



(ACT) ACTION NEEDED
(INF) INFORMATION ONLY
(DIS) DISCRETIONARY

AGENDA

REGULAR MEETING OF THE HOUSING COMMISSION
CITY OF NEEDLES, CALIFORNIA
WEDNESDAY, APRIL 24, 2024 AT 4:00 PM
CITY COUNCIL CHAMBERS
1111 BAILEY AVENUE, NEEDLES

**THE PUBLIC MAY ATTEND VIA TEAMS OR IN PERSON
AND MAY SUBMIT ANY COMMENTS IN WRITING PRIOR TO NOON ON THE DAY OF THE
MEETING BY EMAILING cclark@cityofneedles.com**

**TO JOIN THE LIVE TEAMS MEETING: log into the City of Needles website at
www.cityofneedles.com to access the agenda and [Click here to join the meeting](#)**

***If asked, enter the following: Meeting ID: 722 550 315#
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 722 550 315#
The meetings are being recorded.***

CALL TO ORDER
ROLL CALL
PLEDGE OF ALLEGIANCE
APPROVAL OF AGENDA
CONFLICT OF INTEREST
CORRESPONDENCE
INTRODUCTIONS

**AS A COURTESY TO THOSE IN ATTENDANCE, WE WOULD ASK THAT CELL PHONES BE
TURNED OFF OR SET IN THEIR SILENT MODE. THANK YOU**

PUBLIC APPEARANCE - Persons wishing to address the Commissioners on subjects other than those scheduled are requested to do so at this time. When called by the Chair, please announce your name and address for the record. In order to conduct a timely meeting, a three-minute time limit per person has been established by Municipal Code Section 2-18. Amendments to the California Government Code Section 54950 prohibits the Commissioners from taking action on a specific item until it appears on the agenda.

REGULAR ITEMS

- [1.](#) Housing Authority Update (INF)
- [2.](#) Accept and file the Housing Authority of the City of Needles fiscal year ended June 30, 2023, audit report completed by Smith Marion. (ACT)
- [3.](#) Approve the Minutes of March 27, 2024 (ACT)

COMMISSIONER REQUESTS

CITY MANAGER REPORT

[Manager](#) Report

ADJOURNMENT

**INTERNET ACCESS TO HOUSING COMMISSION AGENDAS AND STAFF REPORT MATERIAL IS
AVAILABLE PRIOR TO HOUSING COMMISSION MEETINGS AT:
<http://www.cityofneedles.com>**

Posted: April 19, 2024

SB 343 - DOCUMENTS RELATED TO OPEN SESSION AGENDAS - Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to a meeting is available for public inspection at the Needles Administrative Office, 817 Third Street, Needles, CA 92363.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Angelica Deermmer, Housing Manager, at (760) 326-3222. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-104 ADA Title II)

If a decision is made at this hearing and you later disagree with the decision, only issues raised at the public hearing or in written form at or before the public hearing can be considered.

I hereby certify, under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the front entrance of City Hall not less than 72 hours prior to the meeting.

Dated this 19th day of April 2024

/s/ Candace Clark, CPMC, Assistant City Clerk



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ HOUSING COMMISSION

☒ Regular ☐ Special

Meeting Date: April 24, 2024

Title: Housing Authority of the City of Needles Update

Background: On April 9, 2024, The Housing Authority of the City of Needles (HACN) held a public hearing for Resolution 2024-6-HACN Removing and Replacing the Admissions and Continued Occupancy Plan (ACOP), the Administrative Plan for Housing Choice Voucher (HCV) Program, and the 2024-2025 Annual Plan was approved. The updates implemented changes to the Public Housing Admissions and Continued Occupancy Plan (ACOP) and the Administrative Plan for HCV program of the Section 102, 103, and 104 of the Housing Opportunity Through Modernization Act of 2016 (HOTMA). The Implementation of National Standards for Physical Inspection of Real Estate (NSPIRE), Violence Against Woman's Act (VAWA), as well as Veterans Affairs Supportive Housing (VASH).

On Thursday, April 11, 2024, HACN successfully convened a kick-off meeting to provide an efficient transition within the referral process to administer the U.S. Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) vouchers effective May 1, 2024. Collaborating with Veteran Affairs (VA) Loma Linda and key stakeholders to introduce the new HUD-VASH program. Representatives from San Bernardino County Aging and Adult Services, VA Loma Linda, Nations Finest, and Billet Health discussed the implementation and process of the HUD-VASH vouchers.

Fiscal Impact: NONE

Environmental Impact: NONE

Recommended Action: Information only

Submitted By: Angelica Deermer, HACN Housing Manager

City Manager Approval: Patrick J. Martinez

Date: 4/19/2024

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ HOUSING COMMISSION

☒ Regular ☐ Special

Meeting Date: April 24, 2024

Title: Housing Authority of the City of Needles audit report for the fiscal year ended June 30, 2023.

Background: The fiscal year 2022/23 Housing Authority audit report has been completed by Smith Marion.

Attached is the audit report for the fiscal year ended June 30, 2023, and the Auditors Communication with those Charged with Governance letter.

On April 9, 2024, the Housing Authority of the City of Needles accepted and filed the report.

Fiscal Impact: NONE

Environmental Impact: N/A

Recommended Action: Information only

Submitted By: Angelica Deerner, HACN Housing Manager
Patrick J. Martinez, City Manager

City Manager Approval: Patrick J. Martinez

Date: 4/19/2024

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Financial Statements and Independent Auditors' Report

Year Ended June 30, 2023



smithmarion
connected . focused . understand

Item 2.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Table of Contents

List of Principal Officials.....	1
Independent Auditors’ Report.....	2
Management’s Discussion and Analysis (Required Supplemental Information – Unaudited)	5
Financial Statements	9
Statement of Net Position	9
Statement of Revenues, Expenses, and Changes in Net Position.....	10
Statement of Cash Flows	11
Notes to Financial Statements.....	13
Supplemental Information	21
Schedule of Expenditures of Federal Awards	21
Statement and Certification of Actual Costs	22
Compliance Information.....	23
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 <i>Government Auditing Standards</i>	23
Schedule of Findings and Questioned Costs.....	25
Corrective Action Plan	26
Status of Prior Audit Findings	27

HOUSING AUTHORITY OF THE CITY OF NEEDLES

List of Principal Officials

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

Chairman	Janet Jernigan
Vice Chairman	Kirsten Merritt
Commissioner	Joanne Pogue
Commissioner	Jamie N. McCorkle
Commissioner	Henry Longbrake
Commissioner	Tona Belt
Commissioner	Ellen Campbell

In addition to the above Commissioners, the Administrator of Housing Authority of the City of Needles is Julie Bigham, who served as the Executive Director.

INDEPENDENT AUDITORS' REPORT

The Governing Body of
Housing Authority of the City of Needles

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 Needles (Authority), a component unit of the City of Needles, California, 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 and the report of the other auditors, 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, 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 is presented for purposes of additional analysis and is not a required part of the financial statements.

In addition, the accompanying statement and certification of actual costs, required by the U.S. Department of Housing and Urban Development, is presented for the purpose of additional analysis and are not a required part of the basic financial statements.

That 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. 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 March 15, 2024, 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.

March 15, 2024
Redlands, CA

HOUSING AUTHORITY OF THE CITY OF NEEDLES

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

June 30, 2023

The Housing Authority of the City of Needles'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

At the close of the most recent fiscal year, the assets of the Authority exceeded its liabilities by \$989,640 (*net position*). This amount includes \$701,491 of unrestricted net position that may be used to meet the Authority's ongoing obligations to clients and creditors.

As of June 30, 2023, the Housing Authority's operating cash balance was \$592,608, while investments totaled \$91,330.

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.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position

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

			Change	
	2023	2022	Dollar	Percentage
Cash and equivalents	\$ 603,808	\$ 676,913	\$ (73,105)	(10.8%)
Other current assets	119,890	111,926	7,964	7.1%
Total current assets	723,698	788,839	(65,141)	(8.3%)
Net capital assets	288,149	144,867	143,282	98.9%
Other non-current assets	-	-	-	0.0%
Total non-current assets	288,149	144,867	143,282	98.9%
Total assets	1,011,847	933,706	78,141	8.4%
Deferred outflows of resources	-	-	-	0.0%
Total	\$ 1,011,847	\$ 933,706	\$ 78,141	8.4%
Current liabilities	\$ 22,207	\$ 37,007	\$ (14,800)	(40.0%)
Non-current liabilities	-	-	-	0.0%
Total liabilities	22,207	37,007	(14,800)	(40.0%)
Deferred inflows of resources	-	-	-	0.0%
Net investment in capital assets	288,149	144,867	143,282	98.9%
Restricted net position	-	9,706	(9,706)	(100.0%)
Unrestricted net position	701,491	742,126	(40,635)	(5.5%)
Total net position	989,640	896,699	92,941	10.4%
Total	\$ 1,011,847	\$ 933,706	\$ 78,141	8.4%

Assets

Overall, there was a significant change in net capital assets from FY22 to FY23 due to additions in construction in progress, buildings, and improvements.

Building and improvements disposals for the year was \$32,926, which included AC units that were replaced by new AC units for \$70,013.

