.82%

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

- Total revenues increased from a year ago by approximately \$3.2 million (13.5%) primarily due to an increase in program grant revenue and developer fees. Total expenses decreased by approximately \$143,000.

## Capital Assets

The Authority's investment in capital assets as of June 30, 2016, amounts to \$14,279,962 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture, equipment and machinery and construction in progress. The total decrease in the Authority's investment in capital assets for the current fiscal year was approximately .7%, which was primarily a result of the addition of capital fund projects being offset by depreciation.

### Capital Assets at Year-end

	<u>2016</u>	<u>2015</u>
Land	\$ 8,920,208	8,920,208
Buildings and improvements	43,823,654	43,281,659
Furniture, equipment and machinery	2,124,743	2,014,731
Construction in progress	<u>61,161</u>	<u>216,416</u>
Totals	<u>\$ 54,929,766</u>	<u>54,433,014</u>

## Debt

Long-term debt includes accrued pension and OPEB liabilities, annual and sick leave (also known as compensated absences), liabilities relating to the family self-sufficiency program, a note payable to the City of Oxnard for predevelopment costs of affordable units on vacant Housing Authority land, and 2004 Capital Fund Revenue Bonds. More detail is presented about long-term liabilities in the Notes to Basic Financial Statements.

## Economic Factors

The Authority is primarily dependent upon the Department of Housing and Urban Development (HUD) for the funding of operations; therefore, the Authority is affected more by the federal budget than by local economic conditions. Low Rent Public Housing and Housing Choice Voucher program budgets are approved by the Housing Authority Board of Commissioners and are submitted to HUD as required.

## Requests for Information

This financial report is designed to provide users of these financial statements with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Authority's Finance Department, at the City of Oxnard Housing Authority, 435 South D Street, Oxnard, California 93030.

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## **BASIC FINANCIAL STATEMENTS**

# CITY OF OXNARD HOUSING AUTHORITY

## Statement of Net Position

June 30, 2016

(With Comparative Totals for June 30, 2015)

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and investments (note 2)	\$ 9,556,038	\$ 8,427,491
Cash and investments restricted for HAP (note 2)	18,017	171,734
Cash restricted for security deposits (note 2)	215,199	210,411
Investments with fiscal agent (note 2)	630,128	628,519
Investments restricted for FSS escrow (note 2)	199,367	119,488
Accounts receivable-HUD	223,476	281,461
Accounts receivable-tenants	25,513	18,535
Accounts receivable-other, net	2,172,908	372,574
Other current assets	<u>101,718</u>	<u>89,931</u>
Total current assets	<u>13,142,364</u>	<u>10,320,144</u>
Noncurrent assets:		
Capital assets (note 3):		
Land	8,920,208	8,920,208
Construction in progress	61,161	216,416
Other capital assets	45,948,397	45,296,390
Less accumulated depreciation	<u>(40,649,804)</u>	<u>(40,053,515)</u>
Capital assets, net	<u>14,279,962</u>	<u>14,379,499</u>
Total noncurrent assets	<u>14,279,962</u>	<u>14,379,499</u>
Total assets	<u>27,422,326</u>	<u>24,699,643</u>
<u>Deferred Outflows of Resources</u>		
Deferred outflows - pension related items	<u>1,008,876</u>	<u>489,545</u>

# CITY OF OXNARD HOUSING AUTHORITY

## Statement of Net Position

(Continued)

(With Comparative Totals for June 30, 2015)

<u>Liabilities</u>	<u>2016</u>	<u>2015</u>
Current liabilities:		
Accounts payable and accrued liabilities	150,517	237,266
Salaries and benefits payable	186,916	136,026
Accrued interest payable	55,922	55,177
Tenant security deposits payable	215,199	210,411
In-lieu of taxes payable	60,827	58,255
Compensated absences payable, current (note 4)	34,268	34,268
Family self sufficiency liabilities (note 4)	56,009	10,715
Notes payable (note 4)	269,710	269,710
Bonds payable, current (notes 4 and 5)	<u>310,000</u>	<u>295,000</u>
Total current liabilities	<u>1,339,368</u>	<u>1,306,828</u>
Long-term liabilities (notes 4, 5 and 6):		
Compensated absences payable	441,787	483,260
Family self sufficiency liabilities	143,358	108,773
Advances from City	1,021,126	1,013,181
Other post employment benefits	492,552	471,508
Net pension liability	6,990,504	7,338,700
Bonds payable	<u>2,610,000</u>	<u>2,920,000</u>
Total long-term liabilities	<u>11,699,327</u>	<u>12,335,422</u>
Total liabilities	<u>13,038,695</u>	<u>13,642,250</u>
<u>Deferred Inflows of Resources</u>		
Deferred inflows - pension related items	<u>1,653,013</u>	<u>1,565,957</u>
<u>Net Position</u>		
Net position:		
Investment in capital assets	14,279,962	14,379,501
Restricted	12,617	122,228
Unrestricted	<u>(553,085)</u>	<u>(4,520,748)</u>
Total net position	<u>\$ 13,739,494</u>	<u>9,980,981</u>

See accompanying notes to financial statements

## CITY OF OXNARD HOUSING AUTHORITY

### Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2016  
(With Comparative Totals for June 30, 2015)

	2016	2015
Operating revenues:		
Grant revenue for operations	\$ 19,655,951	17,853,909
Dwelling rental income	4,300,441	4,274,047
Management fee income	67,513	37,737
Other revenue	383,985	399,767
Total operating revenues	24,407,890	22,565,460
Operating expenses:		
Administrative expenses	3,100,731	3,542,083
Tenant services	258,524	213,660
Utilities	825,225	819,378
Ordinary maintenance & operations	1,575,935	1,561,792
Protective services	24,298	23,323
Insurance premiums	512,170	606,071
Other general expenses	332,860	357,062
Housing assistance payments	15,957,578	15,223,451
Depreciation	704,607	1,057,942
Total operating expenses	23,291,928	23,404,762
Operating income (loss)	1,115,962	(839,302)
Nonoperating revenue and (expenses):		
Grant revenue - noncapital	72,000	80,000
Developer fee revenue	1,735,176	386,541
Investment income	28,077	16,847
Fraud recovery	80,606	70,606
Gain (loss) on sale of asset	1,809	-
Interest expense	(149,436)	(175,304)
Casualty loss	(28)	(4,115)
Total nonoperating revenue and (expenses)	1,768,204	374,575
Income (loss) before contributions and transfers	2,884,166	(464,727)
Capital contributions	874,347	839,149
Change in net position	3,758,513	374,422
Total net position at beginning of year	9,980,981	9,606,559
Total net position at end of year	\$ 13,739,494	9,980,981

See accompanying notes to basic financial statements.

## CITY OF OXNARD HOUSING AUTHORITY

### Statement of Cash Flows

Year ended June 30, 2016  
(With Comparative Totals for June 30, 2015)

	2016	2015
Cash flows from operating activities:		
Cash received from operating grants	\$ 17,883,756	17,605,620
Cash received from tenants	4,378,856	4,351,709
Cash received (paid) for other activities	285,536	349,604
Cash payments to suppliers for goods and services	(481,922)	(2,787,946)
Cash payments for housing assistance	(15,957,578)	(15,179,639)
Cash payments to employees for services	(5,024,089)	(4,517,651)
Net cash provided by (used for) operating activities	1,084,559	(178,303)
Cash flows from noncapital financing activities:		
Cash received on notes and mortgages receivable	-	11,097
Cash received from noncapital grants	72,000	80,000
Net cash provided by (used for) noncapital financing activities	72,000	91,097
Cash flows from capital and related financing activities:		
Cash received from capital grants	874,347	839,149
Principal paid on long-term debt	(295,000)	(575,000)
Interest and other fees paid	(148,691)	(157,300)
Developer fees received	49,073	661,791
Purchases of capital assets	(603,259)	(593,596)
Net cash provided by (used for) capital and related financing activities	(123,530)	175,044
Cash flows from investing activities:		
Interest received on investments	28,077	16,847
Net cash provided by (used for) investing activities	28,077	16,847
Net increase (decrease) in cash and cash equivalents	1,061,106	104,685
Cash and cash equivalents at beginning of year	9,557,643	9,452,958
Cash and cash equivalents at end of year	\$ 10,618,749	9,557,643

## CITY OF OXNARD HOUSING AUTHORITY

### Statement of Cash Flows

(Continued)

(With Comparative Totals for June 30, 2015)

	2016	2015
Reconciliation of cash and cash equivalents to amounts reported on Statement of Net Position:		
Reported on Statement of Net Position:		
Cash and investments	\$ 9,556,038	8,427,491
Cash restricted for housing assistance payments	18,017	171,734
Cash restricted for security deposits	215,199	210,411
Investments with fiscal agent	630,128	628,519
Investments restricted for FSS escrow	199,367	119,488
 Cash and cash equivalents at end of year per Statement of Cash Flows	 \$ 10,618,749	 9,557,643
 Cash flows from operating activities:		
Operating income (loss)	\$ 1,115,962	(839,302)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	704,607	1,057,942
Other revenue	80,578	66,490
(Increase) decrease in other assets	(11,787)	51,701
(Increase) decrease in accounts receivable-tenants	(6,978)	14,747
(Increase) decrease in accounts receivable-other	(114,231)	(50,163)
(Increase) decrease in accounts receivable-HUD	57,983	(220,153)
(Increase) decrease in deferred outflows	(519,331)	127,587
Increase (decrease) in accounts payable and accrued liabilities	(86,749)	(122,791)
Increase (decrease) in salaries and benefits payable	50,890	(178,687)
Increase (decrease) in accrued interest payable	-	(2,869)
Increase (decrease) in tenant security deposits payable	4,788	(7,691)
Increase (decrease) in in-lieu of taxes payable	2,572	(1,622)
Increase (decrease) in compensated absences	(41,473)	(93,029)
Increase (decrease) in OPEB liability	21,044	216,277
Increase (decrease) in net pension liability	(348,196)	(1,686,437)
Increase (decrease) in deferred inflows	87,056	1,565,951
Increase (decrease) in advances from the City	7,945	(79,999)
Increase (decrease) in FSS liabilities	79,879	3,745
 Net cash provided by (used for) operating activities	 \$ 1,084,559	 (178,303)
 Noncash capital, financing and investing activities	 \$ -	 -

See accompanying notes to financial statements

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies

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

#### (a) Reporting Entity

The Authority is a public entity which was organized under the laws of the State of California's Health and Safety Code for the purpose of providing safe, decent and sanitary housing for qualified economically disadvantaged and elderly individuals in areas where a shortage of such housing exists.

The Authority accomplishes this goal through various programs as follows:

- Low Rent Public Housing (LRPH) – The Low-Rent Housing Program operates various housing projects owned by the Housing Authority. The program is funded by HUD through annual contributions contract SF-195, for notes and bond amortization, and operating subsidies, as well as modernization grants, which are entitlement grants.
- Housing Choice Vouchers (Section 8) – The Section 8, Housing Choice Voucher Housing Assistance Program subsidize, on behalf of tenants, rent payments to owners of real property within the community. These programs are funded by HUD through annual contributions contract SF-516.
- Additional Grant Programs – The Authority applies for and receives grants from HUD for various purposes, in addition to LRPH and Section 8. These grant programs include Resident Opportunity and Supportive Services and Capital Fund Grants.
- Central Services – This is a non-HUD program, which owns land, equipment, and holds investments. Equipment owned by this program is depreciated over its estimated useful life.

The Authority is an integral part of the reporting entity of the City of Oxnard (City). Although the Authority is legally a separate entity from the City of Oxnard their financial operations are closely related and members of the Oxnard City Council reside on the Board of Commissioners. As a result, the funds of the Authority have been included within the scope of the basic financial statements of the City.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (1) **Summary of Significant Accounting Policies (Continued)**

#### (a) Reporting Entity (Continued)

Only the fund of the Authority is included herein; therefore, these financial statements do not purport to represent the financial position or results of operations of the City of Oxnard, California.

