

# ***HOUSING AUTHORITY OF THE CITY OF LIVERMORE***

**Management Letter**

**Year Ended June 30, 2023**



**smithmarion**  
connected . focused . understandable

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December 5, 2023

To the Management and Governing Body of  
Housing Authority of the City of Livermore

Ladies and Gentlemen:

In planning and performing our audit of the basic financial statements of Housing Authority of the City of Livermore ("Authority") as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and/or significant deficiencies and, therefore, material weaknesses and/or significant deficiencies may exist that were not identified.

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.

Exhibit I to this Management Letter lists any deficiencies in internal control, substantive matters, and/or other issues encountered during our audit.

This communication is intended solely for the information and use of management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in blue ink that reads "Smith Marion" followed by a circular mark containing a stylized "S" or similar symbol.



## **EXHIBIT I**

### **MANAGEMENT LETTER COMMENTS**

We did not identify any material weaknesses in internal control during our audit.

Management letters are intended to be critical of accounting processes and internal control features that do not provide adequate safeguards for a company's assets, or they address areas that could be operationally more efficient. However, we would like to use this letter for an additional purpose and thank you for all the effort and cooperation we received from management during this year's audit. We also feel that this year's audit was performed in an efficient and organized manner, which made the process less stressful for all.

# ***HOUSING AUTHORITY OF THE CITY OF LIVERMORE***

**The Auditors Communication with Those Charged with  
Governance**

**Year Ended June 30, 2023**



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December 5, 2023

The Governing Body of  
Housing Authority of the City of Livermore

We have audited the financial statements of Housing Authority of the City of Livermore (Authority) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 5, 2023.

This report summarizes our communications with those charged with governance as required by our professional standards to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process.

## **REQUIRED COMMUNICATIONS**

Professional standards require the auditor to provide the Governing Body (the Board or those charged with governance) with additional information regarding the scope and results of the audit that may assist the Board in overseeing the financial reporting and disclosure processes which the management of the Authority is responsible. We summarize these required communications as follows:

### **AUDITORS' RESPONSIBILITIES UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES (US GAAS) AND GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS (GAGAS)**

Our responsibilities are included in our audit engagement letter.

The financial statements are the responsibility of the Authority's management as prepared with the oversight of those charged with governance. Our audit was designed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. We were not engaged to perform an audit of the Authority's internal control over financial reporting.

Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we will express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.



## **INDEPENDENCE**

We are not aware of any relationships between Smith Marion & Co., and our related entities, and the Authority, or any other matters that in our professional judgment, may reasonably be thought to bear on our independence.

We confirm that we are independent with respect to the Authority within the meaning of the applicable published rules and pronouncements, its interpretations and rulings.

## **THE ADOPTION OF, OR A CHANGE IN SIGNIFICANT ACCOUNTING POLICIES**

We determined that the Board is informed about the initial selection of, and any changes in significant accounting principles or their application when the accounting principle or its application, including alternative methods of applying the accounting principle, has a material effect on the financial statements.

There was no adoption of, or changes in significant accounting policies.

## **AUDITORS' JUDGEMENT ABOUT THE QUALITY OF THE AUTHORITY'S ACCOUNTING PRINCIPLES**

We discussed our judgment about the quality, not just the acceptability, of the Authority's accounting principles as applied in its financial reporting, including the consistency of the accounting policy and their application and the clarity and completeness of the financial statements and related disclosures.

## **SENSITIVE ACCOUNTING ESTIMATES**

Certain estimates are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from management's expectations.

We determined that the Board is informed about management's process for formulating particularly sensitive estimates and about the basis to our conclusions regarding the reasonableness of those estimates.

Management's judgment is called upon in:

Pension obligation and related deferred inflows/outflows – Management estimate is based on actuarial assumptions and methods. We have evaluated those actuarial assumptions and methods in determining that they are reasonable in relation to the financial statements.

## **FINANCIAL STATEMENT DISCLOSURES**

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the Authority's financial statements relate to:

Pension obligation and related deferred inflows/outflows



#### **IDENTIFIED OR SUSPECTED FRAUD**

We are not aware of any matters that require communication. Furthermore, the Authority's management has represented to us that they were not aware of any fraud or illegal acts for the period from July 01, 2022 to June 30, 2023 (see *Management's Representation Letter*).

#### **SIGNIFICANT DIFFICULTIES ENCOUNTERED DURING THE AUDIT**

There were no serious difficulties encountered in dealing with management in performing the audit.

#### **REPRESENTATIONS REQUESTED FROM MANAGEMENT**

We have requested certain written representations from management in a separate letter dated December 5, 2023 (see *Management's Representation Letter*).

#### **UNCORRECTED MISSTATEMENTS, RELATED TO ACCOUNTS AND DISCLOSURES, CONSIDERED BY MANAGEMENT TO BE IMMATERIAL**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

#### **MATERIAL CORRECTED MISSTATEMENTS, RELATED TO ACCOUNTS AND DISCLOSURES**

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

As a result of our audit procedures, material misstatements were brought to the attention of management and were corrected during the current period (see *Adjusting Journal Entry Report*).

#### **DISAGREEMENTS WITH MANAGEMENT**

There were no material disagreements with the Authority's management on financial accounting and reporting matters during the audit.



## **CONSULTATIONS WITH OTHER ACCOUNTANTS**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters (see *Management Representation Letter*).

## **MAJOR ISSUES DISCUSSED WITH MANAGEMENT PRIOR TO RETENTION**

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

## **SIGNIFICANT RISKS IDENTIFIED**

For purposes of this communication, professional standards require us to communicate to you significant risks identified during our audit.

The following significant risks were identified in our audit procedures:

Management override of controls (*required by US GAAS*) - Even though internal control over financial reporting (hereinafter referred to as internal controls or simply as controls) may appear to be well-designed and effective, controls that are otherwise effective can be overridden by management in every Authority. Many financial statement frauds have been perpetrated by intentional override by senior management of what might otherwise appear to be effective internal controls. Because management is primarily responsible for the design, implementation, and maintenance of internal controls, the Authority is always exposed to the danger of management override of controls.

Improper revenue recognition (*required by US GAAS*) - Revenue recognition is one of only two matters that must always, under AU-C 240 (the fraud risk standard), be considered a high-risk area, requiring expanded audit attention. Revenue recognition fraud schemes have been responsible for more investigations, restatements, and litigation against outside accountants than any other single cause. Revenue recognition is an accounting principle that asserts that revenue must be recognized as it is earned. Proper revenue recognition is imperative because it relates directly to the integrity of a company’s financial reporting. The intent of the principle around revenue recognition is to standardize the revenue policies used by companies. This standardization allows external entities to easily compare the income statements of different companies in the same industry. Because revenue is one of the most important measures used by external entities to assess a company’s performance, it is crucial that financial statements be consistent and credible.





GASB 96 Implementation (New Significant Standard) - Implementation of new accounting standards like GASB 96 can be complex and requires careful consideration. Government entities are increasingly utilizing Subscription-Based Information Technology Arrangements (SBITAs) to access necessary software without the need for ownership. GASB Statement 96 on SBITAs fundamentally changes the recognition, measurement, and disclosure related to these arrangements. The major changes outlined in GASB 96 are: (1) SBITAs will be classified as a right-to-use subscription asset—an intangible asset—on the balance sheet; (2) Outflows associated with the subscription will be recognized as subscription expenses, generally in the period incurred; (3) Specific disclosure requirements will provide information about the nature of the government's SBITAs; and (4) The provisions are effective for fiscal years beginning after June 15, 2022, with earlier application encouraged. Implementation requires attention to the specific terms and conditions of SBITAs to ensure proper accounting treatment.

#### **OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS**

We reviewed the supplemental information to the financial statements to ensure consistency with the audited financial statements.

#### **RESTRICTION ON USE**

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

Sincerely,

Smith Marion : 

# ***HOUSING AUTHORITY OF THE CITY OF LIVERMORE***

**Financial Statements and Independent Auditors' Report**

**Year Ended June 30, 2023**



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**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

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**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

List of Principal Officials

The following table lists the Board Members as of June 30, 2023:

Chairperson.....	Karen Hutchinson
Vice Chairperson.....	Mark Palajac
Commissioner.....	Heather Casey
Commissioner.....	Marvin Evans
Commissioner.....	Maureen Hamm
Commissioner.....	Christine Stuart
Commissioner.....	Parag Vaishampayan

In addition to the above Commissioners, the Administrator of Housing Authority of the City of Livermore is Sarah Ramler, who served as the Executive Director.

## **INDEPENDENT AUDITORS' REPORT**

To the Governing Body of  
Housing Authority of the City of Livermore

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### **OPINION**

We have audited the financial statements of the business-type activities Housing Authority of the City of Livermore (Authority), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of June 30, 2023, and the changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **BASIS FOR OPINION**

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

#### **RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

(1) Exercise professional judgment and maintain professional skepticism throughout the audit; (2) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements; (3) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed; (4) Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; (5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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



### **SUPPLEMENTARY INFORMATION**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements.

The schedule of expenditures of federal awards, required by Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

That information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other 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, that information is fairly stated in all material respects in relation to the financial statements as a whole.

### **OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Smith Marion : 

December 5, 2023  
Redlands, CA

## **HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

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

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

### **FINANCIAL HIGHLIGHTS**

The Authority's total net position increased \$1,663 thousand (+80.3%), in part as a result of the following changes from FY22 to FY23:

- Operating revenues increased \$2,498 thousand (+19.6%);
- Operating expenses increased \$691 thousand (+5.5%); and
- Net operating income increased \$1,807 thousand (+>100%).