Liabilities

Overall, there were no significant changes in any liability classes from FY22 to FY23.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)
June 30, 2023

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	\$ 229,743	\$ 231,342	\$ (1,599)	(0.7%)
Operating grants and subsidies	310,425	305,277	5,148	1.7%
Other operating revenues	4,692	2,523	2,169	86.0%
Total operating revenues	544,860	539,142	5,718	1.1%
Depreciation expense	(24,712)	(20,968)	(3,744)	17.9%
Housing assistance payments	(130,561)	(100,107)	(30,454)	30.4%
Other operating expenses	(472,491)	(397,332)	(75,159)	18.9%
Total operating expenses	(627,764)	(518,407)	(109,357)	21.1%
Operating income (loss)	(82,904)	20,735	(103,639)	>100%
Investment income	-	(9,906)	9,906	(100.0%)
Interest expense	-	-	-	0.0%
Other non-operating items	(4,175)	-	(4,175)	(>100%)
Income (loss) before contributions and other items	(87,079)	10,829	(97,908)	>100%
Special items	-	-	-	0.0%
Net operating transfers	-	-	-	0.0%
Capital contributions	119,000	-	119,000	>100%
Change in net position	\$ 31,921	\$ 10,829	\$ 21,092	(>100%)

Revenues

Other operating revenue increased by \$2k or 86% from FY22 to FY23, primarily due to an increase in port-in voucher administrative fees. Also attributable to the decrease was a reduction in non-rent related tenant charges.

Expenses

Other operating expenses increased by \$75k or 18.9% from FY22 to FY23, primarily due to an increase in ordinary maintenance and operation expenses incurred. High maintenance labor and contract costs attributed to a \$49k increase of this expense line item.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management's Discussion and Analysis (Required Supplemental Information – Unaudited)
June 30, 2023

CAPITAL ASSETS

As of June 30, 2023, the Authority's investment in capital assets totaled \$288,149, net of depreciation. This investment includes land, construction in progress, buildings, equipment, and vehicles. This amount represents a net increase of \$143,282 or 99% from the previous fiscal year, as a result of current year additions exceeding the current year depreciation of \$24,712.

	2023	2022	Change	
			Dollar	Percentage
Land	\$ 2,381	\$ 2,381	\$ -	0%
Construction in progress	39,341	-	39,341	>100%
Buildings and improvements	3,190,630	3,153,543	37,087	1%
Equipment and furnishings	81,618	81,618	-	0%
Accumulated depreciation	(3,025,821)	(3,092,675)	66,854	(2%)
Net capital assets	\$ 288,149	\$ 144,867	\$ 143,282	99%

DEBT ADMINISTRATION

The Authority currently carries no long-term debt.

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

Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact the Executive Director Patrick Martinez.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Statement of Net Position

June 30, 2023

Assets and deferred outflows of resources

Operating cash	\$ 592,608
Restricted cash	<u>11,200</u>
Total cash and equivalents	603,808
Net accounts receivable	15,447
Investments - operating	91,330
Prepaid expenses and other current assets	<u>13,113</u>
Total current assets	<u>723,698</u>
Capital assets, at cost	
Land	2,381
Construction-in-progress	39,341
Buildings and improvements	3,190,630
Equipment and furnishings	<u>81,618</u>
Total acquisition costs	3,313,970
Less: Accumulated depreciation	<u>(3,025,821)</u>
Net capital assets	288,149
Total non-current assets	<u>288,149</u>
Total assets	<u>1,011,847</u>
Total assets and deferred outflows of resources	<u>\$ 1,011,847</u>

Liabilities, deferred inflows of resources, and net position

Accounts payable	\$ 1,982
Unearned revenues	3,579
Deposits held in trust, contra	11,200
Accrued wages payable	3,341
Accrued vacations payable, current portion	<u>2,105</u>
Total current liabilities	<u>22,207</u>
Total liabilities	<u>22,207</u>
Net investment in capital assets	288,149
Unrestricted net position	<u>701,491</u>
Total net position	<u>989,640</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,011,847</u>

See accompanying notes.

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

Tenant rental revenue, net of collection losses	\$ 229,743
Operating grants and subsidies	310,425
Other revenue	4,692
Total operating revenues	<u>544,860</u>
Administrative	190,680
Utilities	74,306
Ordinary maintenance and operations	194,343
Protective services	600
Insurance premiums	12,562
Housing assistance payments	130,561
Depreciation	24,712
Total operating expenses	<u>627,764</u>
Operating income (loss)	(82,904)
Gains (losses) on disposition of assets	(4,175)
Total non-operating revenues (expenses)	<u>(4,175)</u>
Income (loss) before contributions and other items	(87,079)
Capital contributions	119,000
Change in net position	<u><u>\$ 31,921</u></u>
Net position, beginning of year	\$ 896,699
Change in net position	31,921
Prior-period restatements	61,020
Net position, end of year	<u><u>\$ 989,640</u></u>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF NEEDLESStatement of Cash Flows
Year Ended June 30, 2023

Cash receipts from tenants	\$ 242,578
Cash receipts from grants	304,099
Cash payments for Housing Assistance payments	(130,561)
Cash payments to suppliers for goods and services	(286,608)
Cash payments for wages and benefits	(214,445)
Other cash payments and receipts	<u>6,487</u>
Net cash from operating activities	<u>(78,450)</u>
Acquisition and construction of capital assets	(109,354)
Gains (losses) on disposition of assets	(4,175)
Capital contributions received	<u>119,000</u>
Net cash from capital and related financing activities	<u>5,471</u>
Net (purchases)/proceeds of investments	<u>(126)</u>
Net cash from investing activities	<u>(126)</u>
Net change in cash and equivalents	(73,105)
Cash at beginning of period	<u>676,913</u>
Cash at end of period	<u>\$ 603,808</u>
<i>Reconciliation of cash to the statement of net position:</i>	
Cash and equivalents - operating	\$ 592,608
Restricted cash and equivalents	<u>11,200</u>
Total cash and equivalents	<u>\$ 603,808</u>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF NEEDLESStatement of Cash Flows
Year Ended June 30, 2023Reconciliation of operating income (loss) to net cash
from operating activities:

Operating income (loss)	\$ (82,904)
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Depreciation	24,712
Bad debt	1,849
(Gain)/Loss on disposition of property and equipment	2,380
Realized and unrealized gains/losses on investments	1,795
Changes in operating assets and liabilities:	
Accounts receivable	1,631
Prepaid expenses and other assets	(13,113)
Accounts payable	(20,848)
Accrued wages and benefits	3,019
Deposits held in trust, contra	(550)
Unearned revenues	3,579
Net cash from operating activities	<u>\$ (78,450)</u>

See accompanying notes.

NOTE 01 - NATURE OF BUSINESS AND ORGANIZATION

The Housing Authority of the City of Needles (Authority) was established in 1942, under the U.S. Housing Act of 1937, and the State of California Housing Authority Law of 1938. The Authority is a nonprofit government agency which is chartered by the State of California to administer the development, rehabilitation or financial of affordable housing programs. The area of jurisdiction of the Authority is the City of Needles.

The primary mission of the Authority is to assist low and moderate-income families, including elderly and disabled persons, by operating programs which provide them decent, safe, and sanitary housing at affordable costs.

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 the Authority to administer certain HUD funds.

Our 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.

Additionally, our operations are comprised of 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.

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 a component unit of the City of Needles (City). Although the Authority is a legally separate SPG, it does not have a separately elected governing body from that of the City and is not fiscally independent of other state and local governments. Fiscally independent means that the Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt.

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 requires 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 set aside by HUD for the Housing Choice Voucher Program, 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 reported no bad debt expense for the year ended June 30, 2023.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,500 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	20 - 50 years
Vehicles and other equipment	5 - 7 years
Computers	5 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 in order for tenants to secure apartment leases.

Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., vacation and other approved leaves, with the exception of those employees that are terminated on grounds of gross misconduct. The Authority accrues 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority currently does not have any items that qualify for reporting in this category.

Unearned Revenue

Unearned revenues, if any, consist of rental payments made by tenants in advance of their due date, and rental supplements to be paid to owners of private dwellings during the first month of the next fiscal year.

Income Taxes

The Authority is not subject to federal or state income taxes.

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.

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.

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’s investments have been measured using Level 1 inputs.

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 deposits 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.

Authorized Investments

Investments of the Authority are limited to investment types prescribed by HUD in PIH Notice 1996-33 or as amended by future HUD notices.

Additionally, the Authority limits investment types to those that are authorized in accordance with Section 53601 of the California Government Code.

Subsequent Events

We evaluated subsequent events through March 15, 2024, the date these financial statements were issued.