The Authority does not have any component units as defined under generally accepted accounting principles.

#### (b) Fund Accounting

The basic accounting and reporting entity is a “fund”. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The activity of the Authority is accounted for in an Enterprise Fund. Enterprise funds are used to account for operations (a) that are financed primarily through user charges, or (b) where the governing body has decided that the determination of net income is appropriate. All funds of the Authority are enterprise funds and are consolidated and presented as one fund. All activities accounted for in the enterprise funds are considered business-type activities.

#### (c) Measurement Focus and Basis of Accounting

The proprietary fund types are accounted for on an “income determination” or “cost of services” measurement focus. Accordingly, all assets and liabilities are included on the balance sheet, and the reported fund equity provides an indication of the historical net worth of the fund. Operating statements for proprietary fund types report increases (revenues) and decreases (expenses) in total historical net worth. Proprietary funds use the accrual basis of accounting, i.e., revenues are recognized in the period earned and expenses are recognized in the period incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing goods and services related to the fund’s ongoing operations. The principal operating revenue of the Authority’s enterprise funds is dwelling rental income. Operating expenses include the cost of services provided, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted as they are needed.



# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

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

#### (d) Budgetary Data

The Board of Commissioners approves each year's budget submitted by the Executive Director prior to the beginning of the new fiscal year. Supplemental budget revisions, where required during the period, are also approved by the Board of Commissioners.

#### (e) Cash and Cash Equivalents and Investments

Cash and cash equivalents on the statement of net assets include amounts in demand deposits and saving accounts. Investments are reported in the accompanying balance sheet at fair value.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The Authority pools cash and cash equivalents and investments. Each program's share in this pool is displayed in the accompanying financial statements as cash and cash equivalents and investments. Investment income earned by the pooled investments is allocated to the various programs based on each program's average cash and cash equivalents and investment balances.

For purposes of the statement of cash flows, cash and cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also have an original maturity date of three months or less from the date of purchase.

#### (f) Accounts Receivable

The Authority is on the direct write-off method for uncollectible accounts. During the year, the Authority wrote off \$6,155 of accounts receivable.

#### (g) Accounts Receivable – HUD

The amounts reported as Accounts Receivable – HUD represent amounts earned for certain HUD funded programs that had not been received as of June 30, 2016.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

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

#### (h) Allowance for Doubtful Accounts

Accounts receivable – other are stated net of allowance for doubtful accounts. The Authority estimates an allowance equal to the amount of fraud recovery related receivables. At June 30, 2016, the total allowance for doubtful accounts receivable – other in the Low Rent Public Housing Fund and Housing Choice Voucher Fund were \$294,859 and \$242,137, respectively.

#### (i) Employee Leave Benefits

Permanent Authority employees earn from 12 to 24 vacation days per year, depending on their length of employment, and 12 sick days per year. Temporary employees earn 8 vacation days per year for full-time employment. Employees may carry forward up to twice the number of vacation days earned in the immediately preceding twelve month period, and up to 120 days of unused sick leave.

Management level employees earn from 20 to 38 days of annual leave per year, depending on their length of employment. Management employees may carry twice their number of annual leave days earned in the immediately preceding twelve month period.

In accordance with GASB Statement No. 16, a liability is recorded for unused vacation and similar compensatory leave balance since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the Authority. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the Authority and the employee.

Upon termination or retirement, permanent employees are entitled to receive compensation at their current base salary for all unused vacation and annual leave. Upon retirement or other honorable termination, an employee with a minimum of 5 continuous years of service is entitled to receive 50% of the value of his or her unused sick leave based on the number of hours accumulated.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

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

#### (j) Capital Assets

Capital assets are stated at cost or estimated historical cost. Contributed capital assets are recorded at acquisition value at the time received. Generally, any single item purchased by the Authority with a cost greater than or equal to \$1,000 and an anticipated useful life of greater than one year is capitalized and depreciated. Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterment are capitalized.

Depreciation is charged to operations using the straight-line method based on the estimated useful life of the related asset. The estimated useful lives of the assets are as follows:

	<u>Years</u>
Buildings	10-30
Furniture, equipment and machinery	3-5

#### (k) Payment in Lieu of Taxes

As a municipal entity, the Authority is exempt from real and personal taxes and special assessments levied by any taxing body. Instead, the Authority is required to make payments to local government entities referred to as Payments in Lieu of Taxes (PILOT) on certain rental properties owned by the Authority. Under agreements with the City of Oxnard, the Authority is required to make an annual payment equal to 10% of the shelter rent charged by the Authority with respect to individual projects. Shelter rent is the total of all charges to all tenants for dwelling less the cost of utilities. Total PILOT outstanding as of June 30, 2016 was \$60,827.

#### (l) Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, including the interest due on the borrowing. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Authority exhausts all restricted resources before the use of unrestricted resources.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

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

#### (m) Pensions

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

#### PERS

Valuation Date (VD)	June 30, 2014
Measurement Date (MD)	June 30, 2015
Measurement Period (MP)	June 30, 2014 to June 30, 2015

#### PARS

Valuation Date (VD)	June 30, 2015
Measurement Date (MD)	June 30, 2015
Measurement Period (MP)	June 30, 2014 to June 30, 2015

#### (n) Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (1) **Summary of Significant Accounting Policies (Continued)**

#### (n) Fair Value Measurements (Continued)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable input reflect the Authority’s own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the Authority’s own data.

#### (o) Deferred outflows of resources

When applicable, the statement of net position and balance sheet will report a separate section for deferred outflows of resources. Deferred outflows of resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, are not recognized as an expense or expenditure until that time. The Authority’s pension related items qualifies for reporting in this category.

#### (p) Deferred inflows of resources

When applicable, the statement of net position and the balance sheet will report a separate section for deferred inflows 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 an inflow of resources (revenue) until that time. The Authority’s actuarially determined pension items qualifies for reporting in this category.

#### (q) Use of Estimates

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

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

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

#### (r) Prior Year Data

Selected information from the prior year has been included in the accompanying financial statements in order to provide an understanding of changes in the Authority's financial position and operations. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with GAAP. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended June 30, 2015, from which this selected financial data was derived. Certain minor reclassifications of prior year data have been made in order to enhance its comparability with current year figures.

### (2) Cash and Investments

Cash and investments as of June 30, 2016 are presented in the accompanying financial statements as follows:

#### Current assets:

Cash and investments – unrestricted	\$ 9,556,038
Cash and investments restricted for HAP	18,017
Cash restricted for security deposits	215,199
Investments with fiscal agent	630,128
Investments – FSS escrow accounts	<u>199,367</u>
Total	<u>\$10,618,749</u>

Cash and investments held by the Authority as of June 30, 2016 consisted of the following:

Petty cash	\$ 250
Certificate of deposit	105,232
Demand deposits	<u>1,668,402</u>
Total cash and deposits	<u>1,773,884</u>
State of California Local Agency Investment Fund	8,214,737
Money market mutual funds	<u>630,128</u>
Total investments	<u>8,844,865</u>
Total	<u>\$10,618,749</u>

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

**(2) Cash and Investments (Continued)**

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

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

Authorized by Investment Types <u>Authorized by State Law</u>	Investment Policy	Maximum Maximum <u>Maturity*</u>	Maximum Percentage <u>of Portfolio*</u>	Investment <u>In One Issuer*</u>
Local Agency Bonds	No	5 years	None	None
U.S. Treasury Obligations	Yes	2 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	No	N/A	None	None
Commercial Paper	No	N/A	None	None
Negotiable Certificates of Deposit	Yes	2 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements	Yes	92 days	20% of base value	None
Medium-Term Notes	No	N/A	None	None
Mutual Funds	No	N/A	None	None
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	No	N/A	None	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
JPA Pools (other investment pools)	No	N/A	None	None

\* Based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(2) Cash and Investments (Continued)**

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Percentage Allowed</u>	<u>Investment In One Issuer</u>
Government Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	360 days	None	None
Commercial Paper	180 days	None	None
Money Market Mutual Funds	N/A	None	None
Repurchase Agreements	270 days	None	None
Tax-Exempt Obligations	None	None	None
Pre-refunded Municipal Obligations	None	None	None
Investment Agreements	None	None	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value will be to changes in market interest rates.

Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

<u>Investment Type</u>	<u>Remaining Maturity 12 Months or Less</u>
State of California Local Agency Investment Fund Held by bond trustee:	\$8,214,737
Money market mutual funds	<u>630,128</u>
Total	<u>\$8,844,865</u>

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.



**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(2) Cash and Investments (Continued)**

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>	
			<u>Aaa</u>	<u>Not Rated</u>
State of California Local Agency Investment Fund	\$ 8,214,737	N/A	-	8,214,737
Held by bond trustee:				
Money market mutual funds	<u>630,128</u>	A	<u>630,128</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 8,844,865</u></b>		<b><u>630,128</u></b>	<b><u>8,214,737</u></b>

**Concentration of Credit Risk**

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. At June 30, 2016, the Authority had no investments in any one issuer (other than mutual funds and external investment pools) that represented 5% or more of total Authority investments.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(2) Cash and Investments (Continued)**

Fair Value Hierarchy

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Authority has the following recurring fair value measurements as of June 30, 2016:

<u>Investment</u>	<u>Total</u>	<u>Fair Value Hierarchy</u>		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
LAIF	\$8,214,737	-	8,214,737	-
Total	\$8,214,737	-	8,214,737	-

Investment in State Investment Pool

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(3) Capital Assets**

A summary of changes in capital assets for the year ended June 30, 2016 is as follows:

	<u>Balance at July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2016</u>
Capital assets not being depreciated:				
Land	\$ 8,920,208	-	-	8,920,208
Construction in progress	<u>216,416</u>	<u>543,985</u>	<u>(699,240)</u>	<u>61,161</u>
Total capital assets not being depreciated	<u>9,136,624</u>	<u>543,985</u>	<u>(699,240)</u>	<u>8,981,369</u>
Capital assets being depreciated:				
Buildings and improvements	43,281,659	619,604	(77,609)	43,823,654
Furniture, equipment and machinery	<u>2,014,731</u>	<u>140,719</u>	<u>(30,707)</u>	<u>2,124,743</u>
Total capital assets being depreciated	<u>45,296,390</u>	<u>760,323</u>	<u>(108,316)</u>	<u>45,948,397</u>
Less accumulated depreciation for:				
Buildings and improvements	(38,236,009)	(595,962)	77,609	(38,754,362)
Furniture, equipment and machinery	<u>(1,817,504)</u>	<u>(108,645)</u>	<u>30,707</u>	<u>(1,895,442)</u>
Total accumulated depreciation	<u>(40,053,513)</u>	<u>(704,607)</u>	<u>108,316</u>	<u>(40,649,804)</u>
Total capital assets being depreciated, net	<u>5,242,877</u>	<u>55,716</u>	<u>-</u>	<u>5,298,593</u>
Capital assets, net	<u>\$14,379,501</u>	<u>599,701</u>	<u>(699,240)</u>	<u>14,279,962</u>

Depreciation expense for the year ended June 30, 2016 in the amount of \$704,607 was charged to the following functions:

Low Rent Public Housing	\$650,313
Housing Choice Vouchers	31,239
Central Services	<u>23,055</u>
 Total	 <u>\$704,607</u>

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(4) Changes in Long-term Liabilities**

A summary of changes in long-term liabilities is as follows:

	<u>Balance at July 1, 2015</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at June 30, 2016</u>	<u>Amount Due Within One Year</u>	<u>Amount Due Beyond One Year</u>
Compensated absences payable	\$ 517,528	233,687	(275,160)	476,055	34,268	441,787
Family self-sufficiency liabilities	119,488	105,863	(25,984)	199,367	56,009	143,358
OPEB liability	471,508	64,118	(43,074)	492,552	-	492,552
Pension liability - PERS	5,319,550	1,928,259	(2,441,213)	4,806,596	-	4,806,596
Pension liability – PARS	2,019,150	970,425	(805,667)	2,183,908	-	2,183,908
Advances from City	1,013,181	7,945	-	1,021,126	-	1,021,126
Note payable – Oxnard CDC	269,710	-	-	269,710	269,710	-
2004 Capital Fund Revenue Bonds	<u>3,215,000</u>	<u>-</u>	<u>(295,000)</u>	<u>2,920,000</u>	<u>310,000</u>	<u>2,610,000</u>
Totals	<u>\$12,945,115</u>	<u>3,310,297</u>	<u>(3,886,098)</u>	<u>12,369,314</u>	<u>669,987</u>	<u>11,699,327</u>

**(5) 2004 Capital Fund Revenue Bonds**

On April 26, 2004, the Affordable Housing Agency issued Affordable Housing Agency Certificates of Participation, Series 2004 (Oxnard-Santa Clara Projects) in the amount of \$10,370,000, evidencing a proportionate ownership interest in debt service payments to be made with respect to certain Capital Fund Revenue Bonds, Series 2004, issued by the Oxnard and Santa Clara Housing Authorities in the amounts of \$5,820,000 and \$4,550,000, respectively. Each certificate represents a proportionate ownership interest of the holder in the right to receive debt service payments made with respect to the bonds. The obligations of the housing authorities under their respective bond indentures are independent and neither is obligated for the payment of principal or interest on the bonds of the other housing authority.