See Financial Analysis of the Authority Section below for details on these changes.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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



## HOUSING AUTHORITY OF THE CITY OF LIVERMORE

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

### FINANCIAL ANALYSIS OF THE AUTHORITY

#### Net Position

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

	<u>2023</u>	<u>2022</u>	Change	
			Dollar	Percentage
Cash and equivalents	\$ 3,691,963	\$ 5,064,155	\$ (1,372,192)	(27.1%)
Other current assets	996,864	531,929	464,935	87.4%
Total current assets	<u>4,688,827</u>	<u>5,596,084</u>	<u>(907,257)</u>	<u>(16.2%)</u>
Net capital assets	6,688,746	4,696,215	1,992,531	42.4%
Other non-current assets	-	-	-	0.0%
Total non-current assets	<u>6,688,746</u>	<u>4,696,215</u>	<u>1,992,531</u>	<u>42.4%</u>
Total assets	11,377,573	10,292,299	1,085,274	10.5%
Deferred outflows of resources	<u>771,686</u>	<u>293,808</u>	<u>477,878</u>	<u>&gt;100%</u>
<b>Total</b>	<b><u>\$ 12,149,259</u></b>	<b><u>\$ 10,586,107</u></b>	<b><u>\$ 1,563,152</u></b>	<b><u>14.8%</u></b>
Current liabilities	\$ 295,847	\$ 692,679	\$ (396,832)	(57.3%)
Non-current liabilities	<u>7,905,536</u>	<u>6,895,257</u>	<u>1,010,279</u>	<u>14.7%</u>
Total liabilities	<u>8,201,383</u>	<u>7,587,936</u>	<u>613,447</u>	<u>8.1%</u>
Deferred inflows of resources	<u>213,035</u>	<u>926,791</u>	<u>(713,756)</u>	<u>(77.0%)</u>
Net investment in capital assets	1,652,912	(389,587)	2,042,499	(>100%)
Restricted net position	3,328	233,462	(230,134)	(98.6%)
Unrestricted net position	<u>2,078,601</u>	<u>2,227,505</u>	<u>(148,904)</u>	<u>(6.7%)</u>
Total net position	<u>3,734,841</u>	<u>2,071,380</u>	<u>1,663,461</u>	<u>80.3%</u>
<b>Total</b>	<b><u>\$ 12,149,259</u></b>	<b><u>\$ 10,586,107</u></b>	<b><u>\$ 1,563,152</u></b>	<b><u>14.8%</u></b>

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

- Total Assets increased \$1,085 (+10.5%);
- Deferred Outflows increased \$477.8 (>100%);
- Total Liabilities increased \$597.3 (+7.9%);
- Deferred Inflows decreased \$713.7 (-77%); and
- Total Net Position increased \$1,663 (+80.3%).

A significant decrease in cash from FY22 to FY23 occurred. This was a result of \$606 and \$728 cash outflow from operating activities and financing activities, respectfully, for the FY23 year. See the statement of cash flows for additional detail. Net capital assets increased by \$1,992 which was primarily due to the donation of a parcel of land valued at \$1,800. Net pension liability and the related deferred outflows and inflows of resources saw significant changes as a result of the annual adjustment for their respective proportions of the CalPERS cost sharing multiple employer defined benefit plan. These changes are beyond the control of management and are significantly influenced with changes in market conditions and changes in actuarial assumptions of CalPERS.

## HOUSING AUTHORITY OF THE CITY OF LIVERMORE

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

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

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

	2023	2022	Change	
			Dollar	Percentage
Net rental revenue	\$ 1,709,238	\$ 1,663,642	\$ 45,596	2.7%
Operating grants and subsidies	11,432,381	10,502,132	930,249	8.9%
Other operating revenues	2,083,681	561,012	1,522,669	>100%
<b>Total operating revenues</b>	<b>15,225,300</b>	<b>12,726,786</b>	<b>2,498,514</b>	<b>19.6%</b>
Depreciation expense	(382,805)	(363,886)	(18,919)	5.2%
Housing Assistance Payments	(10,474,439)	(9,343,502)	(1,130,937)	12.1%
Other operating expenses	(2,508,656)	(2,967,317)	458,661	(15.5%)
<b>Total operating expenses</b>	<b>(13,365,900)</b>	<b>(12,674,705)</b>	<b>(691,195)</b>	<b>5.5%</b>
<b>Operating Income (Loss)</b>	<b>1,859,400</b>	<b>52,081</b>	<b>1,807,319</b>	<b>(&gt;100%)</b>
Investment income	2,322	1,587	735	46.3%
Interest expense	(198,261)	(112,917)	(85,344)	75.6%
Other non-operating items	-	-	-	0.0%
<b>Income (Loss) before Contributions and Other Items</b>	<b>1,663,461</b>	<b>(59,249)</b>	<b>1,722,710</b>	<b>&gt;100%</b>
Special items	-	-	-	0.0%
Net operating transfers	-	-	-	0.0%
Capital contributions	-	-	-	0.0%
<b>Change in Net Position</b>	<b>\$ 1,663,461</b>	<b>\$ (59,249)</b>	<b>\$ 1,722,710</b>	<b>&gt;100%</b>

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

The Voucher program saw a significant increase in HAP revenues of \$1,097.2, this is attributable to normal year-to-year adjustments in tenant payments based on income fluctuations as well as voucher utilization. This was a significant factor accounting for most of the increase in HUD funding from \$10,502.1 to \$11,432.3 for FY22 to FY23. In addition to this, other revenues increased by \$1,522, primarily due to a donated parcel of land, valued at \$1,800.

There was an insignificant change from FY22 to FY23 in operating expense overall, however there was a decrease in administrative expense of \$575.1 that was attributable to salaries and benefits. Also, there was a significant increase in HAP expense of \$1,130.9, comparable to the change in HAP revenue, these are normal fluctuations in the voucher program. Additionally, interest expense increased by \$85.

## HOUSING AUTHORITY OF THE CITY OF LIVERMORE

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)

### CAPITAL ASSETS

As of year-end, we had \$6,688,746 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (additions, deductions and depreciation) of \$1,992,531 from the end of last year:

	<u>2023</u>	<u>2022</u>	Change	
			<u>Dollar</u>	<u>Percentage</u>
Land	\$ 3,502,044	\$ 1,702,044	\$ 1,800,000	>100%
Construction in progress	-	-	-	0%
Buildings and improvements	12,686,758	12,111,422	575,336	5%
Equipment and furnishings	398,345	400,626	(2,281)	(1%)
Accumulated depreciation	<u>(9,898,401)</u>	<u>(9,517,877)</u>	<u>(380,524)</u>	<u>4%</u>
<b>Net Capital Assets</b>	<b><u>\$ 6,688,746</u></b>	<b><u>\$ 4,696,215</u></b>	<b><u>\$ 1,992,531</u></b>	<b><u>42%</u></b>

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

### DEBT ADMINISTRATION

The Authority had the following amounts of debt outstanding:

	<u>2023</u>	<u>2022</u>	Change	
			<u>Dollar</u>	<u>Percentage</u>
Total debt	\$ 5,035,834	\$ 5,085,802	\$ (49,968)	(1%)

### ECONOMIC FACTORS

Significant economic factors affecting us are as follows:

Federal funding by the Department of Housing and Urban Development.

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

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

### FINANCIAL CONTACT

The individual to be contacted regarding this report is Sarah Ramler, Executive Director for the Housing Authority of the City of Livermore. Specific requests may be submitted to the Finance Department at the Housing Authority of the City of Livermore, 3203 Leahy Way, Livermore CA, 94550.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Statement of Net Position

June 30, 2023

**Assets and Deferred Outflows of Resources**

Operating cash	\$ 3,609,161
Restricted cash	82,802
Total cash and equivalents	<u>3,691,963</u>
Net accounts receivable	973,832
Prepaid expenses and other current assets	23,032
Total current assets	<u>4,688,827</u>
Capital assets, at cost	
Land	3,502,044
Buildings and improvements	12,686,758
Equipment and furnishings	398,345
Total acquisition costs	<u>16,587,147</u>
Less: Accumulated depreciation	<u>(9,898,401)</u>
Net capital assets	6,688,746
Total non-current assets	<u>6,688,746</u>
Total assets	<u>11,377,573</u>
Deferred outflows related to pension	771,686
Total deferred outflows of resources	<u>771,686</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<b><u>\$ 12,149,259</u></b>

See accompanying notes.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**Statement of Net Position  
June 30, 2023**Liabilities, Deferred Inflows of Resources, and Net Position**

Accounts payable	\$ 102,310
Unearned revenues	11,243
Deposits held in trust, contra	79,474
Other current liabilities	2,634
Accrued wages payable	19,659
Accrued vacations payable, current portion	25,616
Debt, current portion	54,911
Total current liabilities	<u>295,847</u>
Accrued vacations payable, net of current	59,773
Net pension liability	1,911,062
Long-term accrued interest payable	953,778
Debt, net of current	4,980,923
Total non-current liabilities	<u>7,905,536</u>
Total liabilities	<u>8,201,383</u>
Deferred inflows related to pension	213,035
Total deferred inflows of resources	<u>213,035</u>
Net investment in capital assets	1,652,912
Restricted net position	3,328
Unrestricted net position	2,078,601
Total net position	<u>3,734,841</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b><u><u>\$ 12,149,259</u></u></b>