NOTE 03 - RESTRICTED CASH

Restricted cash was comprised of the following as of yearend:

Tenant security deposits	\$ 11,200
Restricted cash with offsetting liabilities	<u>11,200</u>
Total restricted cash and equivalents	<u>\$ 11,200</u>

NOTE 04 - ACCOUNTS RECEIVABLE

The following provides a breakdown of accounts receivables as of yearend:

Receivables from HUD	\$ 7,799
Tenant receivables	9,498
Allowance for doubtful accounts - tenants	<u>(1,850)</u>
Net tenant receivables	<u>7,648</u>
Net accounts receivable	<u>\$ 15,447</u>

NOTE 05 - CAPITAL ASSETS

A summary of the capital asset activity for the year ended June 30, 2023, is provided below:

	6/30/22	Additions	Deletions	6/30/23
Non-Depreciable				
Land	\$ 2,381	\$ -	\$ -	\$ 2,381
Construction in process	<u>-</u>	<u>39,341</u>	<u>-</u>	<u>39,341</u>
	<u>2,381</u>	<u>39,341</u>	<u>-</u>	<u>41,722</u>
Depreciable				
Buildings and improvements	3,153,543	70,013	(32,926)	3,190,630
Equipment and furnishings	<u>81,618</u>	<u>-</u>	<u>-</u>	<u>81,618</u>
	<u>3,235,161</u>	<u>70,013</u>	<u>(32,926)</u>	<u>3,272,248</u>
Total acquisition costs	3,237,542	109,354	(32,926)	3,313,970
Accumulated depreciation	<u>(3,092,675)</u>	<u>(24,712)</u>	<u>91,566</u>	<u>(3,025,821)</u>
Net capital assets	<u>\$ 144,867</u>	<u>\$ 84,642</u>	<u>\$ 58,640</u>	<u>\$ 288,149</u>

All land and buildings of the Public Housing Program are 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 - NET POSITION

Net investment in capital assets as of yearend consists of the following:

Land	\$ 2,381
Construction in progress	39,341
Buildings and improvements	3,190,630
Equipment and furnishings	81,618
Less:	
Accumulated depreciation	<u>(3,025,821)</u>
Net investment in capital assets	<u>\$ 288,149</u>

Restricted net position as of yearend consists of the following:

Restricted cash and equivalents	\$ 11,200
Less:	
Tenant security deposit, contra	<u>(11,200)</u>
Restricted net position	<u>\$ -</u>

NOTE 07 - PENSION PLAN

The Authority contributes to the Aergon Transamerica Annuity Retirement Plan, a defined contribution pension plan, for its full-time employees.

Benefit terms, including contribution requirements, for Authority are established and may be amended by the Needles Housing Authority Board of Commissioners. For each employee in the pension plan, the Authority is required to contribute 10 percent of their annual salary, exclusive of overtime pay to an individual employee account. Employees are permitted to make contributions to the pension plan, up to applicable Internal Revenue Code limits. For the year ended June 30, 2023, employee contributions totaled \$0, and the Authority recognized pension expense of \$7,290.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in Authority contributions and earnings on Authority contributions after completion of 12 months of creditable service with the Authority. There are no non-vested contributions made by the Authority and therefore no forfeitures.

The Authority has made all required contributions for the year ended June 30, 2023. There are no liabilities related to the pension contributions.

NOTE 08 - BUSINESS RISKS AND CONCENTRATIONS*Concentration – Major Contributor*

For the year ended June 30, 2023, approximately 57% 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.

Risk Management

The Authority is exposed to various risk of losses related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the previous three years. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2023, there were no liabilities to be reported.

As of June 30, 2023, the Authority was a participating member of the Housing Authorities Risk Retention Pool (HARRP), a risk-management pool, which provides the following coverage: property; general liability; official's liability; auto liability; employee liability for dishonesty or forgery; and employee liability for theft, disappearance and destruction.

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.

NOTE 09 - CONTINGENCIES AND COMMITMENTS

Government Examinations

The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws, and regulations governing other grants given to the Authority in the current and prior years.

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 - PRIOR YEAR RESTATEMENT

During the fiscal year ended June 30, 2023, one restatement to beginning net position was required. Below is a description of the item and effect on beginning net position:

Accumulated depreciation – correction of an error

During the audit, it was discovered that accumulated depreciation was overstated by \$61,020. In 2019, an asset had been over depreciated by \$22,185, and in 2013, an asset was written off for impairment for \$38,835 but no adjustment was made to accumulated depreciation. These corrections to accumulated depreciation resulted in a decrease to the beginning net position by \$61,020.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

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-Recipients
Section 8 Housing Choice Vouchers	14.871	HVC	Direct		\$ 146,087	\$ -
Public and Indian Housing	14.850		Direct		39,473	-
Public Housing Capital Fund	14.872		Direct		243,865	-
Total Federal Financial Assistance					\$ 429,425	\$ -
<i>Federal Grantor:</i>						Expenditures
US Department of Housing and Urban Development						\$ 429,425
Total Federal Financial Assistance					\$ 429,425	
<i>Cluster Title:</i>						Expenditures
Housing Voucher Cluster						\$ 146,087
<i>Award Type:</i>						Expenditures
Direct						\$ 429,425
Indirect						-
Total Federal Financial Assistance					\$ 429,425	

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 the operation of the Authority, it is not intended to and does not present the financial position, changes in net positions, or cash flows of the Authority.

NOTE 02 - INDIRECT COST RATE

The Authority has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Statement and Certification of Actual Costs
Year Ended June 30, 2023

Grant	Funds Approved	Funds Disbursed	Funds Expended	Balance	Form HUD- 53001 Submitted *
CA16P022501-18	\$ 119,358	\$ 119,000	\$ 119,000	\$ 358	No
CA16P022501-19	\$ 123,997	\$ -	\$ -	\$ 123,997	No
CA16P022501-20	\$ 133,733	\$ -	\$ -	\$ 133,733	No
CA16P022501-21	\$ 139,371	\$ 124,865	\$ 124,865	\$ 14,506	No
CA16P022501-22	\$ 170,410	\$ -	\$ -	\$ 170,410	No
CA16P022501-23	\$ -	\$ -	\$ -	\$ -	No

* The distribution of costs as shown on the respective HUD Form 53001 submitted to HUD for approval, is in agreement with the Authority's records. Additionally, all costs have been paid and all related liabilities have been discharged through payment.

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

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

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 Needles (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 March 15, 2024.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item(s) **2023-001** that we consider to be significant deficiencies.



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*.

AUTHORITY'S RESPONSE TO FINDINGS

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Their response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

March 15, 2024
Redlands, CA

HOUSING AUTHORITY OF THE CITY OF NEEDLES

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

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | | |
|--|---|--|--|
| 1. Type of Auditor Report on the financial statements: | <div style="border: 1px solid black; padding: 2px; display: inline-block;">Unmodified</div> | | |
| 2. Internal control over financial reporting: | | | |
| a. Material weakness(es) identified? | <div style="border: 1px solid black; padding: 2px; display: inline-block;"></div> Yes | <div style="border: 1px solid black; padding: 2px; display: inline-block;">x</div> No | |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | <div style="border: 1px solid black; padding: 2px; display: inline-block;">x</div> Yes | <div style="border: 1px solid black; padding: 2px; display: inline-block;"></div> None noted | |
| 3. Noncompliance material to financial statements? | <div style="border: 1px solid black; padding: 2px; display: inline-block;"></div> Yes | <div style="border: 1px solid black; padding: 2px; display: inline-block;">x</div> No | |

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2023-001

Prior Period Restatement to Accumulated Depreciation – Significant Deficiency

Criteria: Timely and accurate reporting of financial activity is a requirement under generally accepted accounting principles as a fundamental concept.

Condition and Context: During the audit for the year ended June 30, 2023, accumulated depreciation in the prior year was overstated by \$61,020 due to a miscalculation in the depreciation schedule from 2013 and 2019.

Effect or Potential Effect: A prior period adjustment was made during the current fiscal year to reduce accumulated depreciation in the current year and decrease equity to reflect it as if it were in the prior year.

Cause: Controls were not in place to review fixed asset listing at or near year end to ensure that all asset accounts are being properly recorded.

Recommendation: Accountants should be reviewing capital assets and depreciation to ensure they are properly recorded.

Views of Responsible Official(s): Management agrees with the finding and have outlined a plan of action in the Corrective Action Plan section of this report.

THE HOUSING AUTHORITY OF THE CITY OF NEEDLES, CALIFORNIA

908 Sycamore Drive • Needles, California 92363
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nha@citlink.net

CORRECTIVE ACTION PLAN

Name of auditee: Housing Authority of the City of Needles

Name of audit firm: Smith Marion and Co. Inc.

Period covered by the audit: Year Ended June 30, 2023

CAP Prepared by

Name: Patrick Martinez

Position: Executive Director

Telephone Number: (760) 326-3222

Current Findings on the Schedule of Findings, Questioned Costs, and Recommendations.

Finding 2023-001

a. Comments on the Finding and Each Recommendation:

The Authority concurs with the finding.

b. Action(s) Taken or Planned on the Finding:

The Executive Director overseeing this process resulting in the finding has since been replaced. A process is now in place to ensure that the fixed assets listing report is accurate and updated properly for all assets owned by the Authority.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Status of Prior Audit Findings
Year Ended June 30, 2023

Financial Statement Findings:

Prior Year Findings No.	Findings Title	Status/ Current Year Finding No.
2022-001	Significant Deficiency in Internal Controls over Accounts Payable - Unrecorded Liability(s)	Resolved
2022-002	Significant Deficiency in Internal Controls over Board Minutes - Missing Signature(s)	Resolved
2022-003	Noncompliance and Significant Deficiency in Internal Controls over Reporting - Missed REAC Deadlines	Resolved

HOUSING AUTHORITY OF THE CITY OF NEEDLES

**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
connected . focused . understand

Item 2.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Table of Contents

Independent Auditors’ Report on Financial Data Schedules1

Independent Accountants’ Report on Applying Agreed-Upon Procedures.....2

Attachment to Independent Accountant's Report on Applying Agreed-Upon Procedures4

Financial Data Schedules5

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• f: (909) 825-9900
• 1940 orange tree lane #100
• redlands, ca 92374



INDEPENDENT AUDITORS' REPORT ON FINANCIAL DATA SCHEDULES

The Governing Body of
Housing Authority of the City of Needles

We have audited the basic financial statements of the Housing Authority of the City of Needles as of and for the year ended June 30, 2023, and have issued our report thereon dated March 15, 2024, 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.