The Oxnard Series 2004 Capital Fund Revenue Bonds were issued to finance certain capital projects of the Authority. The bonds are in denominations of \$5,000 each and bear interest ranging from 2.00% to 4.95%. Certificates maturing on or after April 1, 2012 are subject to optional prepayment from the redemptions of the bonds at the option of the Authority on any date on or after April 1, 2001 at par plus accrued interest.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (5) 2004 Capital Fund Revenue Bonds (Continued)

The U.S. Department of Housing and Urban Development has approved the issuance of the bonds and the certificates and has authorized the Authority to pledge and assign its Capital Fund Program monies to the payment of the bonds and, therefore, the certificates. During the year, \$1,487,696 of Capital Fund Grant revenue was earned, of which, \$295,000 was applied to the repayment of the bonds. Principal is payable annually on April 1. Interest is payable semiannually on April 1 and October 1 commencing October 1, 2004. The required reserve for the bonds is \$451,375. As of June 30, 2016, the balance in the reserve fund was \$451,375. The amount of bonds outstanding as of June 30, 2016 was \$2,920,000.

The annual debt service requirements for the Oxnard Series 2004 Capital Fund Revenue Bonds as of June 30, 2016 are as follows:

Year Ending	Principal	Interest
<u>June 30</u>		
2017	\$ 310,000	136,300
2018	320,000	122,970
2019	335,000	108,890
2020	355,000	93,815
2021	370,000	77,485
2022 – 2024	<u>1,230,000</u>	<u>122,755</u>
Totals	<u>\$2,920,000</u>	<u>622,215</u>

### (6) Long Term Liabilities Payable to the City of Oxnard

#### Advances from the City of Oxnard

Effective July 1, 2001, the Housing Authority entered into a Settlement Agreement with the City of Oxnard that resolved a dispute regarding the amount of reimbursements the Housing Authority owed to the City for Worker's Compensation claims. Prior to fiscal year 2002, the City of Oxnard administered the Housing Authority's Worker's Compensation claims. It was agreed that the amount owed by the Housing Authority for these claims as of June 30, 2001 would be \$993,000.

From 2002 through 2016 there have been certain repayments and additional claims expense that have affected the outstanding balance. There are no set repayments terms and no interest accrued on the outstanding balance. The balance as of June 30, 2016 is \$1,021,126.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (6) Long Term Liabilities Payable to the City of Oxnard (Continued)

#### City of Oxnard Community Development Commission Note Payable

The Authority entered into a note agreement dated July 21, 2009, secured by a deed of trust, in the amount of \$350,000 payable to the City of Oxnard Community Development Commission ("CDC") to finance the development of affordable housing units on Cuesta del Mar in the Southwinds Redevelopment Project Area in the City of Oxnard. The principal balance on the note bears interest at the rate of interest paid in the Local Agency Investment Fund (LAIF) plus 1% per annum. Payments are to be made annually, commencing on January 30, of the year following the issuance of the first Certificate of Occupancy for the project, and each January 30 thereafter. As of June 30, 2014, the project was considered permanently stalled and would not be completed. The loan is to be payable in one lump sum payment due sixty (60) days after the anniversary of the failure to complete project determination. There is an option to extend the repayment date for a period not to exceed two years as approved by the CDC's Director. The outstanding balance at June 30, 2016 is \$269,710.

### (7) Interprogram Activities

#### Due to/from other programs:

Due to/from other programs at June 30, 2016 was comprised of the following:

<u>Receivable Program</u>	<u>Payable Program</u>	<u>Amount</u>
Central Office Cost Center	Housing Choice Vouchers	\$ 202
Central Fund		304
	ROSS	18,507
	Low Rent Public Housing	<u>53,487</u>
		\$ <u>72,500</u>

All interprogram receivables and payables represent short-term borrowings to fund current operations and manage cash flows. Included in interprogram receivables and payables are amounts due to the Central Office Cost Center for fee for service maintenance work performed for the Low Rent Public Housing properties and the other funds such as the central office and Housing Choice Vouchers.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (8) Insurance

As of June 30, 2016, the Authority maintains the following levels of insurance coverage:

General Liability:

Commercial liability	\$1,000,000 per occurrence; \$2,000,000 aggregate
Fire damage	\$50,000 per occurrence
Employee benefit liability	\$1,000,000 per occurrence; \$1,000,000 aggregate
Mold or other fungus	\$100,000 per occurrence
Automobile liability	\$1,000,000 per occurrence
Commercial property liability	\$102,920,364 for various buildings and property
Fidelity/Crime:	
Fidelity	\$250,000 per occurrence
Forgery	\$250,000 per occurrence
Theft, disappearance and destruction	\$90,000 limit

The Authority is insured for workers' compensation claims through the State Compensation Insurance Fund. The Authority maintains statutory coverage and is liable for up to \$1,000,000.

### (9) Defined Benefit Pension Plans (CalPERS and PARS)

Employees of the Housing Authority, through the City of Oxnard, are members of the Public Employees' Retirement System (CalPERS) and the Public Agency Retirement System (PARS), the cost of which is paid by the Housing Authority. Below are descriptions of each the retirement plans along with selected information regarding benefits, contributions, liabilities and actuarial assumptions. For further details regarding each of these plans, including funding progress, refer to the City of Oxnard's Comprehensive Annual Financial Report.

#### CalPERS

##### (a) Plan Description

City of Oxnard contributes to the Miscellaneous 2% at 55 Risk Pool of the California Public Employees' Retirement System (CalPERS), an Agent Multiple-Employer Defined Benefit Pension Plan. Benefit provisions and all other requirements are established by State statutes within the Public Employees' Retirement Law. City of Oxnard selects optimal benefit provisions and adopts those benefits through local ordinance. Copies of CalPERS' annual financial report may be obtained from the CalPERS website at <https://www.calpers.ca.gov> under Forms and Publications.

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)**

**CalPERS (Continued)**

**(b) Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to Plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment.

The Plan's provisions and benefits in effect at June 30, 2016, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to</u>	<u>On or After</u>
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire date		
Benefit formula	2.0% at 55	2.0% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 67+	52 - 67+
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	14.417%	14.417%

**(c) Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.



# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)

#### CalPERS (Continued)

##### (c) Contributions (Continued)

Participants in the Miscellaneous Plan are required to contribute up to 7.000% of their annual covered salary. With the exception of the PEPRA members, the City pays the contributions required of City employees on their behalf. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The required employer contribution rate for the year ended June 30, 2016 was 15.907% of covered payroll in the Miscellaneous Plan.

For the year ended June 30, 2016, the Authority's total contributions for the Miscellaneous Plan were \$617,814.

##### (d) Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2016, the Authority recorded a net pension liability of \$4,806,596 for its proportionate share of the City liability for the Miscellaneous Plan.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014, rolled forward to June 30, 2015, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2016, the Authority recognized pension expense of \$111,790 for the Miscellaneous Plan. At June 30, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to the CalPERS pension from the following sources:

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)**

**CalPERS (Continued)**

(d) Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$444,770	-
Changes in assumptions	-	283,944
Differences between expected and actual experience	-	165,126
Additional deferral	-	753,097
Net difference between projected and actual earnings on pension plan investments	-	<u>167,105</u>
Totals	<u>\$444,770</u>	<u>1,369,272</u>

The City reported \$444,770 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Deferred outflows related to contributions subsequent to the measurement date and other amounts reported as deferred inflows or outflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement period Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2016	\$(166,395)
2017	(602,208)
2018	(355,957)
2019	200,058
2020	-
Thereafter	-

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)**

**CalPERS (Continued)**

**(e) Actuarial Assumptions**

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2014
Measurement date	June 30, 2015
Actuarial cost method	Entry-Age Normal Cost Method
Actuarial assumptions:	
Discount rate	7.65%
Inflation	2.75%
Projected salary increase	Varies by Entry Age and Service
Investment rate of return	7.50%
Mortality	Derived using CalPERS membership data

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2015 actuarial experience study for the period 1997 to 2011. Further details of the experience study can found on the CalPERS website.

**(f) Discount Rate**

The discount rate used to measure the total pension liability for the Plan was 7.65%. According to Paragraph 30 of GASB 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.65% investment return assumption used in this accounting valuation is net of administrative expenses.

**(g) Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.5 percent, as well as what the new pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.65 percent) or one percentage-point higher (8.65 percent) than the current rate:

	1.00% Decrease <u>(6.65%)</u>	Current Discount Rate <u>(7.65%)</u>	1.00% Increase <u>(8.65%)</u>
<u>June 30, 2016</u>			
Authority's proportionate share of the net pension liability	\$8,002,315	\$4,806,596	\$2,179,906

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)

#### PARS

##### (a) Plan Description

The City established a Public Agency Retirement System Retirement Enhancement Plan (PARS), an agent multiple-employer plan, effective January 1, 2003 for selected groups of miscellaneous employees (non-safety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees.

PARS is a defined benefit 401(a) tax-qualified multiple agency trust. It meets the requirements of a pension trust under California Government code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. PARS issues a separate comprehensive annual financial report. Copies of PARS annual financial report may be obtained from the PARS Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, CA 92660.

##### (b) Benefits Provided

For employees meeting the eligibility requirements, the plan provides a benefit equal to the "3% at 60" plan factor (formula is a static 3% at age 60 and older), less the PERS "2% at 55" plan factors for all years of City service plus any military service purchased through PERS (prior to July 1, 2003) while an employee of the City of Oxnard. Eligibility for an immediate benefit is defined as reaching age 50, completing five years of Oxnard service, and retiring concurrently from both the City and PERS after leaving City employment. In addition, a deferred benefit would be available to participants who complete five years of service. The City has full discretionary authority to control, amend, modify or terminate this plan at any time.

##### (c) Contributions

Employees and the City contribute a total of 8% of eligible employees' gross wages. Current employee and city contributions by employee groups are as follows:

	<u>City Contributions</u>	<u>Employee Contributions</u>
IUOE	2.70%	5.30%
SEIU	3.50%	4.50%
Management and confidential	3.00%	5.00%

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)

#### PARS (Continued)

In addition, the City is required to contribute the remaining amounts necessary to fund the benefit to its members using the actuarial basis recommended by PARS actuarial consultants. The actuarially determined contribution for the fiscal year ended June 30, 2016, was 12% percent of eligible employee gross wages. During the fiscal year ended June 30, 2016, the Authority contributed \$307,823 to PARS.