*See accompanying notes.*

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**  
Statement of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2023

Tenant rental revenue, net of collection losses	\$ 1,709,238
Operating grants and subsidies	11,432,381
Other revenue	<u>2,083,681</u>
Total operating revenues	<u>15,225,300</u>
Administrative	1,342,623
Tenant services	6,515
Utilities	227,830
Ordinary maintenance and operations	731,787
Protective services	13,147
Insurance premiums	132,723
Other general expenses	54,031
Housing Assistance Payments	10,474,439
Depreciation	<u>382,805</u>
Total operating expenses	<u>13,365,900</u>
Operating income (loss)	1,859,400
Investment income	2,322
Interest expense	<u>(198,261)</u>
Total non-operating revenues (expenses)	<u>(195,939)</u>
<b>Change in Net Position</b>	<b><u><u>\$ 1,663,461</u></u></b>
Net position, beginning of year	\$ 2,071,380
Change in net position	<u>1,663,461</u>
<b>Net Position, End of Year</b>	<b><u><u>\$ 3,734,841</u></u></b>

See accompanying notes.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**Statement of Cash Flows  
Year Ended June 30, 2023

Cash receipts from tenants	\$ 1,590,935
Cash receipts from grants	10,776,161
Cash payments for Housing Assistance Payments	(10,474,439)
Cash payments to suppliers for goods and services	(1,434,097)
Cash payments for wages and benefits	(1,348,537)
Other cash payments and receipts	283,681
Net cash for operating activities	<u>(606,296)</u>
Acquisition and construction of capital assets	(575,336)
Payments of interest	(142,914)
Principal payments on debt	(49,968)
Net cash for capital and related financing activities	<u>(768,218)</u>
Receipts of interest on cash deposits	2,322
Net cash from investing activities	<u>2,322</u>
Net change in cash and equivalents	(1,372,192)
Cash at beginning of period	5,064,155
<b>Cash at End of Period</b>	<b><u><u>\$ 3,691,963</u></u></b>
<i>Reconciliation of cash to the statement of net position:</i>	
Cash and equivalents - operating	\$ 3,609,161
Restricted cash and equivalents	82,802
<b>Total Cash and Equivalents</b>	<b><u><u>\$ 3,691,963</u></u></b>

*See accompanying notes.*

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Statement of Cash Flows  
Year Ended June 30, 2023

Reconciliation of operating income (loss) to net cash

from operating activities:

Operating income (loss) \$ 1,859,400

Adjustments to reconcile operating income (loss) to

net cash from operating activities:

Depreciation 382,805

Pension and other post-employment benefits (165,789)

Receipts of donated property (1,800,000)

Changes in operating assets and liabilities:

Accounts receivable (782,448)

Prepaid expenses and other assets 2,478

Accounts payable (44,295)

Accrued wages and benefits (56,689)

Deposits held in trust, contra (2,094)

Unearned revenues 10,019

Other liabilities (9,683)

**Net Cash for Operating Activities**

**\$ (606,296)**

*See accompanying notes.*



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

The Housing Authority of the City of Livermore (Authority, we, us, our) was incorporated In 1974, under the California State Health and Safety Code, Section 34200. The Authority was established to provide clean, decent, safe, sanitary, and affordable housing to low-income families.

The Board consists of seven commissioners, five regular members and two tenant members appointed by the City Council of the City of Livermore. Commissioners serve terms of four years.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has contracted with us to administer certain HUD funds.

Our primary operations are comprised of the Housing Choice Voucher Program. This program is designed to aid very low-income families in obtaining decent, safe, and sanitary rental housing. We administer contracts with independent landlords that own property and rent that property to families that have applied for housing assistance. We subsidize the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable us to structure a lease that sets the participants' rent at 30% of household income.

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

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

In addition, the Authority operates other non-federal housing programs.

Reporting Entity

As described in GASB Statement No. 34, paragraph 134, the Authority is considered a primary government and meets the definition of a Special Purpose Government ("SPG"). The Authority is a legally separate entity that is engaged in only business-type activities. Business-type activities are defined as activities that are financed in whole or in part by fees charged to external parties for goods or services. SPG's engaged only in business-type activities are required to present only the financial statements required for proprietary funds, which includes Management's Discussion and Analysis ("MD&A"), basic financial statements, and Required Supplemental Information ("RSI"). All inter-program activities have been eliminated in these financial statements.

We are an independent agency, with operations separate from those of the City of Livermore (City). Our obligations, including loans through direct borrowing or the sale of bonds, are not obligations of the City. The City provides us no funding. Additionally, the City does not hold title to any of our assets, nor does it have any right to our surpluses. The City does not have the ability to exercise influence over our daily operations or approve our budgets.

Management applied the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14*, Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14* to determine whether the component units should be reported as blended or discretely presented component units. The criteria included whether the Authority appoints the voting majority of the governing board, there is a financial benefit/burden relationship, the Authority is able to impose its will, the component unit is fiscally dependent on the Authority, the component unit's governing body is substantially the same as the Authority, and management of the Authority have operational responsibility for the activities of the component unit. These criteria were used to determine the following:

Blended Component Units:

*Livermore Affordable Housing* - This is a legally separate Corporation that is a 501 (c) (3) not-for-profit corporation. The Board of the corporation is nearly identical to the board of the Authority. The purpose is to provide affordable housing for low-income persons. Livermore Affordable Housing shares the June 30<sup>th</sup>, year-end with the Authority. There are no separately issued audited financial statements for this entity, however a copy of the most recent informational tax return (Form 990) can be obtained from staff at our office. Livermore Affordable Housing had no operations during the year ended June 30, 2023, and had no assets or liabilities at that time.

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

### Accrual Basis of Accounting

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

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from grant agreements, providing services, and producing and delivering goods in connection with the ongoing principal operations. The principal operating revenues of the Authority include program specific grants, rental income from tenants of the various housing projects. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles as applied to governmental units require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, demand deposits at financial institutions, investments in Money Market funds, and Certificates of Deposit.

Restricted Cash

Restricted cash consists of cash and investments that are held in trust, reserves, and escrows, as well as other cash and investments that are restricted for specific purposes.

Accounts Receivable from Tenants

Accounts receivable consists of all amounts earned at year end and not yet received. Allowances for uncollectible accounts are based upon historical trends and periodic aging of accounts receivable.

In accordance with Governmental Accounting Standards Board Statement No. 34, revenues in proprietary funds should be reported as net of all related allowances, which include amounts pertaining to uncollectible accounts. Therefore, the increase and decrease in the estimate of uncollectible accounts should be reported net of revenue instead of bad debt expense. The Authority's bad debt expense charged against revenue was \$- for the year ended June 30, 2023.

Accounts Receivable from HUD and Other Governments

The amounts reported as accounts receivable from HUD or due from other governments represent reimbursable costs or grant subsidies earned that have not been received as of year-end; these amounts are considered fully collectible.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of exhaustible capital assets is charged as an expense against operations utilizing the straight-line method. Accumulated depreciation is reported on the Statement of Net Position. The estimated useful lives for each major class of depreciable fixed assets are as follows:

Building .....	25 years
Improvements .....	10-15 years
Vehicles and other equipment .....	5 years
Computers .....	3 years

Impairment of Capital Assets

The Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2023, there has been no impairment of the capital assets.

Tenant Security Deposits

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

Compensated Absences

Compensated absences are absences for which employees will be paid, e.g., sick leave, vacation, and other approved leave. In accordance with GASB Statement No.16, *Accounting for Compensated Absences*, we accrue the liability for those absences for which the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Vacation and sick pay is recorded as an expense and related liability in the year earned by employees. Our policy is that annual vacation leave is limited to 320 hours at year-ends. Sick leave is not granted, and no cash payment is made for accumulated sick leave at the time of termination or retirement.

Unearned Revenue

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

Deferred Outflows of Resources

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

The deferred outflows of resources related to the net pension liability resulted from Authority contributions to the employee pension plan subsequent to the measurement date of the actuarial valuation for the pension plan, the difference between actual and expected, the effect of changes in actuarial assumptions, and the effect of the Authority's change in proportion. The deferred outflows related to the net pension liability will be deferred and amortized as detailed in Note 07 to the financial statements.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and thus, will not be recognized as an inflow of resources (revenue) until then.

The deferred inflow of resources related to the net pension liability results from and the difference between actual and expected experience and difference between projected and actual earnings on pension plan investments, the effect of changes in actuarial assumptions, the change in the Authority's proportionate share of pension contributions and the effect of the change in the Authority's proportion. These amounts are deferred and amortized as detailed in Note 07 to the financial statements.

Leasing Activities

We are the lessor of dwelling units to eligible residents. The rents under the leases are determined generally by the residents' income as adjusted for eligible deductions regulated by HUD, although the residents may opt for a flat rent. Leases may be cancelled at any time or renewed annually. We may cancel the leases only for a cause. Revenues associated with these leases are reported in the accompanying financial statements and related schedules within dwelling rent revenue.

Pension Plan

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's California Public Employees' Retirement System ("CalPERS") Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

Net Position

In the statement of net position, equity is classified as net position and displayed in three components: (1) Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any notes or other borrowings attributable to those capital assets. (2) Restricted net position consists of assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. (3) Unrestricted net position – All other assets that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted net positions are available for use, generally it is our policy to use restricted resources first.