A handwritten signature in blue ink that reads 'Smith Marion & Co'.

March 15, 2024
Redlands, CA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Governing Body of
Housing Authority of the City of Needles

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 Needles (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* by the Authority as of and for the period ending June 30, 2023, and have issued our reports thereon dated March 15, 2024. 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 March 15, 2024, 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.

A handwritten signature in blue ink, reading "Smith Marinda G.", is positioned below the disclaimer text.

March 15, 2024
Redlands, CA



ATTACHMENT I

ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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 CFDA's, 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	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 NEEDLES

FYE: 6/30/2023
PHA Code: CA022

FDS Line	Description	14.871 Housing Choice Vouchers	Total Projects	Subtotal	ELIM
Balance Sheet					
111-000	Cash - Unrestricted	116,190	476,418	592,608	
112-000	Cash - Restricted - Modernization and Development				
113-000	Cash - Other Restricted				
113-010	Cash - Other restricted - HAP Funds				
113-020	Cash - Other Restricted - FSS Escrows				
113-030	Cash - Other Restricted - FSS escrow forfeitures				
114-000	Cash - Tenant Security Deposits		11,200	11,200	
115-000	Cash - Restricted for Payment of Current Liabilities				
100-000	Total Cash	116,190	487,618	603,808	
121-000	Accounts Receivable - PHA Projects	7,799		7,799	
122-000	Accounts Receivable - HUD Other Projects				
124-000	Accounts Receivable - Other Government				
125-000	Accounts Receivable - Miscellaneous				
126-000	Accounts Receivable - Tenants		9,498	9,498	
126-100	Allowance for Doubtful Accounts -Tenants		(1,850)	(1,850)	
126-200	Allowance for Doubtful Accounts - Other				
127-000	Notes, Loans, & Mortgages Receivable - current				
128-000	Fraud Recovery				
128-100	Allowance for Doubtful Accounts - Fraud				
129-000	Accrued Interest Receivable				
120-000	Total Receivables, Net of Allowances for Doubtful Accounts	7,799	7,648	15,447	
131-000	Investments - Unrestricted		91,330	91,330	
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		13,113	13,113	
143-000	Inventories				
143-100	Allowance for Obsolete Inventories				
144-000	Inter Program - Due From				
145-000	Assets Held for Sale				
150-000	Total Current Assets	123,989	599,709	723,698	
161-000	Capital asset - land		2,381	2,381	
162-000	Capital asset - buildings		3,190,630	3,190,630	
163-000	Capital asset - dwelling equipment		31,134	31,134	
164-000	Capital asset - administration equipment		50,484	50,484	
165-000	Leasehold Improvements				
166-000	Capital asset - accumulated depreciation		(3,025,821)	(3,025,821)	
167-000	Construction in Progress		39,341	39,341	
168-000	Infrastructure				
160-000	Total Capital Assets, Net of Accumulated Depreciation		288,149	288,149	
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		288,149	288,149	
200-000-1	Deferred Outflows of Resources - Pension				
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				

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023
PHA Code: CA022

FDS Line	Description	14.871 Housing Choice Vouchers	Total Projects	Subtotal	ELIM
290-000	Total Assets and Deferred Outflow of Resources	123,989	887,858	1,011,847	
311-000	Bank Overdraft				
312-000	Accounts Payable <= 90 Days		1,982	1,982	
313-000	Accounts Payable >90 Days Past Due				
321-000	Accrued Wage/Payroll Taxes Payable		3,341	3,341	
322-000	Accrued Compensated Absences - Current Portion		2,105	2,105	
324-000	Accrued Contingency Liability				
325-000	Accrued Interest				
331-000	Accounts Payable - HUD PHA Programs				
332-000	Account Payable - PHA Projects				
333-000	Accounts Payable - Other Government				
341-000	Tenant Security Deposits		11,200	11,200	
342-010	Unearned Revenue - Operating Subsidy				
342-020	Unearned Revenue - Capital Fund				
342-030-1	Unearned Revenue - Prepaid Rent		3,579	3,579	
342-030-2	Unearned Revenue - Service Fees				
342-030-3	Unearned Revenue - HAP				
343-000	Current Portion of Long-term Debt - Capital				
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				
347-000	Inter Program - Due To				
348-000	Loan Liability				
310-000	Total Current Liabilities		22,207	22,207	
351-000	Long-term Debt - Capital				
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				
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				
355-000	Loan Liability - Non-current				
356-000	FASB 5 Liabilities				
357-010	Pension Liability				
357-020	OPEB Liability				
350-000	Total Non-Current Liabilities				
300-000	Total Liabilities		22,207	22,207	
400-000-1	Deferred Inflows of Resources - Pension				
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				
508-400	Net Investment in Capital Assets		288,149	288,149	
511-400	Restricted Net Position				
512-400	Unrestricted Net Position	123,989	577,502	701,491	
513-000	Total Equity - Net Assets / Position	123,989	865,651	989,640	
600-000	Total Liabilities, Deferred Inflows of Resources and Equity - Net	123,989	887,858	1,011,847	
Income Statement					
703-000	Net Tenant Rental Revenue		217,783	217,783	
704-000	Tenant Revenue - Other		13,809	13,809	
705-000	Total Tenant Revenue		231,592	231,592	
706-000	HUD PHA Operating Grants		164,338	164,338	
706-010	Housing Assistance Payments	120,855		120,855	
706-020	Ongoing Administrative Fees Earned	25,232		25,232	
706-030	Service Fees Earned				

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023
PHA Code: CA022

FDS Line	Description	14.871 Housing Choice Vouchers	Total Projects	Subtotal	ELIM
706-040	Preliminary fees earned				
706-050	Placement fees earned				
706-060	All other fees				
706-100	Capital Grants		119,000	119,000	
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				
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				
714-020	Fraud Recovery - Administrative Fees				
715-000	Other Revenue	4,692		4,692	
716-000	Gain or Loss on Sale of Capital Assets		(4,175)	(4,175)	
720-000	Investment Income - Restricted				
720-010	Investment Income - Restricted - HAP				
720-020	Investment Income - Restricted - Administrative Fees				
700-000	Total Revenue	150,779	510,755	661,534	
911-000	Administrative Salaries	12,000	92,625	104,625	
912-000	Auditing Fees		32,367	32,367	
913-000-1	Management Fee - external				
913-000-2	Management Fee - internal				
913-100	Book-keeping Fee				
914-000	Advertising and Marketing				
915-000	Employee Benefit contributions - Administrative		14,678	14,678	
916-000	Office Expenses		39,010	39,010	
917-000	Legal Expense				
918-000	Travel				
918-100	Allocated Overhead				
919-000-1	Other - external				
919-000-2	Other - internal				
910-000	Total Operating - Administrative	12,000	178,680	190,680	
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				
925-000	Total Tenant Services				
931-000	Water		44,581	44,581	
932-000	Electricity		4,648	4,648	
933-000	Gas		551	551	
934-000	Fuel				
935-000	Labor				
936-000	Sewer				
937-000	Employee Benefit Contributions - Utilities				
938-000	Other Utilities Expense		24,526	24,526	
930-000	Total Utilities		74,306	74,306	
941-000	Ordinary Maintenance and Operations - Labor		76,092	76,092	
942-000	Ordinary Maintenance and Operations - Materials and Other		27,872	27,872	

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023
PHA Code: CA022

FDS Line	Description	14.871 Housing Choice Vouchers	Total Projects	Subtotal	ELIM
943-010	Ordinary Maint. & Operations-Garbage & Trash		23,690	23,690	
943-020	Ordinary Maint. & Operations-HVAC		131	131	
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		42,109	42,109	
945-000	Employee Benefit Contributions - Ordinary Maintenance		24,449	24,449	
940-000	Total Maintenance		194,343	194,343	
951-000	Protective Services - Labor				
952-000	Protective Services - Other Contract Costs				
953-000	Protective Services - Other		600	600	
955-000	Employee Benefit Contributions - Protective Services				
950-000	Total Protective Services		600	600	
961-100	Property Insurance		12,562	12,562	
961-200	Liability Insurance				
961-300	Workmen's Compensation				
961-400	All Other Insurance				
961-000	Total insurance Premiums		12,562	12,562	
962-000-1	Other General Expenses				
962-000-2	Other General Expenses - Lease asset amortization				
962-000-3	Other General Expenses - Subscription asset amortization				
962-100	Compensated Absences				
963-000	Payments in Lieu of Taxes				
964-000	Bad debt - Tenant Rents		1,849	1,849	
965-000	Bad debt - Mortgages				
966-000	Bad debt - Other				
968-000	Severance Expense				
960-000	Total Other General Expenses		1,849	1,849	
967-100	Interest - capital debt				
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				
969-000	Total Operating Expenses	12,000	462,340	474,340	
970-000	Excess of Operating Revenue over Operating Expenses	138,779	48,415	187,194	
971-000	Extraordinary Maintenance				
972-000	Casualty Losses - Non-capitalized				
973-000	Non Housing Choice Voucher HAP				
973-010	One Year Mainstream				
973-020	Homeownership				
973-025	Litigation				
973-030	Hope VI				
973-035	Moving to Work				
973-040	Tenant Protection				
973-041	Portable				
973-045	FSS Escrow Deposits				
973-049	All Other Special Vouchers				
973-050-1	All Other Vouchers - external	126,263		126,263	
973-050-2	All Other Vouchers - internal				
973-500	HAP Portability-In	4,298		4,298	
974-000	Capital asset - depreciation		24,712	24,712	
975-000	Fraud Losses				
978-000	Dwelling Units Rent Expense				