#### (d) Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Valuation Date	June 30, 2015
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal Cost Method
Contribution Policy	City contributes full actuarially determined contribution
Discount Rate	6.50%
	<ul style="list-style-type: none"><li>• Assumes future administrative expenses of 0.15% of plan assets and future contributions based on the funding policy used for the current actuarially determined contribution</li></ul>
Discount Rate Years	Expected long-term net rate of return – All cash flow projection years Municipal bond rate - n/a
Expected Long-Term Rate of Return on Plan Investments	6.75%
	<ul style="list-style-type: none"><li>• Plan assets currently invested in PARS diversified Balanced portfolio</li><li>• Expected long term return on assets of 6.89% (55% confidence level, net of investment expenses), rounded to nearest 0.25%</li></ul>
General Inflation	3.00%

The discount rate used to measure the total pension liability for the Plan was 6.50%. The pension trust is projected to have sufficient assets to pay benefits per the Plan's current contribution policy. The net pension liability for the PARS plan as of June 30, 2016 is \$2,183,908.

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)**

**PARS (Continued)**

The following presents the net pension liability of the Housing Authority, calculated using the discount rate for each Plan, as well as what the Housing Authority's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current:

<u>June 30, 2016</u>	1.00% Decrease (6.65%)	Current Discount Rate (7.65%)	1.00% Increase (8.65%)
Net pension liability	\$2,974,626	\$2,183,908	\$1,534,216

**(e) Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension**

For the year ended June 30, 2016, the Authority's pension expense of \$72,821 related to PARS. At June 30, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$289,484	-
Changes in assumptions	274,622	-
Differences between expected and actual experience	-	189,145
Net difference between projected and actual earnings on pension plan investments	-	<u>94,596</u>
Totals	<u>\$564,106</u>	<u>283,741</u>

The City reported \$289,484 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Deferred outflows related to contributions subsequent to the measurement date and other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized as pension expense as follows:

**CITY OF OXNARD HOUSING AUTHORITY**

Notes to Basic Financial Statements

(Continued)

**(9) Defined Benefit Pension Plans (CalPERS and PARS) (Continued)**

**PARS (Continued)**

Measurement period <u>Ended June 30:</u>	Deferred Outflows/(Inflows) <u>of Resources</u>
2016	\$265,952
2017	(10,225)
2018	(10,225)
2019	34,864
2020	-
Thereafter	-

**(10) Conduit Debt Financings**

The Authority is associated with the issuance of the following tax exempt Mortgage Revenue Bonds (Bonds) and Multifamily Mortgage Revenue Note (Note) that were issued to finance various developments. In the opinion of Authority officials, these debt issuances are not and will never become general obligations of the issuer but are limited obligations of the issuer and are payable solely from the sources set forth in the debt documents. These debt instruments do not and never shall constitute a debt or indebtedness or an obligation of the issuer or the State of California (State) or any other political subdivision of the State or a loan of the faith or credit or the taxing power of any of them. These debt instruments shall not be payable from the general revenues of the issuer and in no event shall the Bonds be payable out of any funds or properties other than those specifically pledged. The City of Oxnard Housing Authority as issuer has no repayment obligation and therefore has not reflected any liability in these financial statements. As of June 30, 2016, the outstanding balances of these debt issuances are as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount of Issue</u>	<u>Outstanding Balance at June 30, 2016</u>
Sea Winds Apartment Bonds	1990	2022	\$ 3,400,000	3,175,000
Las Villas de Paseo Nuevo Note	2012	2044	<u>14,000,000</u>	<u>14,000,000</u>
Totals			<u>\$17,400,000</u>	<u>17,175,000</u>

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (10) **Conduit Debt Financings (Continued)**

#### Sea Winds Apartment Bonds

This project was financed by Multifamily Revenue Bonds. It is a senior apartment complex with a 20% set aside requirement for very low income. Originally, the bond was for \$7,000,000. After the construction was completed, the bond amount was reduced to \$3,400,000. Therefore, when the bond matures, the project will have to be refinanced. This bond issue was issued as a tax exempt bond issue with the project being the sole source of repayment. This bond was issued to facilitate a tax-exempt issuance on behalf of Sea Wind Apartment Ltd. Partnership, who is the borrower and is obligated for repayment.

### (11) **Related Party Transactions**

#### Las Villas de Paseo Nuevo Note

In February 2012, a \$14,000,000 Multifamily Mortgage Revenue Note was issued for the benefit of Paseo Nuevo Partners, LP, a California limited partnership. Paseo Nuevo Partners, LP was formed on February 1, 2012 to acquire and construct a 72 unit multifamily housing development located in Oxnard, known as Las Villas de Paseo Nuevo. This project is intended to be rented to low-income tenants and will be operated in a manner necessary to qualify for federal low income housing tax credits as provided in Section 42 of the Internal Revenue Code.

#### Operating Lease Agreements

The Authority entered into a lease agreement with the City effective June 1, 2005 for use of the Multi-Service Center Building. The lease was most recently amended on September 1, 2014. Under the terms of the amended operating lease, the Authority agrees to pay the City rent at an annual rate of \$1 through June 30, 2017. The Authority subleases office space within the building to various public service organizations. All subleases are on a month-to-month basis.

The Authority entered into a lease agreement with the City dated October 1, 1979 for the use of property that provides office space for Authority employees. Under the terms of the operating lease, the Authority agrees to pay the City rent at an annual rate of \$1 for the term of October 1, 1979 to September 30, 2019.

The Authority has entered into lease agreements with various City programs for use of office space. Under the terms of the agreements, the City agrees to pay the Authority rent at \$3,400 per month.



# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (11) **Related Party Transactions (Continued)**

#### Administrative Services Provided by City

The City provides certain services to the Authority and will invoice the Authority monthly for these services. These monthly invoices include reimbursements for liability insurance, telephone charges, data processing and other indirect charges for accounting and legal services. The monthly charges from the City are approximately \$29,530.

#### Operating Subsidy from City

During the year ended June 30, 2016, the Authority received an operating subsidy in the amount of \$72,000 from the City.

### (12) **Contingent Liabilities**

The Authority is a defendant in certain legal actions arising in the normal course of operations. It is management's opinion that these actions will not have a material adverse effect on the Authority's financial position.

### (13) **Affordable Housing Agency Joint Powers Authority**

On May 20, 2003, the Authority accepted membership into the Affordable Housing Agency (the Agency), a joint powers agreement consisting of five other housing authorities within the state of California. The Authority agreed to the terms and conditions of the Joint Powers Agreement Creating the Affordable Housing Agency, which was dated March 1, 2001 and subsequently amended on May 31, 2001, and the Bylaws governing the Agency. The purpose of the Agency is to preserve and increase affordable housing assets through acquisition, development, rehabilitation and financing activities. The Agency's governing board consists of one director from each housing authority. The administrative costs of the Agency are allocated among its members each year. Upon dissolution, all surplus money will be returned to each member in proportion to contributions made during its membership. The equity interest of each member is not measurable as of June 30, 2016.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (14) **Limited Partnership Agreements**

#### Paseo Nuevo Partners, L.P.

On February 1, 2012, an Amended and Restated Agreement of Limited Partnership of Paseo Nuevo Partners, L.P. (Partnership) was entered into to construct and manage a 72 unit multifamily apartment complex for persons of low income and known as the Las Villas de Paseo Nuevo Affordable Housing Project (Project). The Project qualifies for federal low-income housing tax credits. The General Partner's percentage of interest in profits, losses and credits is 1% and per the Agreement the General Partner consists of two Co-General Partners. One of the Co-General Partners is Paseo COGP LLC, a single purpose LLC, of which the Authority is a 50% member. Paseo COGP LLC has a 75% interest in the General Partner share. The remaining 25% General Partner interest is with Las Cortes, Inc. Las Cortes, Inc. is also the Managing General Partner.

As set forth in the Agreement, the Managing General Partner will manage and control the business of the Partnership and use its best efforts to carry out the purpose of the Partnership. The Authority does not have a material equity interest in this Partnership that is reflected as an asset in the accompanying statement of net position.

#### Terraza de las Cortes, L.P.

On November 27, 2012, an Agreement of Limited Partnership of Terraza de las Cortes, L.P. (Partnership) was entered into by Las Cortes, Inc., a California nonprofit public benefit corporation (General Partner), and the Authority (Limited Partner). The purpose of the Partnership is to develop certain real property into a 64 unit apartment complex to be used as rental housing for low and very low income individuals. The percentage interests in the capital, profits, losses and distributions of the Partnership are 0.01% for the General Partner and 99.99% for the Limited Partner.

On April 30, 2014, an Amended and Restated Agreement of Limited Partnership was entered by the Authority transferring the 99.99% limited partnership interests to Hudson SLP LLC and Hudson Terraza LP. The Authority's role and interest was changed to that of an Administrative General Partner with a 0.005% interest. Las Cortes, Inc. became the Managing General Partner.

The General Partners have exclusive and complete management and control of the business of the Partnership, including the power to delegate duties and responsibilities, to sign contracts and leases, and to make all decisions in connection with the Partnership. The Authority does not have a material equity interest in this Partnership that is reflected as an asset in the accompanying statement of net position.

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (15) **Other Post-Employment Benefits (OPEB)**

#### Plan Description

Employees of the Authority, through the City, participate in the CalPERS medical program, which is a cost-sharing multiple employer defined benefit health care plan administered by CALPERS. Employees who retire from the City and receive a CalPERS pension are eligible for post-employment medical benefits. Retirees can enroll in any of the available CalPERS medical plans. This benefit continues for the life of the retiree and surviving spouse. Benefit provisions for CalPERS are established by the Public Employees Retirement Law (Part 3 of the California Government Code, Section 20000 et seq.).

CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 "P" Street, Sacramento, California 95814.

#### Funding Policy

The City contributes the minimum amount allowed under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City Contribution. The amount of retiree insurance premiums paid for by the City on behalf of the Authority during the fiscal year was \$58,008.

The Authority's net OPEB obligation as of June 30, 2016 was \$492,552. The Authority's annual OPEB cost and the net OPEB obligation for the fiscal year is as follows:

Annual Required Contribution (ARC)	\$108,793
Interest on Net OBEP Obligation	17,372
Amortization adjustment to ARC	<u>(47,113)</u>
Annual OPEB Cost	79,052
Employer Contribution	<u>(58,008)</u>
Change in OPEB Obligation	21,044
Net OPEB Obligation, beginning of year	<u>471,508</u>
Net OPEB Obligation, end of year	<u>\$492,552</u>

# CITY OF OXNARD HOUSING AUTHORITY

## Notes to Basic Financial Statements

(Continued)

### (15) **Other Post-Employment Benefits (OPEB) (Continued)**

Valuations as of July 1, 2015 are based on the following assumptions:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	30-Year level dollar, open period
Discount Rate	4.00% per annum
Return on Assets	4.00% per annum
Pre-retirement Turnover	According to the Crocker-Sarason Table T-5 less mortality, without adjustment
Pre-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA
Post-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA

For further details regarding actuarial assumptions, funding progress, etc., refer to the City of Oxnard's Comprehensive Annual Financial Report.