Investment Policy

Our investment policy, HUD and the California Government Code do not address legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposit made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure such deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Fair Value Measurements

Generally Accepted Accounting Principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs that have the lowest priority and consist of unobservable inputs for an asset or liability.

The Authority has no assets or liabilities measured at fair value.

Internal Activity and Balances

All transfers, intercompany charges and other interfund activity balances have been eliminated from the basic financial statements in accordance with GASB pronouncements.

Income Taxes

We are not subject to federal or state income taxes.

Subsequent Events

We have evaluated subsequent events through December 5, 2023, the date the consolidated financial statements were available to be issued.

As of the date of these financial statements, the Authority has completed a significant transaction that occurred subsequent to the balance sheet date. On August 1, 2023, the Authority executed a Section 22 conversion pursuant to Section 22 of the United States Housing Act of 1937, transferring its entire public housing portfolio to a blended component unit under its control, Livermore Affordable Housing.

The conversion involved the transfer of ownership and management responsibilities for all public housing units previously held by the Authority to Livermore Affordable Housing. Livermore Affordable Housing is a non-profit entity under the control of the Authority, and this transfer is in accordance with the provisions and regulations governing Section 22 conversions.

The financial impact of this Section 22 conversion will be reflected in future financial statements.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Notes to Financial Statements

**NOTE 03 - RESTRICTED CASH**

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

Tenant security deposits	\$ 79,474
Restricted cash with offsetting liabilities	<u>79,474</u>
Cash balances associated with the MSV HAP equity	<u>3,328</u>
Restricted cash reflected in restricted net position	<u>3,328</u>
<b>Total Restricted Cash and Equivalents</b>	<b><u>\$ 82,802</u></b>

**NOTE 04 - ACCOUNTS RECEIVABLE**

Accounts receivable as of yearend were comprised of the following:

Receivables from HUD	\$ 760,330
Tenant receivables	223,986
Allowance for doubtful accounts - tenants	<u>(10,484)</u>
Net tenant receivables	<u>213,502</u>
Fraud recovery receivables	135,142
Allowance for doubtful accounts - fraud	<u>(135,142)</u>
Net fraud recovery receivables	<u>-</u>
<b>Net Accounts Receivable</b>	<b><u>\$ 973,832</u></b>

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Notes to Financial Statements

**NOTE 05 - CAPITAL ASSETS**

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

	6/30/22	Additions	Deletions	6/30/23
<b>Non-Depreciable</b>				
Land	\$ 1,702,044	\$ 1,800,000	\$ -	\$ 3,502,044
	<u>1,702,044</u>	<u>1,800,000</u>	<u>-</u>	<u>3,502,044</u>
<b>Depreciable</b>				
Buildings and improvements	12,111,422	575,336	-	12,686,758
Equipment and furnishings	400,626	-	(2,281)	398,345
	<u>12,512,048</u>	<u>575,336</u>	<u>(2,281)</u>	<u>13,085,103</u>
Total acquisition costs	14,214,092	2,375,336	(2,281)	16,587,147
Accumulated depreciation	(9,517,877)	(382,805)	2,281	(9,898,401)
<b>Net Capital Assets</b>	<b><u>\$ 4,696,215</u></b>	<b><u>\$ 1,992,531</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6,688,746</u></b>

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

**NOTE 06 - LONG-TERM LIABILITIES**

Changes in long-term liabilities are summarized below:

	06/30/22	Additions	Reductions	06/30/23
Compensated absences	\$ 77,930	\$ -	\$ (18,157)	\$ 59,773
Direct borrowings	\$ 5,033,679	\$ -	\$ (52,756)	\$ 4,980,923
Accrued interest payable	\$ 898,431	\$ 55,347	\$ -	\$ 953,778
Net pension obligation	\$ 885,217	\$ 1,025,845	\$ -	\$ 1,911,062



**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Notes to Financial Statements

Notes from Direct Borrowings:

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

<b>Authority:</b>	<b>Principal</b>	<b>Interest Payable</b>
<p>First Republic Bank loan, in the original amount of \$850,000, bears variable interest (currently at 4.5%), with required monthly payments of principal and interest of \$3,421 maturing August 2029. The loan is secured by the Chestnut Street Property. Interest expense was \$28,303 for 2023.</p>	\$ 624,171	\$ -
<p>Fremont Bank loan, in the original amount of \$525,000, bears variable interest (currently at 6.625%), with required monthly payments of principal and interest of \$3,390 maturing May 2024. The loan is secured by the Las Posadas Apartment Property. Interest expense was \$26,746 for 2023.</p>	399,830	-
<p>Fremont Bank Loan, in the original amount of \$1,800,000, bears variable interest (currently at 5.162%), with required monthly payments of principal and interest of \$9,846 maturing June 2052. The loan is secured by the Bluebell Apartments Property. Interest Expense was \$92,237 for 2023.</p>	1,774,163	7,527
<p>City of Livermore loan, in the original amount of \$899,000, bears 3% simple interest, payable from residual receipts, and matures June 2055. The loan is secured by the Las Posadas Apartment Property. Interest expense was \$26,970 for 2023.</p>	899,000	593,635
<p>City of Livermore loan, in the original amount of \$510,000, bears 3% simple interest, payable from residual receipts, and matures June 2061. The loan is secured by the Chestnut Street Property. Interest expense was \$15,300 for 2023.</p>	510,000	261,274
<p>City of Livermore loan, in the original amount of \$150,000, bears 3% simple interest, with no required monthly payments but is payable in full upon the sale of the Chestnut Street Property or refinancing of the loan. The loan is secured by the Chestnut Street Property. Interest expense was \$4,500 for 2023.</p>	150,000	74,873
<p>City of Livermore loan, in the original amount of \$35,000, bears 3% simple interest, with no required monthly payments but is payable in full upon the sale of the Chestnut Street Property or refinancing of the loan. The loan is secured by the Chestnut Street Property. Interest expense was \$1,050 for 2023.</p>	35,000	16,469

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Notes to Financial Statements

City of Livermore loan, in the original amount of \$321,835, bears no interest, with no required monthly payments maturing December 2025. The loan is secured by the Bluebell Property. Interest expense was \$0 for 2023.

321,835 -

City of Livermore loan, in the original amount of \$321,835, bears no interest, with no required monthly payments maturing December 2025. The loan is secured by the Bluebell Property. Interest expense was \$0 for 2023.

321,835 -

**Total**

**\$ 5,035,834**      **\$ 953,778**

Aggregate maturities of principal and interest due in future years as follows for the years ending June 30:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 54,911	\$ 173,024	\$ 227,935
2025	57,952	171,469	229,421
2026	704,834	169,821	874,655
2027	64,558	168,073	232,631
2028	68,145	166,219	234,364
2029-2033	402,100	799,111	1,201,211
2034-2038	527,977	732,586	1,260,563
2049-2053	<u>2,663,895</u>	<u>3,352,896</u>	<u>6,016,791</u>
<b>Total</b>	<b><u>\$ 5,035,834</u></b>	<b><u>\$ 6,403,258</u></b>	<b><u>\$ 11,439,092</u></b>

**NOTE 07 - PENSION PLAN**

The Authority participates in the PERF C cost sharing multiple-employer defined benefit plan through the California Public Employees’ Retirement System (CalPERS) which covers substantially all regular full-time employees of the Authority. CalPERS acts as a common investment and administrative agent for participating public entities with the State of California and reports information to the Authority in accordance with reporting standards established by the Governmental Accounting Standards Board (GASB).

As of June 30, 2023, the Authority’s proportionate share of the net pension liability, pension expense and deferred inflows of resources and deferred outflows of resources for the above plan is as follows:

	<b>Net Pension Liability</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Pension Expense (Credit)</b>
CalPERS	<u>\$ 1,911,062</u>	<u>\$ 771,686</u>	<u>\$ 213,035</u>	<u>\$ (25,502)</u>

Comprehensive Plan Information

Information regarding the following items for the Plan is publicly available in a separate comprehensive annual financial report. A copy of the CalPERS annual financial report may be online at <https://www.calpers.ca.gov/>.

- Plan description and benefits provided;
- Contribution rates;
- Actuarial methods and assumptions; and
- Plan asset target allocations and expected returns.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 38,377	\$ 25,705
Effect of changes in assumptions	195,828	-
Differences between projected and actual investment earnings	350,056	-
Effect of changes in proportions	47,136	-
Differences between proportionate share and actual contributions	-	187,330
Contributions subsequent to measurement date	140,289	-
	<u>\$ 771,686</u>	<u>\$ 213,035</u>

The deferred outflow of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability next year.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Notes to Financial Statements

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

2024	\$	79,638
2025		78,278
2026		46,342
2027		214,104
2028		-
Thereafter		-
	<b>\$</b>	<b>418,362</b>

Changes of Assumptions

The following presents the Authority's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	<b>5.90%</b>	<b>6.90%</b>	<b>7.90%</b>
CalPERS	\$ 2,904,055	\$ 1,911,062	\$ 1,094,076

**NOTE 08 - NET POSITION**

Net investment in capital assets was comprised of the following as of yearend:

Land	\$ 3,502,044
Buildings and improvements	12,686,758
Equipment and furnishings	398,345
Less:	
Accumulated depreciation	(9,898,401)
Short-term capital debt obligations	(54,911)
Long-term capital debt obligations	<u>(4,980,923)</u>
<b>Net Investment in Capital Assets</b>	<b><u><u>\$ 1,652,912</u></u></b>

Restricted net position was comprised of the following as of yearend:

Restricted cash and equivalents	\$ 82,802
Less:	
Tenant security deposit, contra	<u>(79,474)</u>
<b>Restricted Net Position</b>	<b><u><u>\$ 3,328</u></u></b>

**NOTE 09 - COMMITMENTS AND CONTINGENCIES**

Government Examinations

We have received funds from Federal grant programs. It is possible that at some future date, it may be determined that we were not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although we do not expect such disallowed amounts, if any, to materially affect the financial statements.