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	14.871 Housing Choice Vouchers	Total Projects	Subtotal	ELIM
900-000	Total Expenses	142,561	487,052	629,613	
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	8,218	23,703	31,921	
1103-000	Beginning Equity	115,771	780,928	896,699	
1104-010	Prior Period Adjustments		61,020	61,020	
1104-070	Equity Transfers				

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	Total
Balance Sheet		
111-000	Cash - Unrestricted	592,608
112-000	Cash - Restricted - Modernization and Development	
113-000	Cash - Other Restricted	
113-010	Cash - Other restricted - HAP Funds	
113-020	Cash - Other Restricted - FSS Escrows	
113-030	Cash - Other Restricted - FSS escrow forfeitures	
114-000	Cash - Tenant Security Deposits	11,200
115-000	Cash - Restricted for Payment of Current Liabilities	
100-000	Total Cash	603,808
121-000	Accounts Receivable - PHA Projects	7,799
122-000	Accounts Receivable - HUD Other Projects	
124-000	Accounts Receivable - Other Government	
125-000	Accounts Receivable - Miscellaneous	
126-000	Accounts Receivable - Tenants	9,498
126-100	Allowance for Doubtful Accounts -Tenants	(1,850)
126-200	Allowance for Doubtful Accounts - Other	
127-000	Notes, Loans, & Mortgages Receivable - current	
128-000	Fraud Recovery	
128-100	Allowance for Doubtful Accounts - Fraud	
129-000	Accrued Interest Receivable	
120-000	Total Receivables, Net of Allowances for Doubtful Accounts	15,447
131-000	Investments - Unrestricted	91,330
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	13,113
143-000	Inventories	
143-100	Allowance for Obsolete Inventories	
144-000	Inter Program - Due From	
145-000	Assets Held for Sale	
150-000	Total Current Assets	723,698
161-000	Capital asset - land	2,381
162-000	Capital asset - buildings	3,190,630
163-000	Capital asset - dwelling equipment	31,134
164-000	Capital asset - administration equipment	50,484
165-000	Leasehold Improvements	
166-000	Capital asset - accumulated depreciation	(3,025,821)
167-000	Construction in Progress	39,341
168-000	Infrastructure	
160-000	Total Capital Assets, Net of Accumulated Depreciation	288,149
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	288,149
200-000-1	Deferred Outflows of Resources - Pension	
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	

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	Total
290-000	Total Assets and Deferred Outflow of Resources	1,011,847
311-000	Bank Overdraft	
312-000	Accounts Payable <= 90 Days	1,982
313-000	Accounts Payable >90 Days Past Due	
321-000	Accrued Wage/Payroll Taxes Payable	3,341
322-000	Accrued Compensated Absences - Current Portion	2,105
324-000	Accrued Contingency Liability	
325-000	Accrued Interest	
331-000	Accounts Payable - HUD PHA Programs	
332-000	Account Payable - PHA Projects	
333-000	Accounts Payable - Other Government	
341-000	Tenant Security Deposits	11,200
342-010	Unearned Revenue - Operating Subsidy	
342-020	Unearned Revenue - Capital Fund	
342-030-1	Unearned Revenue - Prepaid Rent	3,579
342-030-2	Unearned Revenue - Service Fees	
342-030-3	Unearned Revenue - HAP	
343-000	Current Portion of Long-term Debt - Capital	
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	
347-000	Inter Program - Due To	
348-000	Loan Liability	
310-000	Total Current Liabilities	22,207
351-000	Long-term Debt - Capital	
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	
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	
355-000	Loan Liability - Non-current	
356-000	FASB 5 Liabilities	
357-010	Pension Liability	
357-020	OPEB Liability	
350-000	Total Non-Current Liabilities	
300-000	Total Liabilities	22,207
400-000-1	Deferred Inflows of Resources - Pension	
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	
508-400	Net Investment in Capital Assets	288,149
511-400	Restricted Net Position	
512-400	Unrestricted Net Position	701,491
513-000	Total Equity - Net Assets / Position	989,640
600-000	Total Liabilities, Deferred Inflows of Resources and Equity - Net	1,011,847
Income Statement		
703-000	Net Tenant Rental Revenue	217,783
704-000	Tenant Revenue - Other	13,809
705-000	Total Tenant Revenue	231,592
706-000	HUD PHA Operating Grants	164,338
706-010	Housing Assistance Payments	120,855
706-020	Ongoing Administrative Fees Earned	25,232
706-030	Service Fees Earned	

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	Total
706-040	Preliminary fees earned	
706-050	Placement fees earned	
706-060	All other fees	
706-100	Capital Grants	119,000
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	
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	
714-020	Fraud Recovery - Administrative Fees	
715-000	Other Revenue	4,692
716-000	Gain or Loss on Sale of Capital Assets	(4,175)
720-000	Investment Income - Restricted	
720-010	Investment Income - Restricted - HAP	
720-020	Investment Income - Restricted - Administrative Fees	
700-000	Total Revenue	661,534
911-000	Administrative Salaries	104,625
912-000	Auditing Fees	32,367
913-000-1	Management Fee - external	
913-000-2	Management Fee - internal	
913-100	Book-keeping Fee	
914-000	Advertising and Marketing	
915-000	Employee Benefit contributions - Administrative	14,678
916-000	Office Expenses	39,010
917-000	Legal Expense	
918-000	Travel	
918-100	Allocated Overhead	
919-000-1	Other - external	
919-000-2	Other - internal	
910-000	Total Operating - Administrative	190,680
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	
925-000	Total Tenant Services	
931-000	Water	44,581
932-000	Electricity	4,648
933-000	Gas	551
934-000	Fuel	
935-000	Labor	
936-000	Sewer	
937-000	Employee Benefit Contributions - Utilities	
938-000	Other Utilities Expense	24,526
930-000	Total Utilities	74,306
941-000	Ordinary Maintenance and Operations - Labor	76,092
942-000	Ordinary Maintenance and Operations - Materials and Other	27,872

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	Total
943-010	Ordinary Maint. & Operations-Garbage & Trash	23,690
943-020	Ordinary Maint. & Operations-HVAC	131
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	42,109
945-000	Employee Benefit Contributions - Ordinary Maintenance	24,449
940-000	Total Maintenance	194,343
951-000	Protective Services - Labor	
952-000	Protective Services - Other Contract Costs	
953-000	Protective Services - Other	600
955-000	Employee Benefit Contributions - Protective Services	
950-000	Total Protective Services	600
961-100	Property Insurance	12,562
961-200	Liability Insurance	
961-300	Workmen's Compensation	
961-400	All Other Insurance	
961-000	Total insurance Premiums	12,562
962-000-1	Other General Expenses	
962-000-2	Other General Expenses - Lease asset amortization	
962-000-3	Other General Expenses - Subscription asset amortization	
962-100	Compensated Absences	
963-000	Payments in Lieu of Taxes	
964-000	Bad debt - Tenant Rents	1,849
965-000	Bad debt - Mortgages	
966-000	Bad debt - Other	
968-000	Severance Expense	
960-000	Total Other General Expenses	1,849
967-100	Interest - capital debt	
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	
969-000	Total Operating Expenses	474,340
970-000	Excess of Operating Revenue over Operating Expenses	187,194
971-000	Extraordinary Maintenance	
972-000	Casualty Losses - Non-capitalized	
973-000	Non Housing Choice Voucher HAP	
973-010	One Year Mainstream	
973-020	Homeownership	
973-025	Litigation	
973-030	Hope VI	
973-035	Moving to Work	
973-040	Tenant Protection	
973-041	Portable	
973-045	FSS Escrow Deposits	
973-049	All Other Special Vouchers	
973-050-1	All Other Vouchers - external	126,263
973-050-2	All Other Vouchers - internal	
973-500	HAP Portability-In	4,298
974-000	Capital asset - depreciation	24,712
975-000	Fraud Losses	
978-000	Dwelling Units Rent Expense	

HOUSING AUTHORITY OF THE CITY OF NEEDLES

FYE: 6/30/2023

PHA Code: CA022

FDS Line	Description	Total
900-000	Total Expenses	629,613
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	31,921
1103-000	Beginning Equity	896,699
1104-010	Prior Period Adjustments	61,020
1104-070	Equity Transfers	

HOUSING AUTHORITY OF THE CITY OF NEEDLES

Management Letter

Year Ended June 30, 2023



smithmarion
connected . focused . understandable

Item 2.

- t: (909) 307-2323
- f: (909) 825-9900
- 1940 orange tree lane #100
- redlands, ca 92374



March 15, 2024

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

Ladies and Gentlemen:

In planning and performing our audit of the basic financial statements of Housing Authority of the City of Needles Authority (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 Authority'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 & Co'.



EXHIBIT I

MANAGEMENT LETTER COMMENTS

We identified certain deficiencies in internal control that we consider to be significant deficiencies that should be brought to your attention:

Finding 2023-001

Prior Period Restatement to Accumulated Depreciation – Significant Deficiency

Condition and Context: During the audit for the year ended June 30, 2023, accumulated depreciation in the prior year was overstated by \$61,020 due to a miscalculation in the depreciation schedule from 2013 and 2019.

Effect or Potential Effect: A prior period adjustment was made during the current fiscal year to reduce accumulated depreciation in the current year and decrease equity to reflect it as if it were in the prior year.