SUPPLEMENTAL DATA

FINANCIAL DATA SCHEDULE

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
111 Cash - Unrestricted	\$851,957			\$304,679	\$167,429
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted				\$18,017	
114 Cash - Tenant Security Deposits	\$215,199				
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$1,067,156	\$0	\$0	\$322,696	\$167,429
121 Accounts Receivable - PHA Projects				\$1,898	
122 Accounts Receivable - HUD Other Projects	\$171,576	\$20,871	\$5,389	\$25,640	
124 Accounts Receivable - Other Government					\$73,556
125 Accounts Receivable - Miscellaneous	\$132,754			\$24,746	\$1,938,742
126 Accounts Receivable - Tenants	\$25,513			\$6,155	
126.1 Allowance for Doubtful Accounts -Tenants	\$0			-\$6,155	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	-\$19,219	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery	\$294,858			\$222,918	
128.1 Allowance for Doubtful Accounts - Fraud	-\$294,858			-\$222,918	
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$329,843	\$20,871	\$5,389	\$33,065	\$2,012,298
131 Investments - Unrestricted	\$5,124,859			\$645,325	\$836,771
132 Investments - Restricted	\$695,262			\$78,224	
135 Investments - Restricted for Payment of Current Liability	\$18,483			\$37,526	
142 Prepaid Expenses and Other Assets	\$58,984			\$10,916	\$7,868
143 Inventories					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$7,294,587	\$20,871	\$5,389	\$1,127,752	\$3,024,366
161 Land	\$8,852,951				\$67,257
162 Buildings	\$41,095,008			\$344,981	\$476,795
163 Furniture, Equipment & Machinery - Dwellings	\$9,100				
164 Furniture, Equipment & Machinery - Administration	\$905,997			\$157,124	\$31,627
165 Leasehold Improvements	\$1,600,183				\$7,009
166 Accumulated Depreciation	-\$38,679,198			-\$408,484	-\$413,227
167 Construction in Progress	\$61,161				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$13,845,202	\$0	\$0	\$93,621	\$169,461
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					\$100
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$13,845,202	\$0	\$0	\$93,621	\$169,561
200 Deferred Outflow of Resources	\$373,889			\$282,890	\$38,336
290 Total Assets and Deferred Outflow of Resources	\$21,513,678	\$20,871	\$5,389	\$1,504,263	\$3,232,263



Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$7,333			\$44,026	\$100
313 Accounts Payable >90 Days Past Due					\$221
321 Accrued Wage/Payroll Taxes Payable	\$60,541	\$5,050	\$2,703	\$61,423	\$4,901
322 Accrued Compensated Absences - Current Portion	\$10,254			\$10,564	\$1,268
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$34,075				\$21,847
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$60,827				
341 Tenant Security Deposits	\$215,199				
342 Unearned Revenue	\$0			\$0	
343 Current Portion of Long-term Debt - Capital	\$310,000				
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$18,484			\$37,526	\$2,121
346 Accrued Liabilities - Other	\$88,076			\$1,402	\$4,525
347 Inter Program - Due To	\$53,487	\$15,821	\$2,686	\$202	\$304
348 Loan Liability - Current					\$269,710
310 Total Current Liabilities	\$858,276	\$20,871	\$5,389	\$155,143	\$304,997
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$2,610,000				
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$1,086,260			\$78,224	
354 Accrued Compensated Absences - Non Current	\$132,198			\$136,194	\$16,345
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
357 Accrued Pension and OPEB Liabilities	\$2,773,223			\$2,098,249	\$284,354
350 Total Non-Current Liabilities	\$6,601,681	\$0	\$0	\$2,312,667	\$300,699
300 Total Liabilities	\$7,459,957	\$20,871	\$5,389	\$2,467,810	\$605,696
400 Deferred Inflow of Resources	\$612,606			\$463,505	\$62,815
508.4 Net Investment in Capital Assets	\$13,845,202			\$93,621	\$169,461
511.4 Restricted Net Position	\$0			\$12,617	\$0
512.4 Unrestricted Net Position	-\$404,087	\$0	\$0	-\$1,533,290	\$2,394,291
513 Total Equity - Net Assets / Position	\$13,441,115	\$0	\$0	-\$1,427,052	\$2,563,752
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$21,513,678	\$20,871	\$5,389	\$1,504,263	\$3,232,263

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$111,324	\$1,435,389		\$1,435,389
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$18,017		\$18,017
114 Cash - Tenant Security Deposits		\$215,199		\$215,199
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$111,324	\$1,668,605	\$0	\$1,668,605
121 Accounts Receivable - PHA Projects		\$1,898		\$1,898
122 Accounts Receivable - HUD Other Projects		\$223,476		\$223,476
124 Accounts Receivable - Other Government	\$13,771	\$87,327		\$87,327
125 Accounts Receivable - Miscellaneous	\$6,660	\$2,102,902		\$2,102,902
126 Accounts Receivable - Tenants		\$31,668		\$31,668
126.1 Allowance for Doubtful Accounts -Tenants		-\$6,155		-\$6,155
126.2 Allowance for Doubtful Accounts - Other	\$0	-\$19,219		-\$19,219
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery		\$517,776		\$517,776
128.1 Allowance for Doubtful Accounts - Fraud	\$0	-\$517,776		-\$517,776
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$20,431	\$2,421,897	\$0	\$2,421,897
131 Investments - Unrestricted	\$1,513,594	\$8,120,549		\$8,120,549
132 Investments - Restricted		\$773,486		\$773,486
135 Investments - Restricted for Payment of Current Liability		\$56,009		\$56,009
142 Prepaid Expenses and Other Assets	\$23,950	\$101,718		\$101,718
143 Inventories				
143.1 Allowance for Obsolete Inventories				

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	\$72,500	\$72,500	-\$72,500	\$0
145 Assets Held for Sale				
150 Total Current Assets	\$1,741,799	\$13,214,764	-\$72,500	\$13,142,264
161 Land		\$8,920,208		\$8,920,208
162 Buildings	\$277,947	\$42,194,731		\$42,194,731
163 Furniture, Equipment & Machinery - Dwellings	\$10,623	\$19,723		\$19,723
164 Furniture, Equipment & Machinery - Administration	\$1,010,271	\$2,105,019		\$2,105,019
165 Leasehold Improvements	\$21,732	\$1,628,924		\$1,628,924
166 Accumulated Depreciation	-\$1,148,895	-\$40,649,804		-\$40,649,804
167 Construction in Progress		\$61,161		\$61,161
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$171,678	\$14,279,962	\$0	\$14,279,962
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				
173 Grants Receivable - Non Current				
174 Other Assets		\$100		\$100
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$171,678	\$14,280,062	\$0	\$14,280,062
200 Deferred Outflow of Resources	\$313,761	\$1,008,876		\$1,008,876
290 Total Assets and Deferred Outflow of Resources	\$2,227,238	\$28,503,702	-\$72,500	\$28,431,202
311 Bank Overdraft				

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$2,303	\$53,762		\$53,762
313 Accounts Payable >90 Days Past Due		\$221		\$221
321 Accrued Wage/Payroll Taxes Payable	\$52,298	\$186,916		\$186,916
322 Accrued Compensated Absences - Current Portion	\$12,182	\$34,268		\$34,268
324 Accrued Contingency Liability				
325 Accrued Interest Payable		\$55,922		\$55,922
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government		\$60,827		\$60,827
341 Tenant Security Deposits		\$215,199		\$215,199
342 Unearned Revenue		\$0		\$0
343 Current Portion of Long-term Debt - Capital		\$310,000		\$310,000
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities		\$58,131		\$58,131
346 Accrued Liabilities - Other	\$409	\$94,412		\$94,412
347 Inter Program - Due To		\$72,500	-\$72,500	\$0
348 Loan Liability - Current		\$269,710		\$269,710
310 Total Current Liabilities	\$67,192	\$1,411,868	-\$72,500	\$1,339,368
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$2,610,000		\$2,610,000
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$1,164,484		\$1,164,484
354 Accrued Compensated Absences - Non Current	\$157,050	\$441,787		\$441,787
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$2,327,230	\$7,483,056		\$7,483,056

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$2,484,280	\$11,699,327	\$0	\$11,699,327
300 Total Liabilities	\$2,551,472	\$13,111,195	-\$72,500	\$13,038,695
400 Deferred Inflow of Resources	\$514,087	\$1,653,013		\$1,653,013
508.4 Net Investment in Capital Assets	\$171,678	\$14,279,962		\$14,279,962
511.4 Restricted Net Position		\$12,617		\$12,617
512.4 Unrestricted Net Position	-\$1,009,999	-\$553,085		-\$553,085
513 Total Equity - Net Assets / Position	-\$838,321	\$13,739,494	\$0	\$13,739,494
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,227,238	\$28,503,702	-\$72,500	\$28,431,202

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
70300 Net Tenant Rental Revenue	\$4,300,441				
70400 Tenant Revenue - Other	\$105,426			\$0	
70500 Total Tenant Revenue	\$4,405,867	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$1,828,754	\$167,891	\$101,955	\$17,557,351	
70610 Capital Grants	\$874,347				
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					\$72,000
71100 Investment Income - Unrestricted	\$18,095			\$2,661	\$2,770
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery	\$12,811			\$67,796	
71500 Other Revenue	\$64,177			\$16,604	\$1,883,367
71600 Gain or Loss on Sale of Capital Assets					\$668
72000 Investment Income - Restricted	\$89			\$0	
70000 Total Revenue	\$7,204,140	\$167,891	\$101,955	\$17,644,412	\$1,958,805
91100 Administrative Salaries	\$562,489			\$758,205	\$46,066

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
91200 Auditing Fees	\$13,546			\$31,892	
91300 Management Fee	\$744,065				
91310 Book-keeping Fee	\$57,915				
91400 Advertising and Marketing	\$3,343			\$1,328	
91500 Employee Benefit contributions - Administrative	\$135,286			\$327,909	\$5,047
91600 Office Expenses	\$197,997		\$15,865	\$178,580	\$13,984
91700 Legal Expense					
91800 Travel	\$4,737			\$5,224	\$1,959
91810 Allocated Overhead					
91900 Other	\$71,494			\$11,576	\$1,243
91000 Total Operating - Administrative	\$1,790,872	\$0	\$15,865	\$1,314,714	\$68,299
92000 Asset Management Fee	\$92,640				
92100 Tenant Services - Salaries		\$86,631	\$43,417		
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$69,274	\$32,313		
92400 Tenant Services - Other	\$24,327		\$2,762		
92500 Total Tenant Services	\$24,327	\$155,905	\$78,492	\$0	\$0
93100 Water	\$330,360			\$488	\$3,111
93200 Electricity	\$152,073			\$11,637	\$34,038
93300 Gas	\$38,357			\$458	\$6,402
93400 Fuel					
93500 Labor					
93600 Sewer	\$226,485			\$199	\$1,733
93700 Employee Benefit Contributions - Utilities					



Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
93800 Other Utilities Expense					
93000 Total Utilities	\$747,275	\$0	\$0	\$12,782	\$45,284
94100 Ordinary Maintenance and Operations - Labor	\$347,904			\$4,319	\$21,683
94200 Ordinary Maintenance and Operations - Materials and	\$185,982			\$3,785	\$4,000
94300 Ordinary Maintenance and Operations Contracts	\$1,037,373			\$51,576	\$62,797
94500 Employee Benefit Contributions - Ordinary Maintenance	\$70,421			\$1,157	\$5,437
94000 Total Maintenance	\$1,641,680	\$0	\$0	\$60,837	\$93,917
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$26,851			\$2,731	\$3,371
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$26,851	\$0	\$0	\$2,731	\$3,371
96110 Property Insurance	\$138,258			\$2,508	\$364
96120 Liability Insurance	\$87,255			\$21,813	\$5,543
96130 Workmen's Compensation	\$90,566			\$14,501	\$6,470
96140 All Other Insurance	\$20,712			\$4,952	\$222
96100 Total insurance Premiums	\$336,791	\$0	\$0	\$43,774	\$12,599
96200 Other General Expenses	\$11,126				\$270
96210 Compensated Absences	\$86,160	\$11,986	\$7,598	\$84,176	\$12,170
96300 Payments in Lieu of Taxes	\$87,427				
96400 Bad debt - Tenant Rents	\$278				
96500 Bad debt - Mortgages					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
96600 Bad debt - Other				\$75	
96800 Severance Expense					
96000 Total Other General Expenses	\$184,991	\$11,986	\$7,598	\$84,251	\$12,440
96710 Interest of Mortgage (or Bonds) Payable	\$145,593				
96720 Interest on Notes Payable (Short and Long Term)					\$3,843
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$145,593	\$0	\$0	\$0	\$3,843
96900 Total Operating Expenses	\$4,991,020	\$167,891	\$101,955	\$1,519,089	\$239,753
97000 Excess of Operating Revenue over Operating Expenses	\$2,213,120	\$0	\$0	\$16,125,323	\$1,719,052
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized	\$28				
97300 Housing Assistance Payments				\$15,957,578	
97350 HAP Portability-In					
97400 Depreciation Expense	\$603,160			\$31,239	\$23,055
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$5,594,208	\$167,891	\$101,955	\$17,507,906	\$262,808
10010 Operating Transfer In	\$467,755				
10020 Operating transfer Out	-\$467,755				

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
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	\$75,000				
10092 Inter Project Excess Cash Transfer Out	-\$75,000				
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
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$1,609,932	\$0	\$0	\$136,506	\$1,695,997
11020 Required Annual Debt Principal Payments	\$295,000	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$11,831,183	\$0	\$0	-\$1,563,558	\$867,755
11040 Prior Period Adjustments, Equity Transfers and Correction				\$0	
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				-\$1,439,669	
11180 Housing Assistance Payments Equity				\$12,617	

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	1 Business Activities
11190 Unit Months Available	7797			21662	0
11210 Number of Unit Months Leased	7730			19884	0
11270 Excess Cash	\$5,258,445				
11610 Land Purchases	\$0				
11620 Building Purchases	\$381,197				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$115,825				
11650 Leasehold Improvements Purchases	\$82,325				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0	\$4,300,441		\$4,300,441
70400 Tenant Revenue - Other		\$105,426		\$105,426
70500 Total Tenant Revenue	\$0	\$4,405,867	\$0	\$4,405,867
70600 HUD PHA Operating Grants		\$19,655,951		\$19,655,951
70610 Capital Grants		\$874,347		\$874,347
70710 Management Fee	\$744,065	\$744,065	-\$744,065	\$0
70720 Asset Management Fee	\$92,640	\$92,640	-\$92,640	\$0
70730 Book Keeping Fee	\$57,915	\$57,915	-\$57,915	\$0
70740 Front Line Service Fee				
70750 Other Fees	\$712,815	\$712,815	-\$645,302	\$67,513
70700 Total Fee Revenue	\$1,607,435	\$1,607,435	-\$1,539,922	\$67,513
70800 Other Government Grants		\$72,000		\$72,000
71100 Investment Income - Unrestricted	\$4,462	\$27,988		\$27,988
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		\$80,607		\$80,607
71500 Other Revenue	\$49,589	\$2,013,737		\$2,013,737
71600 Gain or Loss on Sale of Capital Assets	\$1,141	\$1,809		\$1,809
72000 Investment Income - Restricted		\$89		\$89
70000 Total Revenue	\$1,662,627	\$28,739,830	-\$1,539,922	\$27,199,908
91100 Administrative Salaries	\$447,924	\$1,814,684		\$1,814,684
91200 Auditing Fees	\$1,462	\$46,900		\$46,900

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
91300 Management Fee		\$744,065	-\$744,065	\$0
91310 Book-keeping Fee		\$57,915	-\$57,915	\$0
91400 Advertising and Marketing		\$4,671		\$4,671
91500 Employee Benefit contributions - Administrative	\$133,822	\$602,064		\$602,064
91600 Office Expenses	\$124,756	\$531,182		\$531,182
91700 Legal Expense				
91800 Travel	\$4,423	\$16,343		\$16,343
91810 Allocated Overhead				
91900 Other	\$574	\$84,887		\$84,887
91000 Total Operating - Administrative	\$712,961	\$3,902,711	-\$801,980	\$3,100,731
92000 Asset Management Fee		\$92,640	-\$92,640	\$0
92100 Tenant Services - Salaries		\$130,048		\$130,048
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services		\$101,587		\$101,587
92400 Tenant Services - Other		\$27,089	-\$200	\$26,889
92500 Total Tenant Services	\$0	\$258,724	-\$200	\$258,524
93100 Water	\$1,487	\$335,446		\$335,446
93200 Electricity	\$17,408	\$215,156		\$215,156
93300 Gas	\$467	\$45,684		\$45,684
93400 Fuel				
93500 Labor				
93600 Sewer	\$522	\$228,939		\$228,939
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$19,884	\$825,225	\$0	\$825,225
94100 Ordinary Maintenance and Operations - Labor	\$301,687	\$675,593		\$675,593
94200 Ordinary Maintenance and Operations - Materials and	\$22,852	\$216,619		\$216,619
94300 Ordinary Maintenance and Operations Contracts	\$22,621	\$1,174,367	-\$630,541	\$543,826
94500 Employee Benefit Contributions - Ordinary Maintenance	\$62,882	\$139,897		\$139,897
94000 Total Maintenance	\$410,042	\$2,206,476	-\$630,541	\$1,575,935
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs	\$5,906	\$38,859	-\$14,561	\$24,298
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$5,906	\$38,859	-\$14,561	\$24,298
96110 Property Insurance	\$15,417	\$156,547		\$156,547
96120 Liability Insurance	\$2,310	\$116,921		\$116,921
96130 Workmen's Compensation	\$99,498	\$211,035		\$211,035
96140 All Other Insurance	\$1,781	\$27,667		\$27,667
96100 Total insurance Premiums	\$119,006	\$512,170	\$0	\$512,170
96200 Other General Expenses		\$11,396		\$11,396
96210 Compensated Absences	\$31,597	\$233,687		\$233,687
96300 Payments in Lieu of Taxes		\$87,427		\$87,427
96400 Bad debt - Tenant Rents		\$278		\$278
96500 Bad debt - Mortgages				
96600 Bad debt - Other		\$75		\$75

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
96800 Severance Expense				
96000 Total Other General Expenses	\$31,597	\$332,863	\$0	\$332,863
96710 Interest of Mortgage (or Bonds) Payable		\$145,593		\$145,593
96720 Interest on Notes Payable (Short and Long Term)		\$3,843		\$3,843
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$149,436	\$0	\$149,436
96900 Total Operating Expenses	\$1,299,396	\$8,319,104	-\$1,539,922	\$6,779,182
97000 Excess of Operating Revenue over Operating Expenses	\$363,231	\$20,420,726	\$0	\$20,420,726
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized		\$28		\$28
97300 Housing Assistance Payments		\$15,957,578		\$15,957,578
97350 HAP Portability-In				
97400 Depreciation Expense	\$47,153	\$704,607		\$704,607
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,346,549	\$24,981,317	-\$1,539,922	\$23,441,395
10010 Operating Transfer In		\$467,755	-\$467,755	\$0
10020 Operating transfer Out		-\$467,755	\$467,755	\$0
10030 Operating Transfers from/to Primary Government				



Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
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		\$75,000	-\$75,000	\$0
10092 Inter Project Excess Cash Transfer Out		-\$75,000	\$75,000	\$0
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	\$316,078	\$3,758,513	\$0	\$3,758,513
11020 Required Annual Debt Principal Payments	\$0	\$295,000		\$295,000
11030 Beginning Equity	-\$1,154,399	\$9,980,981		\$9,980,981
11040 Prior Period Adjustments, Equity Transfers and Correction		\$0		\$0
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity		-\$1,439,669		-\$1,439,669
11180 Housing Assistance Payments Equity		\$12,617		\$12,617
11190 Unit Months Available	0	29459		29459

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	COCC	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	0	27614		27614
11270 Excess Cash		\$5,258,445		\$5,258,445
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$381,197		\$381,197
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$115,825		\$115,825
11650 Leasehold Improvements Purchases	\$0	\$82,325		\$82,325
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
111 Cash - Unrestricted	\$127,897	\$68,348	\$113,118	\$92,691	\$51,714
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$63,296	\$35,190	\$25,400	\$32,150	\$7,102
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$191,193	\$103,538	\$138,518	\$124,841	\$58,816
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$4,602	\$36,383	\$36,120	\$48,830	\$15,688
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$132,754				
126 Accounts Receivable - Tenants	\$6,326	\$8,104	\$196	\$2,055	\$471
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery	\$149,246	\$906	\$17,944	\$8,736	\$21,572
128.1 Allowance for Doubtful Accounts - Fraud	-\$149,246	-\$906	-\$17,944	-\$8,736	-\$21,572
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$143,682	\$44,487	\$36,316	\$50,885	\$16,159
131 Investments - Unrestricted	\$1,346,495	\$863,718	\$844,539	\$920,039	\$213,947
132 Investments - Restricted	\$28,646	\$23,073	\$349,634	\$289,022	
135 Investments - Restricted for Payment of Current Liability		\$18,483			
142 Prepaid Expenses and Other Assets	\$14,005	\$6,593	\$7,263	\$9,662	\$4,746
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
145 Assets Held for Sale					
150 Total Current Assets	\$1,724,021	\$1,059,892	\$1,376,270	\$1,394,449	\$293,668
161 Land	\$4,048,064	\$928,550	\$781,096	\$1,816,780	\$52,051
162 Buildings	\$5,641,867	\$3,628,086	\$5,510,900	\$10,186,418	\$2,452,626
163 Furniture, Equipment & Machinery - Dwellings		\$7,922	\$0		
164 Furniture, Equipment & Machinery - Administration	\$239,525	\$121,450	\$152,636	\$167,090	\$82,173
165 Leasehold Improvements		\$23,536	\$164,728	\$166,407	\$12,483
166 Accumulated Depreciation	-\$5,763,103	-\$3,340,040	-\$5,635,034	-\$9,974,088	-\$2,196,655
167 Construction in Progress		\$61,161		\$0	
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,166,353	\$1,430,665	\$974,326	\$2,362,607	\$402,678
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	\$4,166,353	\$1,430,665	\$974,326	\$2,362,607	\$402,678
200 Deferred Outflow of Resources	\$118,846	\$49,637	\$38,236	\$49,132	\$21,590
290 Total Assets and Deferred Outflow of Resources	\$6,009,220	\$2,540,194	\$2,388,832	\$3,806,188	\$717,936
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$2,981	\$880	\$676	\$677	\$239
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$10,429	\$9,268	\$8,731	\$7,837	\$4,719

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
322 Accrued Compensated Absences - Current Portion	\$2,829	\$932	\$1,237	\$1,582	\$413
324 Accrued Contingency Liability					
325 Accrued Interest Payable			\$18,741	\$15,334	
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$10,944	\$1,889	\$2,434	\$11,400	\$2,284
341 Tenant Security Deposits	\$63,296	\$35,190	\$25,400	\$32,150	\$7,102
342 Unearned Revenue				\$0	
343 Current Portion of Long-term Debt - Capital			\$170,500	\$139,500	
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$18,484			
346 Accrued Liabilities - Other	\$19,811	\$13,168	\$12,321	\$15,723	\$3,141
347 Inter Program - Due To	\$25,414	\$3,350	\$2,013	\$7,298	\$1,141
348 Loan Liability - Current					
310 Total Current Liabilities	\$135,704	\$83,161	\$242,053	\$231,501	\$19,039
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$1,435,500	\$1,174,500	
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$368,081	\$154,155	\$94,882	\$136,548	\$65,541
354 Accrued Compensated Absences - Non Current	\$36,478	\$12,012	\$15,945	\$20,399	\$5,323
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$881,504	\$368,167	\$283,607	\$364,427	\$160,136
350 Total Non-Current Liabilities	\$1,286,063	\$534,334	\$1,829,934	\$1,695,874	\$231,000
300 Total Liabilities	\$1,421,767	\$617,495	\$2,071,987	\$1,927,375	\$250,039
400 Deferred Inflow of Resources	\$194,724	\$81,326	\$62,649	\$80,500	\$35,376