Construction Contracts

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

**NOTE 10 - BUSINESS RISK AND CONCENTRATIONS**

Risk Management

We are exposed to all common perils associated with the ownership and rental of real estate properties. A risk management program has been established to minimize loss occurrence and to transfer risk through various levels of insurance. Property, casualty, employee dishonesty and public official's liability forms are used to cover the respective perils.

Also, commercial carriers insure all other common perils such as business, auto, flood (where applicable), and other miscellaneous policies.

Concentration – Major Contributor

For the year ended June 30, 2023, approximately 85% of operating revenues reflected in the financial statements are from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress, or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Our policy is to manage this exposure to declines in fair values by limiting the weighted average maturity of its investments portfolio.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is our policy to follow the HUD regulations by only having direct investments and investments through mutual funds to direct obligations, guaranteed obligations, or obligations of the agencies of the United States of America.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, our deposits may not be returned. Our policy for custodial credit risk requires collateral to be held in our name by its agent or by the bank's trust department.

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Pension Schedules (Required Supplemental Information)

**NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**

Plan Measurement Date under GASB 68 as of June 30	Proportion of Pension Liability	Proportionate Share of Net Pension Liability (Asset)	Covered Employee Payroll**	Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.005190%	\$ 323,317	\$ 304,776	106.08%	87.35%
2016	0.010330%	\$ 283,320	\$ 350,195	80.90%	80.89%
2017	0.012300%	\$ 427,329	\$ 383,594	111.40%	74.51%
2018	0.013040%	\$ 514,077	\$ 391,340	131.36%	79.20%
2019	0.014930%	\$ 506,242	\$ 398,743	126.96%	79.93%
2020	0.014177%	\$ 567,699	\$ 838,011	67.74%	79.93%
2021	0.016368%	\$ 885,217	\$ 1,010,823	87.57%	87.96%
2022	0.040841%	\$ 1,911,062	\$ 819,752	233.13%	73.76%

**SCHEDULE OF THE PENSION PLAN'S CONTRIBUTIONS**

Plan Measurement Date under GASB 68 as of June 30	Actuarially Determined Contribution [A]	Contributions in Relation to Actuarially Determined Contribution [B]	Contribution Deficiency (Excess) [C]=[A]-[B]	Covered-Employee Payroll	Contribution as a Percentage Covered-Employees Payroll
2016	\$ 22,400	\$ 22,400	\$ -	\$ 304,776	7.35%
2017	\$ 22,400	\$ 22,400	\$ -	\$ 350,195	6.40%
2018	\$ 35,370	\$ 35,370	\$ -	\$ 383,594	9.22%
2019	\$ 72,210	\$ 72,210	\$ -	\$ 391,340	18.45%
2020	\$ 70,859	\$ 70,859	\$ -	\$ 398,743	17.77%
2021	\$ 80,813	\$ 80,813	\$ -	\$ 838,011	9.64%
2022	\$ 124,676	\$ 124,676	\$ -	\$ 1,010,823	12.33%
2023	\$ 140,289	\$ 140,289	\$ -	\$ 819,752	17.11%

**NOTES TO PENSION SCHEDULES:**

In November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. For PERF C, these changes were implemented in the June 30, 2021, actuarial valuations for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates. The inflation assumption was reduced from 2.50 percent to 2.30 percent, the administrative expense assumption was reduced from 0.15 percent to 0.10 percent, and the discount rate was reduced from 7.00 percent to 6.80 percent. As a result, for financial reporting purposes, the discount rate for the PERF C was lowered from 7.15 percent to 6.90 percent in Fiscal Year 2021-22.

## **HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

### Pension Schedules (Required Supplemental Information)

In Fiscal Year 2022-23, no changes were made to the actuarial assumptions in relation to financial reporting.

The CalPERS Board of Administration adopted a new amortization policy effective with the June 30, 2019, actuarial valuation. The policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount.

In addition, the policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes, investment gains/losses, and non-investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019. In Fiscal Year 2019-20, no changes have occurred to the actuarial assumptions in relation to financial reporting.

In Fiscal Year 2018-19, CalPERS implemented a new actuarial valuation software system for the June 30, 2018, valuation. This new system has refined and improved calculation methodology.

In December 2017, the Board adopted new mortality assumptions for plans participating in the PERF. The new mortality table was developed from the December 2017, experience study and includes 15 years of projected ongoing mortality improvement using 90 percent of scale MP 2016, published by the Society of Actuaries. The inflation assumption was reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increases and overall payroll growth were reduced from 3.00 percent to 2.75 percent. These changes will be implemented in two steps commencing in the June 30, 2017, funding valuation. For financial reporting purposes, these assumption changes are fully reflected in the results for Fiscal Year 2017-18.

In Fiscal Year 2016-17, the financial reporting discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent. In December 2016, the Board approved lowering the funding discount rate used in the PERF C from 7.50 percent to 7.00 percent, which was phased in over a three-year period (7.50 percent to 7.375 percent, 7.375 percent to 7.25 percent, and 7.25 percent to 7.00 percent) beginning with the June 30, 2016, valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

In Fiscal Year 2014-15, the financial reporting discount rate was increased from 7.50 percent to 7.65 percent resulting from eliminating the 15 basis-point reduction for administrative expenses. The funding discount rate remained at 7.50 percent during this period and remained adjusted for administrative expenses.



**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

Program Title	ALN	Cluster Title	Award Type	Pass-Through No.	Expenditures	Amounts Passed Through to Sub-
Section 8 Housing Choice Vouchers	14.871	HVC	Direct		\$10,145,574	\$ -
Mainstream Vouchers	14.879	HVC	Direct		835,025	-
Public and Indian Housing	14.850		Direct		451,782	-
<b>Total Federal Financial Assistance</b>					<b><u>\$11,432,381</u></b>	<b><u>\$ -</u></b>
<i>Federal Grantor:</i>						<b>Expenditures</b>
US Department of Housing and Urban Development						<b><u>\$11,432,381</u></b>
<b>Total Federal Financial Assistance</b>					<b><u>\$11,432,381</u></b>	
<i>Cluster Title:</i>						<b>Expenditures</b>
Housing Voucher Cluster						\$10,980,599
<i>Award Type:</i>						<b>Expenditures</b>
Direct						\$11,432,381
Indirect						-
<b>Total Federal Financial Assistance</b>					<b><u>\$11,432,381</u></b>	

**NOTE 01 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal awards activity of the Authority under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of our operations, it is not intended to and does not present our financial position, changes in net positions, or cash flows.

**NOTE 02 - INDIRECT COST RATE**

We have elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

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

The Governing Body of  
Housing Authority of the City of Livermore

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Livermore (Authority), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 5, 2023.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

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

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



## REPORT ON COMPLIANCE AND OTHER MATTERS

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

## PURPOSE OF THIS REPORT

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

Smith Marion : 

December 5, 2023  
Redlands, CA

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Governing Body of  
Housing Authority of the City of Livermore

### **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

#### **OPINION ON EACH MAJOR FEDERAL PROGRAM**

We have audited Housing Authority of the City of Livermore's (Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2023. 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.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

#### **BASIS FOR OPINION ON EACH MAJOR FEDERAL PROGRAM**

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

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

#### **RESPONSIBILITIES OF MANAGEMENT FOR COMPLIANCE**

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



## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF COMPLIANCE**

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

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

(1) Exercise professional judgment and maintain professional skepticism throughout the audit; (2) Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances; and (3) Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

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

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



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

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.

Smith Marion : 

December 5, 2023  
Redlands, CA

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements:**

1. Type of Auditor Report on the financial statements:
2. Internal control over financial reporting:
- a. Material weakness(es) identified?  Yes  No
- b. Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None noted
3. Noncompliance material to financial statements?  Yes  No

**Federal Awards:**

4. Type of auditors' report on compliance for major programs:
5. Internal control over major programs:
- a. Material weakness(es) identified?  Yes  No
- b. Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None noted
6. Audit findings noted which are required to be reported in accordance with 2 CFR Section 200.516(a)?  Yes  No

7. Identification of Major Programs:

ALN	Program(s) Name
Various	Housing Voucher Cluster

8. The Dollar Threshold Used to Distinguish Between Type A and Type B Programs:
9. Auditee qualified as a low-risk auditee?  Yes  No

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

Status of Prior Audit Findings  
Year Ended June 30, 2023

**Financial Statement Findings:**

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

**Federal Award Findings and Question Costs:**

<b>Prior Year Findings No.</b>	<b>Findings Title</b>	<b>Status/ Current Year Finding No.</b>
2022-001	Noncompliance and Significant Deficiency in Internal Controls over SEMAP submission	Resolved.