Cause: Controls were not in place to review fixed asset listing at or near year end to ensure that all asset accounts are being properly recorded.

Recommendation: Accountants should be reviewing capital assets and depreciation to ensure they are properly recorded.

We have identified certain matters involving the internal control and other operational matters that are not considered significant deficiencies or material weaknesses. These matters do not affect our report dated March 15, 2024 on the financial statements of the Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control, or result in other operating efficiencies.

Our comments are summarized as follows:

Prior-Period Adjustments

We noted that a prior period adjustment relating to building improvements and equipment was needed in order to correct accumulated depreciation. When depreciation is not properly recorded, the financial information provided to management and those charged with governance may not be accurate or correct. We recommend reviewing the depreciation schedule and ensuring it is calculated properly.

HOUSING AUTHORITY OF THE CITY OF NEEDLES

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

Year Ended June 30, 2023



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Item 2.

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March 15, 2024

The Governing Body of
Housing Authority of the City of Needles

We have audited the financial statements of Housing Authority of the City of Needles (Authority) as of and for the year ended June 30, 2023, and have issued our report thereon dated March 15, 2024.

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.

There were no sensitive estimates management's judgment is called upon in.

FINANCIAL STATEMENT DISCLOSURES

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

There were no sensitive disclosures management's judgment is called upon in.

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 March 15, 2024 (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 entity. 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 entity 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.



SIGNIFICANT UNUSUAL TRANSACTIONS

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

During our audit procedures, we did not become aware of significant unusual transaction that should be brought to your attention.

OTHER SIGNIFICANT MATTERS, FINDINGS, OR ISSUES

During prior audit procedures, we became aware of certain matters that should be brought to your attention. A listing of these matters is discussed in a separate report to management dated March 15, 2024 (see *Management Letter*).

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,



MINUTES

**REGULAR MEETING OF THE HOUSING COMMISSION
CITY OF NEEDLES, CALIFORNIA
WEDNESDAY, MARCH 27, 2024 AT 4:00 PM
CITY COUNCIL CHAMBERS
1111 BAILEY AVENUE, NEEDLES**

CALL TO ORDER - Chair Mauer called the meeting to order at 4:00 pm
ROLL CALL

PRESENT

Larry Ford
Deana Tucker arrived at 4:04 pm
Chris Mauer
Tamera Kissell

ABSENT - None

PLEDGE OF ALLEGIANCE - Led by Chair Mauer
APPROVAL OF AGENDA

Commissioner Ford moved, second by Commissioner Kissell to approve the agenda. Motion carried by the following roll call vote:

Ayes: Commissioners Ford, Tucker, Chair Mauer, and Commissioner Kissell
Noes: None
Absent: None

CONFLICT OF INTEREST - None

CORRESPONDENCE - None

INTRODUCTIONS - None

PUBLIC APPEARANCE - None

PUBLIC HEARING

1. Adopt Housing Commission Resolution No. 03-27-2024 HC, recommending the Needles Housing Authority Board of Commissioners approve and adopt the updated and amended Admissions and Continued Occupancy Plan (ACOP), the Administrative Plan for Housing Choice Voucher (HCV) Program, and the 2024-2025 Annual Plan.

City Manager Martinez gave staff report and introduced Ethan Guy, Director of Government Investments, Local Initiatives Support Corporation (LISC).

Housing Director Angelica Deermier reported on the Housing Authority Administrative Plan, Annual Plan, and Admissions and Continued Occupancy Plan (ACOP).

Commissioners asked questions and minimal discussion ensued.

Commissioner Ford moved, second by Commissioner Kissell to adopt Housing Commission Resolution No. 03-27-2024 HC, recommending the Needles Housing Authority Board of Commissioners approve and adopt the updated and amended Admissions and Continued Occupancy Plan (ACOP), the Administrative Plan for Housing Choice Voucher (HCV) Program, and the 2024-2025 Annual Plan. Motion carried by the following roll call vote:

Ayes: Commissioners Ford, Tucker, Chair Mauer, and Commissioner Kissell
Noes: None
Absent: None

REGULAR ITEMS

2. Approve the Minutes of February 28, 2024

Commissioner Ford moved, second by Commissioner Tucker to approve the minutes of February 28, 2024. Motion carried by the following roll call vote:

Ayes: Commissioners Ford, Tucker, Chair Mauer, and Commissioner Kissell
Noes: None
Absent: None

COMMISSIONER REQUESTS

Commissioner Kissell reported that many street lights in the Housing Authority are not working. There were no other Commissioner requests.

CITY MANAGER REPORT

City Manager Martinez gave report

3. Manager Report

ADJOURNMENT

Chair Mauer adjourned the meeting at 4:26 pm

ATTEST

Chair Chris Mauer

Assistant City Clerk Candace Clark, CPMC



City of Needles
817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: April 5, 2024

1. The Needles Rodeo Association is thrilled to invite you to the 46th Annual Colorado River Round Up, a cornerstone event that embodies the spirit and heritage of the Tri-State region. Celebrated as the oldest local rodeo, this event is endorsed by the Grand Canyon Professional Rodeo Association, ensuring a showcase of skill, courage, and cowboy tradition. Scheduled **for Friday (TONIGHT) and Saturday, April 5-6, 2024, starting at 6 pm** at the iconic Needles Rodeo Grounds at 1001 San Clemente, this weekend promises an unforgettable rodeo experience.

But the excitement continues after the rodeo; attendees can also relish culinary delights from food trucks, local vendors, and delectable BBQ offerings. Tickets can be purchased at the door for this event.

Don't miss out on this unique opportunity to immerse yourself in the excitement and community spirit of the Colorado River Round Up. This event is not just about the rodeo; it's about coming together as a community to celebrate our shared heritage and values. For more details, please refer to the attached flyer. We look forward to seeing you at this celebration of rodeo excellence and community camaraderie, which is sure to be a highlight of your year.

2. In July of last year, Palo Verde College (PVC) initiated the process to find a new Superintendent/President. PVC has organized [open forums](#) for **April 10, 2024**, to introduce the finalists for this pivotal role. These forums, taking place between **1 pm and 4 pm in room CL 101 at the Blythe Campus**, offer a unique opportunity for the community to hear directly from the candidates. For wider accessibility, the event will be live-streamed on the Palo Verde College [YouTube channel](#), with recordings subsequently made available on the [PVC website's homepage](#).

PVC, which has been catering to the educational needs of Needles residents since 1998 from its [Needles Center](#) located at 725 W. Broadway (previously Claypool's),

offers a comprehensive range of classes. These are designed to facilitate student transfers to four-year institutions and provide essential entry-level job skills, enhance vocational competencies, and offer diverse non-credit courses suitable for community learning and development. Notably, the governance of PVC includes representation from the community, with two of the seven [PVC Board of Trustees](#) elected from San Bernardino County, underscoring the college's commitment to serving the educational aspirations of the Needles area.

3. 2022 AB-2152 was enacted by the California legislature, updating the California Vehicle Code to launch a pilot program in Needles, slated to run until January 1, 2028. The initiative is designed to integrate off-highway motor vehicles (OHMV) into the city's transportation framework by permitting use on specific road segments in and surrounding Needles. The program's foundational meeting took place on **March 28, 2024**, orchestrated by the Needles City Council's OHMV Subcommittee in collaboration with city personnel and law enforcement representatives from the San Bernardino County Sheriff's Department, the Bureau of Land Management, and the California Highway Patrol. Minagar & Associates has been hired by the City to develop an Off-Highway Motor Vehicle (OHMV) Master Plan and listen to stakeholders and received feedback. **Members of the public can provide feedback directly by emailing minagarf@minagarinc.com or directly at 949-707-1199 ext. 2#.** This session marked the start of the planning phase, focusing on soliciting and incorporating feedback from various stakeholders. For further information, please consult the provided document.

This pilot project permits Needles to establish shared-use routes on city roads, extending up to 10 miles. These routes will connect existing OHMV trails and trailheads on lands managed by the federal Bureau of Land Management or the United States Forest Service and OHMV recreational areas to essential services and accommodations. The goal is to offer a unified trail system for OHMVs while ensuring traffic safety, enhancing natural resource conservation, preventing OHMV trespassing on private properties, and mitigating the impact on residents.

Residents cannot currently utilize OHMV on City roads, but City Staff is working diligently to obtain the proper approvals to implement the plan. As the OHMV Subcommittee progresses, the public will be informed of the status of the plan's implementation.

4. The City Staff is excited to announce a Community Cleanup event on **April 20, 2024, at 7 am**, in honor of Earth Day. Owing to its success over the years, we've expanded the initiative to include two cleanup sites this year: Jack Smith Park (1001 River Road) and J Street/Nikki Bunch Fields. There's no need to register; everyone is invited to join the effort. The City will supply bags, pickers, and gloves for participants. We encourage all community organizations and members to take part. For more details, please refer to the attached flyer or stay updated via our Needles Connect app.
5. Thrilling advancements are in progress at Bob Belt's Beach Park, previously recognized as First and Second Beach. The City has triumphantly obtained a

\$2,179,702 Clean California Grant, dedicating these funds to creating this innovative park along the scenic Colorado River, facing the Rivers Edge Golf Course. This past Wednesday, we celebrated a significant milestone by delivering and setting up a prefabricated restroom, soon to be connected to an advanced septic treatment system.

We invite you to observe the current developments, including constructing a new parking area and placing benches and tables, through the attached image. This project signifies a promising riverfront enhancement, transforming it into a vibrant community engagement and enjoyment area.