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
508.4 Net Investment in Capital Assets	\$4,166,353	\$1,430,665	\$974,326	\$2,362,607	\$402,678
511.4 Restricted Net Position					
512.4 Unrestricted Net Position	\$226,376	\$410,708	-\$720,130	-\$564,294	\$29,843
513 Total Equity - Net Assets / Position	\$4,392,729	\$1,841,373	\$254,196	\$1,798,313	\$432,521
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$6,009,220	\$2,540,194	\$2,388,832	\$3,806,188	\$717,936

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
111 Cash - Unrestricted	\$368,660	\$29,529	\$0		\$851,957
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$36,061	\$16,000			\$215,199
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$404,721	\$45,529	\$0	\$0	\$1,067,156
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$4,480	\$25,473			\$171,576
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					\$132,754
126 Accounts Receivable - Tenants	\$4,081	\$4,280			\$25,513
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0			\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery	\$96,454				\$294,858
128.1 Allowance for Doubtful Accounts - Fraud	-\$96,454				-\$294,858
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$8,561	\$29,753	\$0	\$0	\$329,843
131 Investments - Unrestricted	\$391,158	\$544,963			\$5,124,859
132 Investments - Restricted	\$4,887				\$695,262
135 Investments - Restricted for Payment of Current Liability					\$18,483
142 Prepaid Expenses and Other Assets	\$10,784	\$5,931			\$58,984
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
150 Total Current Assets	\$820,111	\$626,176	\$0	\$0	\$7,294,587
161 Land	\$914,677	\$311,733			\$8,852,951
162 Buildings	\$6,654,436	\$7,020,675			\$41,095,008
163 Furniture, Equipment & Machinery - Dwellings		\$1,178			\$9,100
164 Furniture, Equipment & Machinery - Administration	\$46,230	\$96,893			\$905,997
165 Leasehold Improvements	\$1,229,575	\$3,454			\$1,600,183
166 Accumulated Depreciation	-\$5,733,766	-\$6,036,512			-\$38,679,198
167 Construction in Progress					\$61,161
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,111,152	\$1,397,421	\$0	\$0	\$13,845,202
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	\$3,111,152	\$1,397,421	\$0	\$0	\$13,845,202
200 Deferred Outflow of Resources	\$61,945	\$34,503			\$373,889
290 Total Assets and Deferred Outflow of Resources	\$3,993,208	\$2,058,100	\$0	\$0	\$21,513,678
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$1,212	\$668			\$7,333
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$14,272	\$5,285			\$60,541
322 Accrued Compensated Absences - Current Portion	\$2,532	\$729			\$10,254



Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
324 Accrued Contingency Liability					
325 Accrued Interest Payable					\$34,075
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$7,285	\$24,591			\$60,827
341 Tenant Security Deposits	\$36,061	\$16,000			\$215,199
342 Unearned Revenue					\$0
343 Current Portion of Long-term Debt - Capital					\$310,000
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					\$18,484
346 Accrued Liabilities - Other	\$16,457	\$7,455			\$88,076
347 Inter Program - Due To	\$11,204	\$3,067			\$53,487
348 Loan Liability - Current					
310 Total Current Liabilities	\$89,023	\$57,795	\$0	\$0	\$858,276
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					\$2,610,000
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$135,970	\$131,083			\$1,086,260
354 Accrued Compensated Absences - Non Current	\$32,639	\$9,402			\$132,198
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$459,460	\$255,922			\$2,773,223
350 Total Non-Current Liabilities	\$628,069	\$396,407	\$0	\$0	\$6,601,681
300 Total Liabilities	\$717,092	\$454,202	\$0	\$0	\$7,459,957
400 Deferred Inflow of Resources	\$101,499	\$56,532			\$612,606

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
508.4 Net Investment in Capital Assets	\$3,111,152	\$1,397,421		\$0	\$13,845,202
511.4 Restricted Net Position				\$0	\$0
512.4 Unrestricted Net Position	\$63,465	\$149,945	\$0	\$0	-\$404,087
513 Total Equity - Net Assets / Position	\$3,174,617	\$1,547,366	\$0	\$0	\$13,441,115
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$3,993,208	\$2,058,100	\$0	\$0	\$21,513,678

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
70300 Net Tenant Rental Revenue	\$861,543	\$751,068	\$609,923	\$669,513	\$172,833
70400 Tenant Revenue - Other	\$22,952	\$14,264	\$9,330	\$11,874	\$8,182
70500 Total Tenant Revenue	\$884,495	\$765,332	\$619,253	\$681,387	\$181,015
70600 HUD PHA Operating Grants	\$664,116	\$139,085	\$120,442	\$297,406	\$201,058
70610 Capital Grants	\$9,222	\$104,670	\$254,857	\$407,985	\$9,270
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	\$4,466	\$3,016	\$2,891	\$2,975	\$820
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery	\$5,899	\$2,815	\$186	\$1,941	\$239
71500 Other Revenue	\$1,159	\$898	\$956	\$57,184	\$365
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted	\$0	\$0	\$49	\$40	\$0
70000 Total Revenue	\$1,569,357	\$1,015,816	\$998,634	\$1,448,918	\$392,767
91100 Administrative Salaries	\$111,594	\$89,398	\$57,899	\$87,942	\$36,972
91200 Auditing Fees	\$4,421	\$1,755	\$1,228	\$1,755	\$877
91300 Management Fee	\$165,048	\$111,284	\$78,570	\$111,589	\$55,755

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
91310 Book-keeping Fee	\$11,616	\$8,895	\$6,293	\$8,925	\$4,463
91400 Advertising and Marketing	\$292	\$1,259	\$581	\$286	\$184
91500 Employee Benefit contributions - Administrative	\$4,825	\$26,018	\$15,319	\$27,768	\$7,787
91600 Office Expenses	\$40,079	\$22,910	\$20,504	\$26,918	\$33,879
91700 Legal Expense					
91800 Travel	\$1,106	\$713	\$499	\$713	\$376
91810 Allocated Overhead					
91900 Other	\$15,679	\$10,706	\$7,494	\$10,935	\$5,353
91000 Total Operating - Administrative	\$354,660	\$272,938	\$188,387	\$276,831	\$145,646
92000 Asset Management Fee	\$30,240	\$12,000	\$8,400	\$12,000	\$6,000
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$3,832	\$2,501	\$1,751	\$5,261	\$3,242
92500 Total Tenant Services	\$3,832	\$2,501	\$1,751	\$5,261	\$3,242
93100 Water	\$80,602	\$49,267	\$39,710	\$50,432	\$9,518
93200 Electricity	\$13,707	\$11,179	\$6,246	\$17,577	\$30,377
93300 Gas	\$2,133	\$308	\$138	\$1,398	\$11,973
93400 Fuel					
93500 Labor					
93600 Sewer	\$61,267	\$36,784	\$27,327	\$32,568	\$8,080
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$157,709	\$97,538	\$73,421	\$101,975	\$59,948
94100 Ordinary Maintenance and Operations - Labor	\$81,469	\$29,344	\$33,678	\$63,965	\$11,778

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
94200 Ordinary Maintenance and Operations - Materials and	\$50,285	\$34,587	\$21,450	\$31,309	\$9,863
94300 Ordinary Maintenance and Operations Contracts	\$326,793	\$121,539	\$85,419	\$121,205	\$58,450
94500 Employee Benefit Contributions - Ordinary Maintenance	\$10,651	\$5,082	\$7,690	\$15,323	\$1,558
94000 Total Maintenance	\$469,198	\$190,552	\$148,237	\$231,802	\$81,649
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$4,215	\$2,660	\$1,801	\$6,457	\$4,786
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$4,215	\$2,660	\$1,801	\$6,457	\$4,786
96110 Property Insurance	\$30,108	\$14,968	\$25,361	\$26,527	\$4,161
96120 Liability Insurance	\$30,519	\$11,027	\$7,640	\$12,683	\$4,103
96130 Workmen's Compensation	\$22,737	\$7,621	\$8,865	\$16,305	\$2,978
96140 All Other Insurance	\$4,910	\$2,540	\$3,299	\$3,708	\$747
96100 Total insurance Premiums	\$88,274	\$36,156	\$45,165	\$59,223	\$11,989
96200 Other General Expenses	\$1,741	\$1,193	\$2,585	\$2,624	\$597
96210 Compensated Absences	\$24,955	\$9,987	\$6,556	\$13,351	\$2,722
96300 Payments in Lieu of Taxes	\$21,598	\$9,187	\$7,541	\$11,400	\$3,464
96400 Bad debt - Tenant Rents	-\$455		-\$2,174	-\$1,173	\$427
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$47,839	\$20,367	\$14,508	\$26,202	\$7,210
96710 Interest of Mortgage (or Bonds) Payable			\$80,076	\$65,517	
96720 Interest on Notes Payable (Short and Long Term)					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$80,076	\$65,517	\$0
96900 Total Operating Expenses	\$1,155,967	\$634,712	\$561,746	\$785,268	\$320,470
97000 Excess of Operating Revenue over Operating Expenses	\$413,390	\$381,104	\$436,888	\$663,650	\$72,297
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized				\$28	
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$25,923	\$46,620	\$35,126	\$88,969	\$41,730
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,181,890	\$681,332	\$596,872	\$874,265	\$362,200
10010 Operating Transfer In	\$7,776	\$48,683	\$27,607	\$117,164	\$83,073
10020 Operating transfer Out	-\$7,776	-\$48,683	-\$27,607	-\$117,164	-\$83,073
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		-\$75,000			

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	-\$75,000	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$387,467	\$259,484	\$401,762	\$574,653	\$30,567
11020 Required Annual Debt Principal Payments	\$0	\$0	\$162,250	\$132,750	\$0
11030 Beginning Equity	\$4,005,262	\$1,581,889	-\$147,566	\$1,223,660	\$401,954
11040 Prior Period Adjustments, Equity Transfers and Correction					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	1557	1200	840	1200	600
11210 Number of Unit Months Leased	1557	1186	839	1190	595
11270 Excess Cash	\$1,449,336	\$875,690	\$737,181	\$804,285	\$241,823
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0
11620 Building Purchases	\$0	\$62,244	\$69,185	\$203,178	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$9,222	\$19,529	\$23,422	\$12,629	\$9,270
11650 Leasehold Improvements Purchases	\$0	\$22,897	\$0	\$59,428	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0	\$0

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000001	CA031000002	CA031000003	CA031000004	CA031000005
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0



Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
70300 Net Tenant Rental Revenue	\$849,852	\$385,709			\$4,300,441
70400 Tenant Revenue - Other	\$19,546	\$19,278			\$105,426
70500 Total Tenant Revenue	\$869,398	\$404,987	\$0	\$0	\$4,405,867
70600 HUD PHA Operating Grants	\$57,937	\$348,710			\$1,828,754
70610 Capital Grants	\$51,150	\$37,193			\$874,347
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	\$2,192	\$1,735			\$18,095
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery	\$1,731				\$12,811
71500 Other Revenue	\$2,756	\$859			\$64,177
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted	\$0				\$89
70000 Total Revenue	\$985,164	\$793,484	\$0	\$0	\$7,204,140
91100 Administrative Salaries	\$122,228	\$56,456			\$562,489
91200 Auditing Fees	\$1,755	\$1,755			\$13,546
91300 Management Fee	\$110,900	\$110,919			\$744,065
91310 Book-keeping Fee	\$8,858	\$8,865			\$57,915