# ***HOUSING AUTHORITY OF THE CITY OF LIVERMORE***

**Financial Data Schedules, Independent Auditors' Report on  
Financial Data Schedules, and Independent Accountants' Report  
on Applying Agreed-Upon Procedures**

**Year Ended June 30, 2023**



**smithmarion**  
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**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

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## INDEPENDENT AUDITORS' REPORT ON FINANCIAL DATA SCHEDULES

The Governing Body of  
Housing Authority of the City of Livermore

We have audited the basic financial statements of the Housing Authority of the City of Livermore as of and for the year ended June 30, 2023, and have issued our report thereon dated December 5, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Smith Marion & Co.

December 5, 2023  
Redlands, CA

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Governing Body of  
Housing Authority of the City of Livermore

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

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

The procedures and the associated findings are as follows:

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

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

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

We were engaged to perform an audit in accordance with *Government Auditing Standards* and the OMB Uniform Guidance by the Authority as of and for the period ending June 30, 2023, and have issued our reports thereon dated December 5, 2023. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated December 5, 2023, was expressed in relation to the basic financial statements of the Authority taken as a whole.



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

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

Smith Marion : 

December 5, 2023  
Redlands, CA



Attachment I

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

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

FYE: 6/30/2023

PHA Code: CA074

FDS Line	Description	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Total Projects
<b>Balance Sheet</b>					
111-000	Cash - Unrestricted	2,279,984	53,418		1,275,759
112-000	Cash - Restricted - Modernization and Development				
113-000	Cash - Other Restricted				
113-010	Cash - Other restricted - HAP Funds		3,328		
113-020	Cash - Other Restricted - FSS Escrows				
113-030	Cash - Other Restricted - FSS escrow forfeitures				
114-000	Cash - Tenant Security Deposits	38,384			41,090
115-000	Cash - Restricted for Payment of Current Liabilities				
100-000	Total Cash	2,318,368	56,746		1,316,849
121-000	Accounts Receivable - PHA Projects				
122-000	Accounts Receivable - HUD Other Projects			760,330	
124-000	Accounts Receivable - Other Government				
125-000	Accounts Receivable - Miscellaneous				
126-000	Accounts Receivable - Tenants	81,002			142,984
126-100	Allowance for Doubtful Accounts -Tenants	(5,332)			(5,152)
126-200	Allowance for Doubtful Accounts - Other				
127-000	Notes, Loans, & Mortgages Receivable - current				
128-000	Fraud Recovery			135,142	
128-100	Allowance for Doubtful Accounts - Fraud			(135,142)	
129-000	Accrued Interest Receivable				
120-000	Total Receivables, Net of Allowances for Doubtful Accounts	75,670		760,330	137,832
131-000	Investments - Unrestricted				
132-000	Investment Restricted - Other				
132-010	Investment Restricted - HAP				
135-000	Investments - Restricted for Payment of Current Liability				
142-000	Prepaid Expenses and Other Assets	1,015		4,059	17,958
143-000	Inventories				
143-100	Allowance for Obsolete Inventories				
144-000	Inter Program - Due From	479,327			
145-000	Assets Held for Sale				
150-000	Total Current Assets	2,874,380	56,746	764,389	1,472,639
161-000	Capital asset - land	3,200,000			302,044
162-000	Capital asset - buildings	4,825,514			7,861,244
163-000	Capital asset - dwelling equipment				150,600
164-000	Capital asset - administration equipment	14,769			232,976
165-000	Leasehold Improvements				
166-000	Capital asset - accumulated depreciation	(3,319,030)			(6,579,371)
167-000	Construction in Progress				
168-000	Infrastructure				
160-000	Total Capital Assets, Net of Accumulated Depreciation	4,721,253			1,967,493
171-000	Notes, Loans, & Mortgages Receivable - Non-current				
172-000	Notes, Loans, & Mortgages Receivable - Non-current - Past				
173-000	Grants Receivable - Non Current				
174-000-1	Other Assets - Miscellaneous				
174-000-2	Other Assets - Long-term Interest Receivable				
174-000-3	Other Assets - Pension				
174-000-4	Other Assets - OPEB				
174-000-5	Other Assets - lease receivable				
174-000-6	Leased asset - land				
174-000-7	Leased asset - buildings				
174-000-8	Leased asset - equipment				
174-000-9	Leased asset - accumulated amortization				
174-000-10	Subscription asset				
174-000-11	Subscription asset - accumulated amortization				
176-000	Investments in Joint Ventures				
180-000	Total Non-Current Assets	4,721,253			1,967,493
200-000-1	Deferred Outflows of Resources - Pension	48,240		292,881	430,565
200-000-2	Deferred Outflows of Resources - OPEB				
200-000-3	Deferred Outflows of Resources - Leases				
200-000-4	Deferred Outflows of Resources - Other				
200-000	Total Deferred Outflows of Resources	48,240		292,881	430,565

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

FYE: 6/30/2023  
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FDS Line	Description	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Total Projects
290-000	Total Assets and Deferred Outflow of Resources	7,643,873	56,746	1,057,270	3,870,697
311-000	Bank Overdraft				
312-000	Accounts Payable <= 90 Days				53,627
313-000	Accounts Payable >90 Days Past Due				
321-000	Accrued Wage/Payroll Taxes Payable	1,212		8,967	9,480
322-000	Accrued Compensated Absences - Current Portion	1,432		12,760	11,424
324-000	Accrued Contingency Liability				
325-000	Accrued Interest				
331-000	Accounts Payable - HUD PHA Programs				
332-000	Account Payable - PHA Projects			5,189	
333-000	Accounts Payable - Other Government				43,494
341-000	Tenant Security Deposits	38,384			41,090
342-010	Unearned Revenue - Operating Subsidy				
342-020	Unearned Revenue - Capital Fund				
342-030-1	Unearned Revenue - Prepaid Rent	4,980			6,263
342-030-2	Unearned Revenue - Service Fees				
342-030-3	Unearned Revenue - HAP				
343-000	Current Portion of Long-term Debt - Capital	54,911			
344-000	Current Portion of Long-term Debt - Operating Borrowings				
345-000-1	Other Current Liabilities - miscellaneous				
345-000-2	Other Current Liabilities - lease obligation				
345-000-3	Other Current Liabilities - subscription obligation				
346-000	Accrued Liabilities - Other				2,634
347-000	Inter Program - Due To	372,591		106,562	
348-000	Loan Liability				
310-000	Total Current Liabilities	473,510		133,478	168,012
351-000	Long-term Debt - Capital	4,980,923			
352-000	Long-term Debt - Operating Borrowings				
353-000-1	Non Current Other Liabilities - Miscellaneous				
353-000-2	Non Current Other Liabilities - FSS Escrow				
353-000-3	Non Current Other Liabilities - Accrued interest payable	953,778			
353-000-4	Non Current Other Liabilities - Lease payable				
353-000-5	Non Current Other Liabilities - Subscriptions payable				
354-000	Accrued Compensated Absences - Non Current	3,345		29,773	26,655
355-000	Loan Liability - Non-current				
356-000	FASB 5 Liabilities				
357-010	Pension Liability	119,467		725,313	1,066,282
357-020	OPEB Liability				
350-000	Total Non-Current Liabilities	6,057,513		755,086	1,092,937
300-000	Total Liabilities	6,531,023		888,564	1,260,949
400-000-1	Deferred Inflows of Resources - Pension	13,318		80,854	118,863
400-000-2	Deferred Inflows of Resources - OPEB				
400-000-3	Deferred Inflows of Resources - Leases				
400-000-4	Deferred Inflows of Resources - Other				
400-000	Total Deferred Inflow of Resources	13,318		80,854	118,863
508-400	Net Investment in Capital Assets	(314,581)			1,967,493
511-400	Restricted Net Position		3,328		
512-400	Unrestricted Net Position	1,414,113	53,418	87,852	523,392
513-000	Total Equity - Net Assets / Position	1,099,532	56,746	87,852	2,490,885
600-000	Total Liabilities, Deferred Inflows of Resources and Equity - Net	7,643,873	56,746	1,057,270	3,870,697
<b>Income Statement</b>					
703-000	Net Tenant Rental Revenue	631,383			1,069,636
704-000	Tenant Revenue - Other	4,263			3,956
705-000	Total Tenant Revenue	635,646			1,073,592
706-000	HUD PHA Operating Grants				451,782
706-010	Housing Assistance Payments		776,552	9,404,354	
706-020	Ongoing Administrative Fees Earned		58,473	741,220	
706-030	Service Fees Earned				