6. We're excited to bring you the latest developments at Jack Smith Park, a testament to our community's progress and dedication to enhancing public spaces. The City Council has enthusiastically embraced a grant awarded by the State of California Department of Parks and Recreation, amounting to \$181,116. This generous funding has been directed towards the thoughtful design and meticulous construction of significant enhancements within the park. Notable improvements include introducing approximately 1300 linear feet of walking and biking trails, further enriched with seven state-of-the-art outdoor exercise equipment thoughtfully positioned along the trail to encourage health and fitness.

The construction journey, which began in November 2023, concluded successfully in March 2024, marking a new chapter in the park's history. For an immersive glimpse into these enhancements, we invite you to view the attached images that highlight the newly installed exercise equipment. Moreover, a captivating video showcasing the comprehensive improvements was presented at the March Council meeting and is easily accessible through the [provided link](#). This initiative not only revitalizes Jack Smith Park but also underscores our commitment to fostering health and wellness across our community.

★ ★ ★ 1. 46th Colorado River ★ ★ ★

ROUND UP



**APRIL 5 -
6, 2024**

★ ★ ★ ★ ★
Grand Canyon Professional
Rodeo Association
sanctioned rodeo

*"Oldest local rodeo in the
tri-state area put on by locals"*

Needles Rodeo Grounds
1001 SAN CLEMENTE • NEEDLES, CA
FOR MORE INFORMATION CALL NEEDLES RODEO ASSOCIATION
760-333-5255

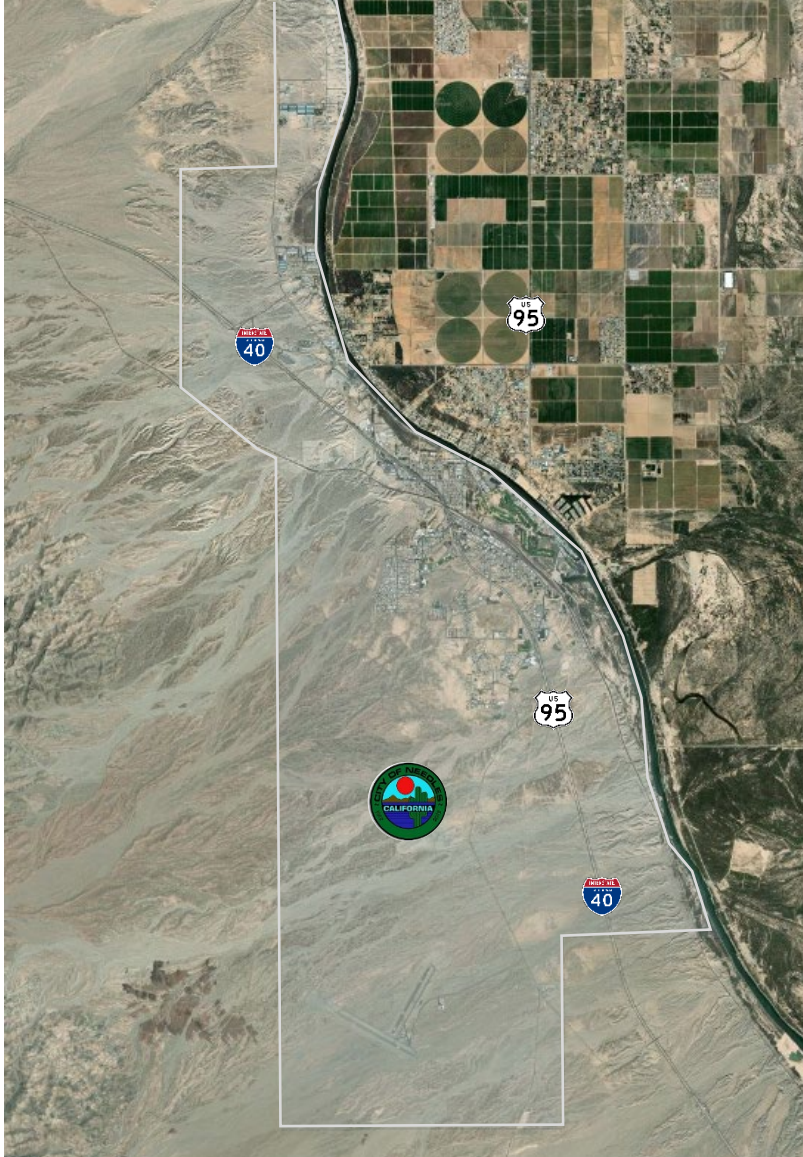


3. Off-Highway Motor Vehicles (OHMV) Master Plan and Routes – Pilot Project Technical Memorandum

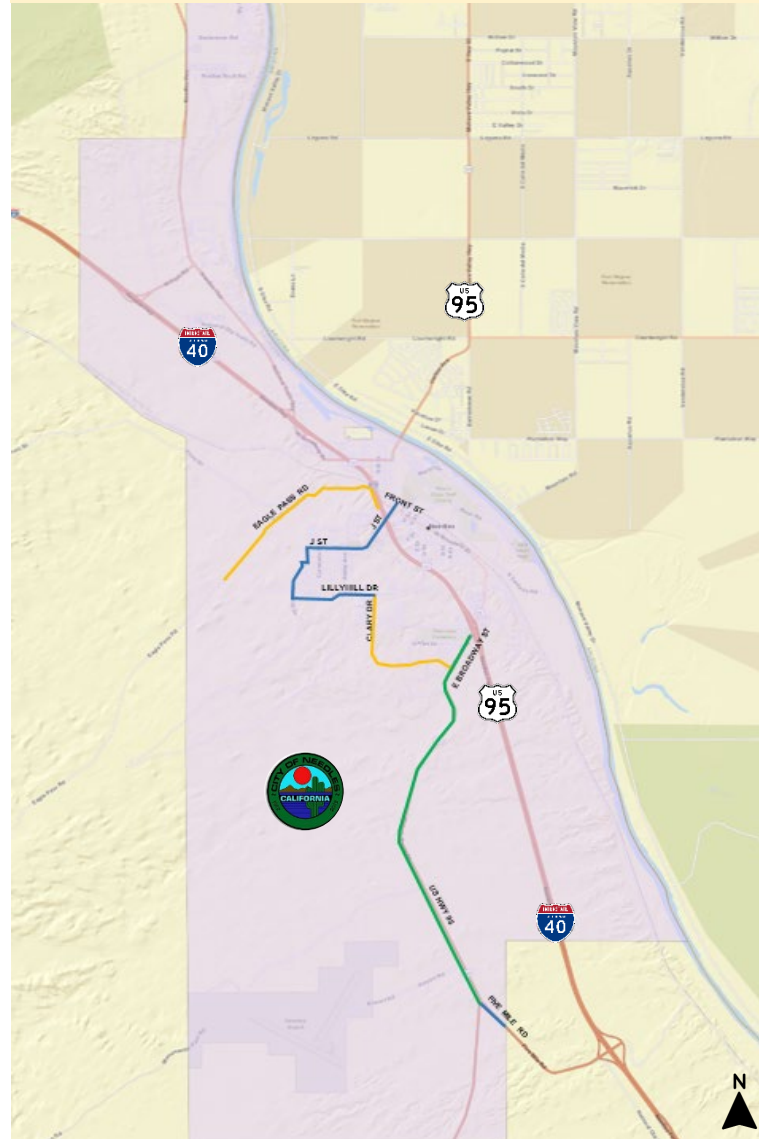
Revised Draft
City of Needles, CA



City of Needles Terrain Map



Functional Classification of Proposed OHMV Routes in the City of Needles



PREPARED FOR:



CITY OF NEEDLES

City Manager's Office
817 Third Street
Needles, CA 92363



PREPARED BY:



MINAGAR & ASSOCIATES, INC.

ITS – Traffic/Civil/Electrical Engineering – Transportation Planning – Homeland Security – CEM
23282 Mill Creek Drive, East Tower, Suite 120
Laguna Hills, CA 92653



February 16, 2024



February 18, 2024

Mr. Patrick Martinez
City Manager
City of Needles
817 Third Street
Needles, CA 92363

**Re: Off-Highway Motor Vehicle (OHMV) Master Plan & Routes
Technical Memo Per the New California Vehicle Code Section 38026.2 – Pilot Project**

Dear Mr. Martinez,

Minagar & Associates, Inc. has completed the investigation of roadway characteristics of the City's proposed Off-Highway Motor Vehicle routes, including factors such as the presence of street lighting, number of lanes, and presence of curvatures or other special conditions, and subsequently decided on a total of 9.50 miles of roadway to be proposed Off-Highway Motor Vehicle (OHMV) routes subject to the final approval of the stakeholders and ultimately the City Council of Needles.

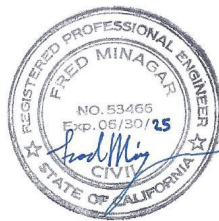
In the following pages, please find the summary tables of Minagar's findings regarding the characteristics and conditions of the proposed OHMV routes, accompanied by additional justifications, information, and supporting materials and figures. A table of contents has been provided on the following page for convenience in locating and referencing the tables and figures.

Please feel free to contact me directly with any additional questions you might have at (949) 707-1199 ext. 2# or via e-mail at minagarf@minagarinc.com.