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
91400 Advertising and Marketing	\$199	\$542			\$3,343
91500 Employee Benefit contributions - Administrative	\$44,289	\$9,280			\$135,286
91600 Office Expenses	\$27,587	\$26,120			\$197,997
91700 Legal Expense					
91800 Travel	\$727	\$603			\$4,737
91810 Allocated Overhead					
91900 Other	\$10,695	\$10,632			\$71,494
91000 Total Operating - Administrative	\$327,238	\$225,172	\$0	\$0	\$1,790,872
92000 Asset Management Fee	\$12,000	\$12,000			\$92,640
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$3,783	\$3,957			\$24,327
92500 Total Tenant Services	\$3,783	\$3,957	\$0	\$0	\$24,327
93100 Water	\$77,304	\$23,527			\$330,360
93200 Electricity	\$19,791	\$53,196			\$152,073
93300 Gas	\$928	\$21,479			\$38,357
93400 Fuel					
93500 Labor					
93600 Sewer	\$42,465	\$17,994			\$226,485
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$140,488	\$116,196	\$0	\$0	\$747,275
94100 Ordinary Maintenance and Operations - Labor	\$83,277	\$44,393			\$347,904
94200 Ordinary Maintenance and Operations - Materials and	\$19,937	\$18,551			\$185,982

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
94300 Ordinary Maintenance and Operations Contracts	\$180,278	\$143,689			\$1,037,373
94500 Employee Benefit Contributions - Ordinary Maintenance	\$18,888	\$11,229			\$70,421
94000 Total Maintenance	\$302,380	\$217,862	\$0	\$0	\$1,641,680
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$3,240	\$3,692			\$26,851
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$3,240	\$3,692	\$0	\$0	\$26,851
96110 Property Insurance	\$29,087	\$8,046			\$138,258
96120 Liability Insurance	\$11,365	\$9,918			\$87,255
96130 Workmen's Compensation	\$20,577	\$11,483			\$90,566
96140 All Other Insurance	\$4,012	\$1,496			\$20,712
96100 Total insurance Premiums	\$65,041	\$30,943	\$0	\$0	\$336,791
96200 Other General Expenses	\$1,193	\$1,193			\$11,126
96210 Compensated Absences	\$23,859	\$4,730			\$86,160
96300 Payments in Lieu of Taxes	\$7,285	\$26,952			\$87,427
96400 Bad debt - Tenant Rents	\$3,661	-\$8			\$278
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$35,998	\$32,867	\$0	\$0	\$184,991
96710 Interest of Mortgage (or Bonds) Payable					\$145,593
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$145,593
96900 Total Operating Expenses	\$890,168	\$642,689	\$0	\$0	\$4,991,020
97000 Excess of Operating Revenue over Operating Expenses	\$94,996	\$150,795	\$0	\$0	\$2,213,120
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					\$28
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$252,484	\$112,308			\$603,160
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,142,652	\$754,997	\$0	\$0	\$5,594,208
10010 Operating Transfer In	\$23,681	\$159,771			\$467,755
10020 Operating transfer Out	-\$23,681	-\$159,771			-\$467,755
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	\$75,000				\$75,000
10092 Inter Project Excess Cash Transfer Out					-\$75,000
10093 Transfers between Program and Project - In					

Housing Authority of the City of Oxnard (CA031)

Oxnard, CA

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2016

	CA031000007	CA031000008	CA031009999	OTHER PROJ	Total
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$75,000	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$82,488	\$38,487	\$0	\$0	\$1,609,932
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$295,000
11030 Beginning Equity	\$3,257,105	\$1,508,879	\$0	\$0	\$11,831,183
11040 Prior Period Adjustments, Equity Transfers and Correction					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	1200	1200	0	0	7797
11210 Number of Unit Months Leased	1181	1182	0	0	7730
11270 Excess Cash	\$641,237	\$508,893	\$0	\$0	\$5,258,445
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0
11620 Building Purchases	\$45,580	\$1,010	\$0	\$0	\$381,197
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$5,570	\$36,183	\$0	\$0	\$115,825
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0	\$82,325
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0

ACTUAL MODERNIZATION COST CERTIFICATES

CITY OF OXNARD HOUSING AUTHORITY  
Conventional program SF-195

Schedule of Actual Modernization Cost Certificates - Completed  
Year ended June 30, 2016

Completed:

CA16-P031-501-12

Funds approved	\$ 1,478,622
Funds expended - cumulative	<u>1,478,622</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced - cumulative	\$ 1,478,622
Funds expended - cumulative	<u>1,478,622</u>
Excess (deficiency) of funds advanced	<u>\$ -</u>

CITY OF OXNARD HOUSING AUTHORITY  
Conventional program SF-195

Schedule of Actual Modernization Cost Certificates - Uncompleted  
Year ended June 30, 2016

Uncompleted:

	<u>CA16-P031-501-13</u>	<u>CA16-P031-501-14</u>	<u>CA16-P031-501-15</u>
Funds approved	1,321,049	1,370,795	1,370,795
Funds expended - cumulative	<u>1,075,027</u>	<u>831,974</u>	<u>626,065</u>
Excess of funds approved	<u>246,022</u>	<u>538,821</u>	<u>744,730</u>
Funds advanced - cumulative	1,070,715	828,679	-
Funds expended - cumulative	<u>1,075,027</u>	<u>831,974</u>	<u>626,065</u>
Excess (deficiency) of funds advanced	<u>(4,312)</u>	<u>(3,295)</u>	<u>(626,065)</u>



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SINGLE AUDIT REPORTS AND RELATED SCHEDULES

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

**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
City of Oxnard Housing Authority  
Oxnard, 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 City of Oxnard Housing Authority (Authority), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Authority's basic financial statements, and have issued our report thereon dated January 31, 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 entity'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 Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

A handwritten signature in blue ink that reads "Denise Jann" followed by a stylized monogram or initials.

Irvine, California  
January 31, 2017

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
City of Oxnard Housing Authority  
Oxnard, California

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

We have audited City of Oxnard Housing Authority's (Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2016. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirement of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

### **Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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

**Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the financial statements of the Authority as of and for the year ended June 30, 2016, and have issued our report thereon dated January 31, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying *Schedule of Expenditures of Federal Awards* is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Schedule of Expenditures of Federal Awards* is fairly stated in all material respects in relation to the financial statements as a whole.

*Daniel J. ...*

Irvine, California  
January 31, 2017



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CITY OF OXNARD HOUSING AUTHORITY  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Domestic Assistance Number	Project Number	Federal Financial Assistance Expenditures
<u>U.S. Department of Housing and Urban Development:</u>			
Direct Assistance:			
Conventional Programs:			
Public and Indian Housing Operating Subsidy Grant	14.850	CA-031-000103J	\$ 1,215,406
Family Self-Sufficiency Program	14.896	CA031FSH082A014	78,860
Family Self-Sufficiency Program	14.896	CA031FSH082A015	89,031
Resident Opportunity and Self-Sufficiency	14.870	CA031RPS059A012	93,563
Resident Opportunity and Self-Sufficiency	14.870	CA031RPS059A015	8,392
Public Housing Capital Fund 2012	14.872	CA16-P031-501-12	196,861
Public Housing Capital Fund 2013	14.872	CA16-P031-501-13	197,250
Public Housing Capital Fund 2014	14.872	CA16-P031-501-14	467,520
Public Housing Capital Fund 2015	14.872	CA16-P031-501-14	<u>626,065</u>
Subtotal			<u>1,487,696</u>
Total Conventional Programs			<u>2,972,948</u>
Section 8 Housing Assistance Programs:			
Section 8 Housing Choice Vouchers	14.871	CA-031-VO028-0041	<u>17,557,350</u>
Total Section 8 Housing Assistance Programs			<u>17,557,350</u>
Total Federal Financial Assistance Expenditures			<u>\$ 20,530,298</u>

See accompanying notes to the schedule of expenditures of federal awards

CITY OF OXNARD HOUSING AUTHORITY

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2016

(1) Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

(a) Scope of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes only the expenditures incurred (and related awards received) by the City of Oxnard Housing Authority ("Authority") that are reimbursable under federal programs of federal agencies providing financial assistance for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Only the portions of program expenditures reimbursable with such federal funds are reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other nonfederal funds are excluded from the accompanying schedule.

(b) Basis of Accounting

The expenditures included in the accompanying schedule were reported on a regulatory basis of accounting in accordance with the U.S. Department of Housing and Urban Development (HUD). Expenditures are recognized in the accounting period in which the related liability is incurred. Expenditures reported included any property or equipment acquisitions incurred under the federal program.

(c) Subrecipients

During the fiscal year ended June 30, 2016, the Authority disbursed no federal funds to subrecipients.

(d) 2004 Capital Fund Revenue Bonds

On April 26, 2004, the Affordable Housing Agency issued Affordable Housing Agency Certificates of Participation, Series 2004 (Oxnard-Santa Clara Projects) in the amount of \$10,370,000, evidencing a proportionate ownership interest in debt service payments to be made with respect to certain Capital Fund Revenue Bonds, Series 2004, issued by the Oxnard and Santa Clara Housing Authorities in the amounts of \$5,820,000 and \$4,550,000, respectively.

Principal is payable annually on April 1. Interest is payable semiannually on April 1 and October 1 commencing October 1, 2004. The required reserve for the bonds of \$451,375 was fully funded as of June 30, 2014. The amount of bonds outstanding as of June 30, 2016 was \$2,920,000.

CITY OF OXNARD HOUSING AUTHORITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2016

(1) Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards, (Continued)

(d) 2004 Capital Fund Revenue Bonds, (Continued)

The U.S. Department of Housing and Urban Development has approved the issuance of the bonds and the certificates and has authorized the Authority to pledge and assign its Capital Fund Program monies to the payment of the bonds and, therefore, the certificates. During the year ended June 30, 2016, there were payments made on the bonds for principal and interest totaling the amount of \$295,000, and, accordingly, those expenditures relating to the bonds have been included in the federal expenditures of capital fund grants in the accompanying Schedule of Expenditures of Federal Awards.

CITY OF OXNARD HOUSING AUTHORITY

Summary of Findings and Questioned Costs

Year ended June 30, 2016

**(A) Summary of Auditor's Results**

1. An unmodified report was issued by the auditors on the financial statements of the auditee.
2. No material weaknesses or significant deficiencies in internal control over financial reporting based on our audit of the financial statements of the auditee were reported.
3. No noncompliance which is material to the financial statements of the auditee was reported.
4. No material weaknesses or significant deficiencies in internal control over major programs of the auditee were reported.
5. An unmodified report was issued by the auditors on compliance for major programs.
6. The audit disclosed no audit findings that are required to be reported under section 200.516 of the Uniform Guidance.
7. The major programs of the auditee were:
  - CFDA No. 14.871 U.S. Department of Housing and Urban Development – Section 8 Housing Choice Vouchers
  - CFDA No. 14.850 U.S. Department of Housing and Urban Development – Public and Indian Housing
8. The dollar threshold used to distinguish Type A and Type B programs was \$750,000.
9. The Authority was considered as a low risk auditee for the year ended June 30, 2016 for purposes of major program determination.

**(B) Findings Related to the Financial Statements which are Required to be Reported in Accordance with GAGAS**

There are no auditors' findings required to be reported in accordance with GAGAS.

**(C) Findings and Questioned Costs Related to Federal Awards**

There were no findings required to be reported under section 200.516 of the Uniform Guidance.

CITY OF OXNARD HOUSING AUTHORITY

Summary Schedule of Prior Audit Findings

Year ended June 30, 2016

Status of Prior Year Audit Findings:

There were no audit findings identified in the prior year audit report requiring follow up.