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FDS Line	Description	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Total Projects
706-040	Preliminary fees earned				
706-050	Placement fees earned				
706-060	All other fees				
706-100	Capital Grants				
707-100-1	Management fee - external				
707-100-2	Management fee - internal				
707-200	Asset Management Fee				
707-300	Book Keeping Fee				
707-400	Front Line Service Fee				
707-500-1	Other Fees - external				
707-500-2	Other Fees - internal				
707-000	Total Fee Revenue				
708-000-1	Other Government Grants - external				
708-000-2	Other Government Grants - internal				
711-000	Investment Income - Unrestricted	705			1,617
711-010	Investment Income - Unrestricted - HAP				
711-020	Investment Income - Unrestricted - Administrative Fees				
712-000	Mortgage Interest Income				
713-000	Proceeds from Disposition of Assets Held for Sale				
713-100	Cost of Sale of Assets				
714-000	Fraud Recovery				
714-010	Fraud Recovery - HAP			63,398	
714-020	Fraud Recovery - Administrative Fees			63,398	
715-000	Other Revenue	1,807,524		114,334	35,027
716-000	Gain or Loss on Sale of Capital Assets				
720-000	Investment Income - Restricted				
720-010	Investment Income - Restricted - HAP				
720-020	Investment Income - Restricted - Administrative Fees				
700-000	Total Revenue	2,443,875	835,025	10,386,704	1,562,018
911-000	Administrative Salaries	37,886	16,852	327,739	296,702
912-000	Auditing Fees	2,321		9,282	14,180
913-000-1	Management Fee - external				
913-000-2	Management Fee - internal				
913-100	Book-keeping Fee				
914-000	Advertising and Marketing	490		1,959	2,993
915-000	Employee Benefit contributions - Administrative	28,379	5,609	40,410	171,279
916-000	Office Expenses	36,815		179,443	133,230
917-000	Legal Expense	2,738		10,953	23,093
918-000	Travel				
918-100	Allocated Overhead				
919-000-1	Other - external				96
919-000-2	Other - internal				
910-000	Total Operating - Administrative	108,629	22,461	569,786	641,573
920-000	Asset Management Fee				
921-000	Tenant Services - Salaries				
922-000	Relocation Costs				
923-000	Employee Benefit Contributions - Tenant Services				
924-000	Tenant Services - Other	3,077			3,438
925-000	Total Tenant Services	3,077			3,438
931-000	Water	36,423			67,785
932-000	Electricity	715			10,308
933-000	Gas	3,296			3,808
934-000	Fuel				
935-000	Labor				
936-000	Sewer	26,057			79,438
937-000	Employee Benefit Contributions - Utilities				
938-000	Other Utilities Expense				
930-000	Total Utilities	66,491			161,339
941-000	Ordinary Maintenance and Operations - Labor	16,096			185,107
942-000	Ordinary Maintenance and Operations - Materials and Other	25,905		157	130,636

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FDS Line	Description	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Total Projects
943-010	Ordinary Maint. & Operations-Garbage & Trash	36,469			84,217
943-020	Ordinary Maint. & Operations-HVAC				
943-030	Ordinary Maint. & Operations- Snow Removal				
943-040	Ordinary Maint. & Operations-Elevator				
943-050	Ordinary Maint. & Operations- Landscape & Grounds				
943-060	Ordinary Maint. & Operations- Unit Turnaround				
943-070	Ordinary Maint. & Operations- Electrical Contracts				
943-080	Ordinary Maint. & Operations- Plumbing Contracts				
943-090	Ordinary Maint. & Operations- Extermination				
943-100	Ordinary Maint. & Operations- Janitorial Contracts				
943-110	Ordinary Maint. & Operations- Routine Maintenance				
943-120	Ordinary Maint. & Operations- Misc. Contracts	99,649			140,327
945-000	Employee Benefit Contributions - Ordinary Maintenance				
940-000	Total Maintenance	178,119		157	540,287
951-000	Protective Services - Labor				
952-000	Protective Services - Other Contract Costs				13,147
953-000	Protective Services - Other				
955-000	Employee Benefit Contributions - Protective Services				
950-000	Total Protective Services				13,147
961-100	Property Insurance	6,924		27,697	42,315
961-200	Liability Insurance	1,900		7,605	12,014
961-300	Workmen's Compensation	2,319		9,278	18,085
961-400	All Other Insurance	413		1,652	2,521
961-000	Total insurance Premiums	11,556		46,232	74,935
962-000-1	Other General Expenses	679		14,467	8,407
962-000-2	Other General Expenses - Lease asset amortization				
962-000-3	Other General Expenses - Subscription asset amortization				
962-100	Compensated Absences	(819)		(2,057)	(10,050)
963-000	Payments in Lieu of Taxes				43,404
964-000	Bad debt - Tenant Rents				
965-000	Bad debt - Mortgages				
966-000	Bad debt - Other				
968-000	Severance Expense				
960-000	Total Other General Expenses	(140)		12,410	41,761
967-100	Interest - capital debt	198,261			
967-200-1	Interest - operating debt				
967-200-2	Interest - operating debt - leases				
967-200-3	Interest - operating debt - subscriptions				
967-300	Amortization of Bond Issue Costs				
967-000	Total Interest Expense and Amortization Cost	198,261			
969-000	Total Operating Expenses	565,993	22,461	628,585	1,476,480
970-000	Excess of Operating Revenue over Operating Expenses	1,877,882	812,564	9,758,119	85,538
971-000	Extraordinary Maintenance	7,009			6,215
972-000	Casualty Losses - Non-capitalized				
973-000	Non Housing Choice Voucher HAP		773,309		
973-010	One Year Mainstream				
973-020	Homeownership			13,588	
973-025	Litigation				
973-030	Hope VI				
973-035	Moving to Work				
973-040	Tenant Protection			3,866	
973-041	Portable			152,773	
973-045	FSS Escrow Deposits				
973-049	All Other Special Vouchers			136,436	
973-050-1	All Other Vouchers - external			9,287,131	
973-050-2	All Other Vouchers - internal				
973-500	HAP Portability-In			107,336	
974-000	Capital asset - depreciation	123,386			259,419
975-000	Fraud Losses				
978-000	Dwelling Units Rent Expense				

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FDS Line	Description	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Total Projects
900-000	Total Expenses	696,388	795,770	10,329,715	1,742,114
100-100	Operating Transfer In				
100-200	Operating transfer Out				
100-300	Operating Transfers from/to Primary Government				
100-400	Operating Transfers from/to Component Unit				
100-700	Extraordinary Items, Net Gain/Loss				
100-800	Special Items (Net Gain/Loss)				
100-910	Transfers between Project - In				
100-920	Transfers between Project - Out				
100-930	Transfers between Program and Project - In				
100-940	Transfers between Project and Program - Out				
101-000	Total Other financing Sources (Uses)				
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	1,747,487	39,255	56,989	(180,096)
1103-000	Beginning Equity	(647,955)	17,491	30,863	2,670,981
1104-010	Prior Period Adjustments				
1104-070	Equity Transfers				

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

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FDS Line	Description	ELIM	Total
<b>Balance Sheet</b>			
111-000	Cash - Unrestricted		3,609,161
112-000	Cash - Restricted - Modernization and Development		
113-000	Cash - Other Restricted		
113-010	Cash - Other restricted - HAP Funds		3,328
113-020	Cash - Other Restricted - FSS Escrows		
113-030	Cash - Other Restricted - FSS escrow forfeitures		
114-000	Cash - Tenant Security Deposits		79,474
115-000	Cash - Restricted for Payment of Current Liabilities		
100-000	Total Cash		3,691,963
121-000	Accounts Receivable - PHA Projects		
122-000	Accounts Receivable - HUD Other Projects		760,330
124-000	Accounts Receivable - Other Government		
125-000	Accounts Receivable - Miscellaneous		
126-000	Accounts Receivable - Tenants		223,986
126-100	Allowance for Doubtful Accounts -Tenants		(10,484)
126-200	Allowance for Doubtful Accounts - Other		
127-000	Notes, Loans, & Mortgages Receivable - current		
128-000	Fraud Recovery		135,142
128-100	Allowance for Doubtful Accounts - Fraud		(135,142)
129-000	Accrued Interest Receivable		
120-000	Total Receivables, Net of Allowances for Doubtful Accounts		973,832
131-000	Investments - Unrestricted		
132-000	Investment Restricted - Other		
132-010	Investment Restricted - HAP		
135-000	Investments - Restricted for Payment of Current Liability		
142-000	Prepaid Expenses and Other Assets		23,032
143-000	Inventories		
143-100	Allowance for Obsolete Inventories		
144-000	Inter Program - Due From	(479,327)	
145-000	Assets Held for Sale		
150-000	Total Current Assets	(479,327)	4,688,827
161-000	Capital asset - land		3,502,044
162-000	Capital asset - buildings		12,686,758
163-000	Capital asset - dwelling equipment		150,600
164-000	Capital asset - administration equipment		247,745
165-000	Leasehold Improvements		
166-000	Capital asset - accumulated depreciation		(9,898,401)
167-000	Construction in Progress		
168-000	Infrastructure		
160-000	Total Capital Assets, Net of Accumulated Depreciation		6,688,746
171-000	Notes, Loans, & Mortgages Receivable - Non-current		
172-000	Notes, Loans, & Mortgages Receivable - Non-current - Past		
173-000	Grants Receivable - Non Current		
174-000-1	Other Assets - Miscellaneous		
174-000-2	Other Assets - Long-term Interest Receivable		
174-000-3	Other Assets - Pension		
174-000-4	Other Assets - OPEB		
174-000-5	Other Assets - lease receivable		
174-000-6	Leased asset - land		
174-000-7	Leased asset - buildings		
174-000-8	Leased asset - equipment		
174-000-9	Leased asset - accumulated amortization		
174-000-10	Subscription asset		
174-000-11	Subscription asset - accumulated amortization		
176-000	Investments in Joint Ventures		
180-000	Total Non-Current Assets		6,688,746
200-000-1	Deferred Outflows of Resources - Pension		771,686
200-000-2	Deferred Outflows of Resources - OPEB		
200-000-3	Deferred Outflows of Resources - Leases		
200-000-4	Deferred Outflows of Resources - Other		
200-000	Total Deferred Outflows of Resources		771,686

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FDS Line	Description	ELIM	Total
290-000	Total Assets and Deferred Outflow of Resources	(479,327)	12,149,259
311-000	Bank Overdraft		
312-000	Accounts Payable <= 90 Days		53,627
313-000	Accounts Payable >90 Days Past Due		
321-000	Accrued Wage/Payroll Taxes Payable		19,659
322-000	Accrued Compensated Absences - Current Portion		25,616
324-000	Accrued Contingency Liability		
325-000	Accrued Interest		
331-000	Accounts Payable - HUD PHA Programs		
332-000	Account Payable - PHA Projects		5,189
333-000	Accounts Payable - Other Government		43,494
341-000	Tenant Security Deposits		79,474
342-010	Unearned Revenue - Operating Subsidy		
342-020	Unearned Revenue - Capital Fund		
342-030-1	Unearned Revenue - Prepaid Rent		11,243
342-030-2	Unearned Revenue - Service Fees		
342-030-3	Unearned Revenue - HAP		
343-000	Current Portion of Long-term Debt - Capital		54,911
344-000	Current Portion of Long-term Debt - Operating Borrowings		
345-000-1	Other Current Liabilities - miscellaneous		
345-000-2	Other Current Liabilities - lease obligation		
345-000-3	Other Current Liabilities - subscription obligation		
346-000	Accrued Liabilities - Other		2,634
347-000	Inter Program - Due To	(479,327)	
348-000	Loan Liability		
310-000	Total Current Liabilities	(479,327)	295,847
351-000	Long-term Debt - Capital		4,980,923
352-000	Long-term Debt - Operating Borrowings		
353-000-1	Non Current Other Liabilities - Miscellaneous		
353-000-2	Non Current Other Liabilities - FSS Escrow		
353-000-3	Non Current Other Liabilities - Accrued interest payable		953,778
353-000-4	Non Current Other Liabilities - Lease payable		
353-000-5	Non Current Other Liabilities - Subscriptions payable		
354-000	Accrued Compensated Absences - Non Current		59,773
355-000	Loan Liability - Non-current		
356-000	FASB 5 Liabilities		
357-010	Pension Liability		1,911,062
357-020	OPEB Liability		
350-000	Total Non-Current Liabilities		7,905,536
300-000	Total Liabilities	(479,327)	8,201,383
400-000-1	Deferred Inflows of Resources - Pension		213,035
400-000-2	Deferred Inflows of Resources - OPEB		
400-000-3	Deferred Inflows of Resources - Leases		
400-000-4	Deferred Inflows of Resources - Other		
400-000	Total Deferred Inflow of Resources		213,035
508-400	Net Investment in Capital Assets		1,652,912
511-400	Restricted Net Position		3,328
512-400	Unrestricted Net Position		2,078,601
513-000	Total Equity - Net Assets / Position		3,734,841
600-000	Total Liabilities, Deferred Inflows of Resources and Equity - Net	(479,327)	12,149,259
<b>Income Statement</b>			
703-000	Net Tenant Rental Revenue		1,701,019
704-000	Tenant Revenue - Other		8,219
705-000	Total Tenant Revenue		1,709,238
706-000	HUD PHA Operating Grants		451,782
706-010	Housing Assistance Payments		10,180,906
706-020	Ongoing Administrative Fees Earned		799,693
706-030	Service Fees Earned		

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

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FDS Line	Description	ELIM	Total
706-040	Preliminary fees earned		
706-050	Placement fees earned		
706-060	All other fees		
706-100	Capital Grants		
707-100-1	Management fee - external		
707-100-2	Management fee - internal		
707-200	Asset Management Fee		
707-300	Book Keeping Fee		
707-400	Front Line Service Fee		
707-500-1	Other Fees - external		
707-500-2	Other Fees - internal		
707-000	Total Fee Revenue		
708-000-1	Other Government Grants - external		
708-000-2	Other Government Grants - internal		
711-000	Investment Income - Unrestricted		2,322
711-010	Investment Income - Unrestricted - HAP		
711-020	Investment Income - Unrestricted - Administrative Fees		
712-000	Mortgage Interest Income		
713-000	Proceeds from Disposition of Assets Held for Sale		
713-100	Cost of Sale of Assets		
714-000	Fraud Recovery		
714-010	Fraud Recovery - HAP		63,398
714-020	Fraud Recovery - Administrative Fees		63,398
715-000	Other Revenue		1,956,885
716-000	Gain or Loss on Sale of Capital Assets		
720-000	Investment Income - Restricted		
720-010	Investment Income - Restricted - HAP		
720-020	Investment Income - Restricted - Administrative Fees		
700-000	Total Revenue		15,227,622
911-000	Administrative Salaries		679,179
912-000	Auditing Fees		25,783
913-000-1	Management Fee - external		
913-000-2	Management Fee - internal		
913-100	Book-keeping Fee		
914-000	Advertising and Marketing		5,442
915-000	Employee Benefit contributions - Administrative		245,677
916-000	Office Expenses		349,662
917-000	Legal Expense		36,784
918-000	Travel		
918-100	Allocated Overhead		
919-000-1	Other - external		96
919-000-2	Other - internal		
910-000	Total Operating - Administrative		1,342,623
920-000	Asset Management Fee		
921-000	Tenant Services - Salaries		
922-000	Relocation Costs		
923-000	Employee Benefit Contributions - Tenant Services		
924-000	Tenant Services - Other		6,515
925-000	Total Tenant Services		6,515
931-000	Water		104,208
932-000	Electricity		11,023
933-000	Gas		7,104
934-000	Fuel		
935-000	Labor		
936-000	Sewer		105,495
937-000	Employee Benefit Contributions - Utilities		
938-000	Other Utilities Expense		
930-000	Total Utilities		227,830
941-000	Ordinary Maintenance and Operations - Labor		201,203
942-000	Ordinary Maintenance and Operations - Materials and Other		156,698

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FDS Line	Description	ELIM	Total
943-010	Ordinary Maint. & Operations-Garbage & Trash		120,686
943-020	Ordinary Maint. & Operations-HVAC		
943-030	Ordinary Maint. & Operations- Snow Removal		
943-040	Ordinary Maint. & Operations-Elevator		
943-050	Ordinary Maint. & Operations- Landscape & Grounds		
943-060	Ordinary Maint. & Operations- Unit Turnaround		
943-070	Ordinary Maint. & Operations- Electrical Contracts		
943-080	Ordinary Maint. & Operations- Plumbing Contracts		
943-090	Ordinary Maint. & Operations- Extermination		
943-100	Ordinary Maint. & Operations- Janitorial Contracts		
943-110	Ordinary Maint. & Operations- Routine Maintenance		
943-120	Ordinary Maint. & Operations- Misc. Contracts		239,976
945-000	Employee Benefit Contributions - Ordinary Maintenance		
940-000	Total Maintenance		718,563
951-000	Protective Services - Labor		
952-000	Protective Services - Other Contract Costs		13,147
953-000	Protective Services - Other		
955-000	Employee Benefit Contributions - Protective Services		
950-000	Total Protective Services		13,147
961-100	Property Insurance		76,936
961-200	Liability Insurance		21,519
961-300	Workmen's Compensation		29,682
961-400	All Other Insurance		4,586
961-000	Total insurance Premiums		132,723
962-000-1	Other General Expenses		23,553
962-000-2	Other General Expenses - Lease asset amortization		
962-000-3	Other General Expenses - Subscription asset amortization		
962-100	Compensated Absences		(12,926)
963-000	Payments in Lieu of Taxes		43,404
964-000	Bad debt - Tenant Rents		
965-000	Bad debt - Mortgages		
966-000	Bad debt - Other		
968-000	Severance Expense		
960-000	Total Other General Expenses		54,031
967-100	Interest - capital debt		198,261
967-200-1	Interest - operating debt		
967-200-2	Interest - operating debt - leases		
967-200-3	Interest - operating debt - subscriptions		
967-300	Amortization of Bond Issue Costs		
967-000	Total Interest Expense and Amortization Cost		198,261
969-000	Total Operating Expenses		2,693,693
970-000	Excess of Operating Revenue over Operating Expenses		12,533,929
971-000	Extraordinary Maintenance		13,224
972-000	Casualty Losses - Non-capitalized		
973-000	Non Housing Choice Voucher HAP		773,309
973-010	One Year Mainstream		
973-020	Homeownership		13,588
973-025	Litigation		
973-030	Hope VI		
973-035	Moving to Work		
973-040	Tenant Protection		3,866
973-041	Portable		152,773
973-045	FSS Escrow Deposits		
973-049	All Other Special Vouchers		136,436
973-050-1	All Other Vouchers - external		9,287,131
973-050-2	All Other Vouchers - internal		
973-500	HAP Portability-In		107,336
974-000	Capital asset - depreciation		382,805
975-000	Fraud Losses		
978-000	Dwelling Units Rent Expense		

**HOUSING AUTHORITY OF THE CITY OF LIVERMORE**

FYE: 6/30/2023

PHA Code: CA074

FDS Line	Description	ELIM	Total
900-000	Total Expenses		13,564,161
100-100	Operating Transfer In		
100-200	Operating transfer Out		
100-300	Operating Transfers from/to Primary Government		
100-400	Operating Transfers from/to Component Unit		
100-700	Extraordinary Items, Net Gain/Loss		
100-800	Special Items (Net Gain/Loss)		
100-910	Transfers between Project - In		
100-920	Transfers between Project - Out		
100-930	Transfers between Program and Project - In		
100-940	Transfers between Project and Program - Out		
101-000	Total Other financing Sources (Uses)		
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses		1,663,461
1103-000	Beginning Equity		2,071,380
1104-010	Prior Period Adjustments		
1104-070	Equity Transfers		