Sincerely,

MINAGAR & ASSOCIATES, INC.
(A California Corporation)

Fred Minagar, MS, RCE, PE, FITE
President/Senior Project Manager



CC: Kathy Raasch

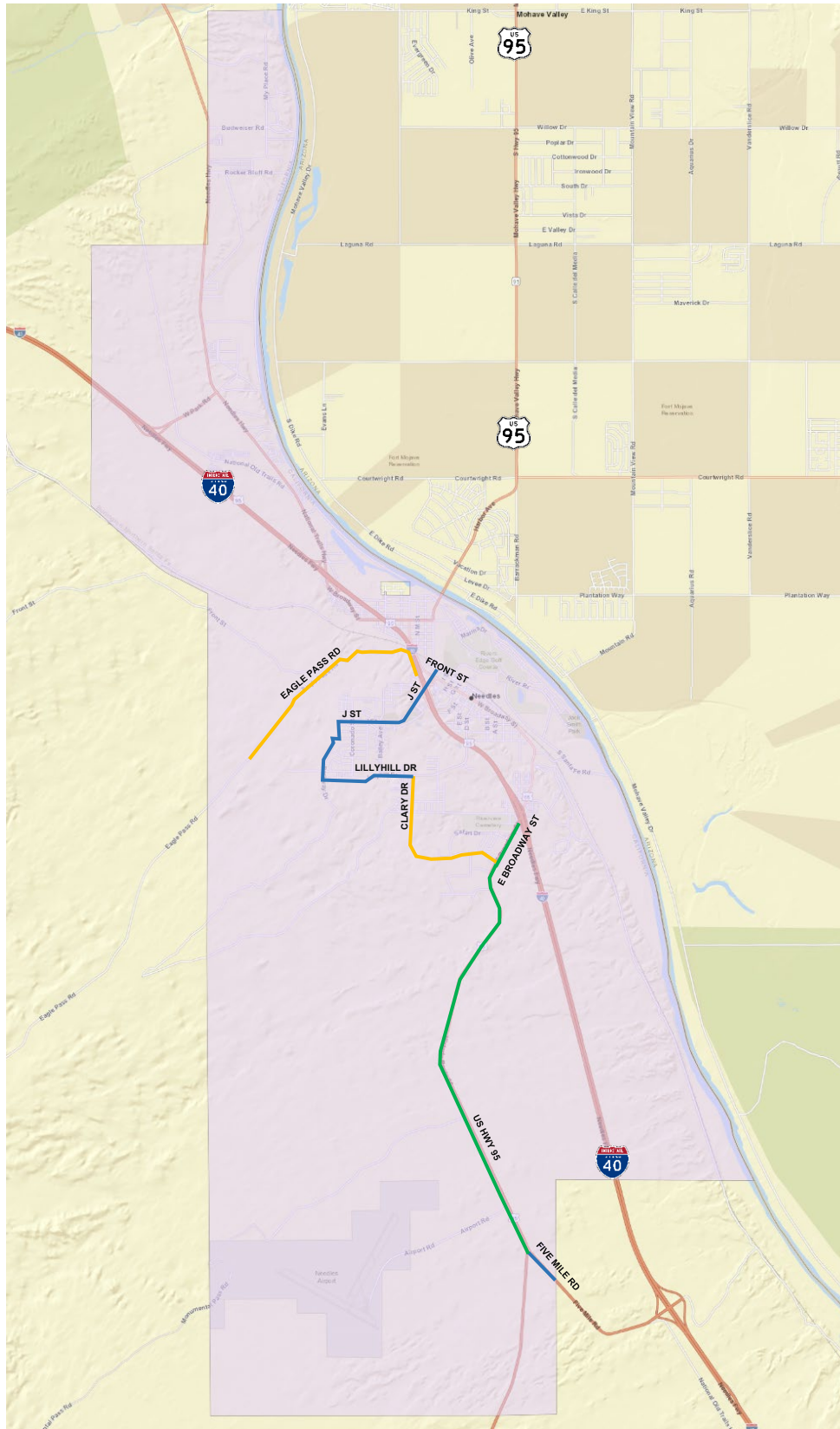




LIST OF FIGURES, TABLES, & ATTACHMENTS

Figure 1: Potential OHMV Routes Functional Classification Map	4
Figure 2: Existing Lodging Facilities in the Vicinity of Proposed OHMV Routes	7
Table 1: Proposed OHMV Routes Roadway Characteristics Summary	5
Table 2: Additional Justification & Details of Proposed Segments.....	6
Table 3: Existing OHMV Routes in the City of Needles	8
Attachment A: California Vehicle Code - § 38026.2.....	10





LEGEND
Functional Classification

- Minor Arterial
- Major Collector
- Local

Figure 1: Potential Off-Highway Motor Vehicle (OHMV) Routes Functional Classification Map



Table 1: Proposed OHMV Routes Roadway Characteristics Summary

Street Name	From	To	Distance (mi)	Posted Speed Limit Sign	Designated Bike Lane	Street Lighting	Sight Distance	Other Roadway Characteristics
Eagle Pass Rd*	Slightly Past El Monte Dr	S L St	1.88	None	No	None	Good	<ul style="list-style-type: none"> - 1 Lane in each direction - No clear roadway markings/stripping or shoulder - Topography: Flat - Adjacent Infrastructure: Little to none - Unpaved
J St	Parkway Dr	Front St	1.08	30 MPH	No	Yes	Good	<ul style="list-style-type: none"> - 1 Lane in each direction - Partial striping, sidewalks, and shoulder east of Balboa St - Clear striping, sidewalks, and shoulder west of Balboa St - Presence of driveways - Topography: Flat - Adjacent Infrastructure: residential, civic & institutional, park
Lillyhill Dr	Parkway Dr	Clary Dr	0.77	30 MPH	No	Yes	Good	<ul style="list-style-type: none"> - Partial striping and sidewalks, no shoulder - Wider roadway with on-street parking on both sides of the road between Bailey Ave and Clary Dr - Presence of driveways - Topography: moderate horizontal curves, occasional vertical dips - Adjacent Infrastructure: residential on Lillyhill
Clary Dr & Victory Dr	Lillyhill Dr	E Broadway St	1.38	None (within these limits)	No	Partial	Good	<ul style="list-style-type: none"> - 1 Lane in each direction - No clear striping, shoulder or sidewalks on Victory Dr - Partial sidewalks, wider unmarked lanes north of Calle Hernandez Rd - Presence of driveways - Topography: flat, moderate horizontal curves - Adjacent Infrastructure: sparse residential, civic & institutional
E Broadway St/US Hwy 95	Five Mile Rd	Needles Fwy	4.04	40 MPH	No	None	Good	<ul style="list-style-type: none"> - 1 Lane in each direction - Clear striping, sufficient dirt shoulders - Moderate horizontal curves - Topography: Mostly flat with occasional dips - Adjacent Infrastructure: Little to none south of E Spikes Rd, some industrial & residential north of E Spikes Rd
Five Mile Rd	E Broadway St/US Hwy 95	West City Limits	0.35	None (within these limits)	No	None	Good	<ul style="list-style-type: none"> - 1 Lane in each direction - No clear roadway markings/stripping or shoulder - Topography: Mostly flat with one slight dip - Adjacent Infrastructure: None
Total Distance of Proposed OHMV Routes: <u>9.50 Miles</u>								

*Limited Findings

Roadway Classification

	Minor Arterial
	Major Collector
	Local Roadway





Table 2: Additional Justification & Details of Proposed Segments

Street Name	From	To	Posted Speed Limit Sign	Justification/Benefits	Additional Considerations/Requirements
Eagle Pass Rd	Slightly Past El Monte Dr	S L St	None	<ul style="list-style-type: none"> Provides connectivity to all three existing OHMV routes in the City of Needles (See Table 3 for existing OHMV routes in the City)	<ul style="list-style-type: none"> Will require an additional posted speed limit sign of 35 MPH specific to OHMV vehicles (As per Cal. Veh. Code § 38026.2 (5), provided in Attachment A.)
J St	Parkway Dr	Front St	30 MPH	<ul style="list-style-type: none"> Provides connectivity to all three existing OHMV routes in the City of Needles 	None
Lillyhill Dr	Parkway Dr	Clary Dr	30 MPH	<ul style="list-style-type: none"> Provides connectivity from residences and lodging facilities to OHMV routes #1, #2, and #3 	None
Clary Dr & Victory Dr	Lillyhill Dr	E Broadway St	None (within these limits)	<ul style="list-style-type: none"> Provides connectivity from residences and lodging facilities to OHMV route #3 	<ul style="list-style-type: none"> Will require an additional posted speed limit sign of 35 MPH, specific to OHMV vehicles (As per Cal. Veh. Code § 38026.2 (5))
E Broadway St/US Hwy 95	Five Mile Rd	Needles Fwy	40 MPH	<ul style="list-style-type: none"> Provides connectivity to the Eagle Pass OHMV route in the City of Needles 	<ul style="list-style-type: none"> Will require an additional posted speed limit sign of 35 MPH, specific to OHMV vehicles (As per Cal. Veh. Code § 38026.2 (5))
Five Mile Rd	E Broadway St/US Hwy 95	West City Limits	None (within these limits)	<ul style="list-style-type: none"> Provides connectivity to the Eagle Pass OHMV route in the City of Needles 	<ul style="list-style-type: none"> Will require an additional posted speed limit sign of 35 MPH, specific to OHMV vehicles (As per Cal. Veh. Code § 38026.2 (5))

See the subsequent pages for supporting tables, figures, and attachments referenced in the above table.

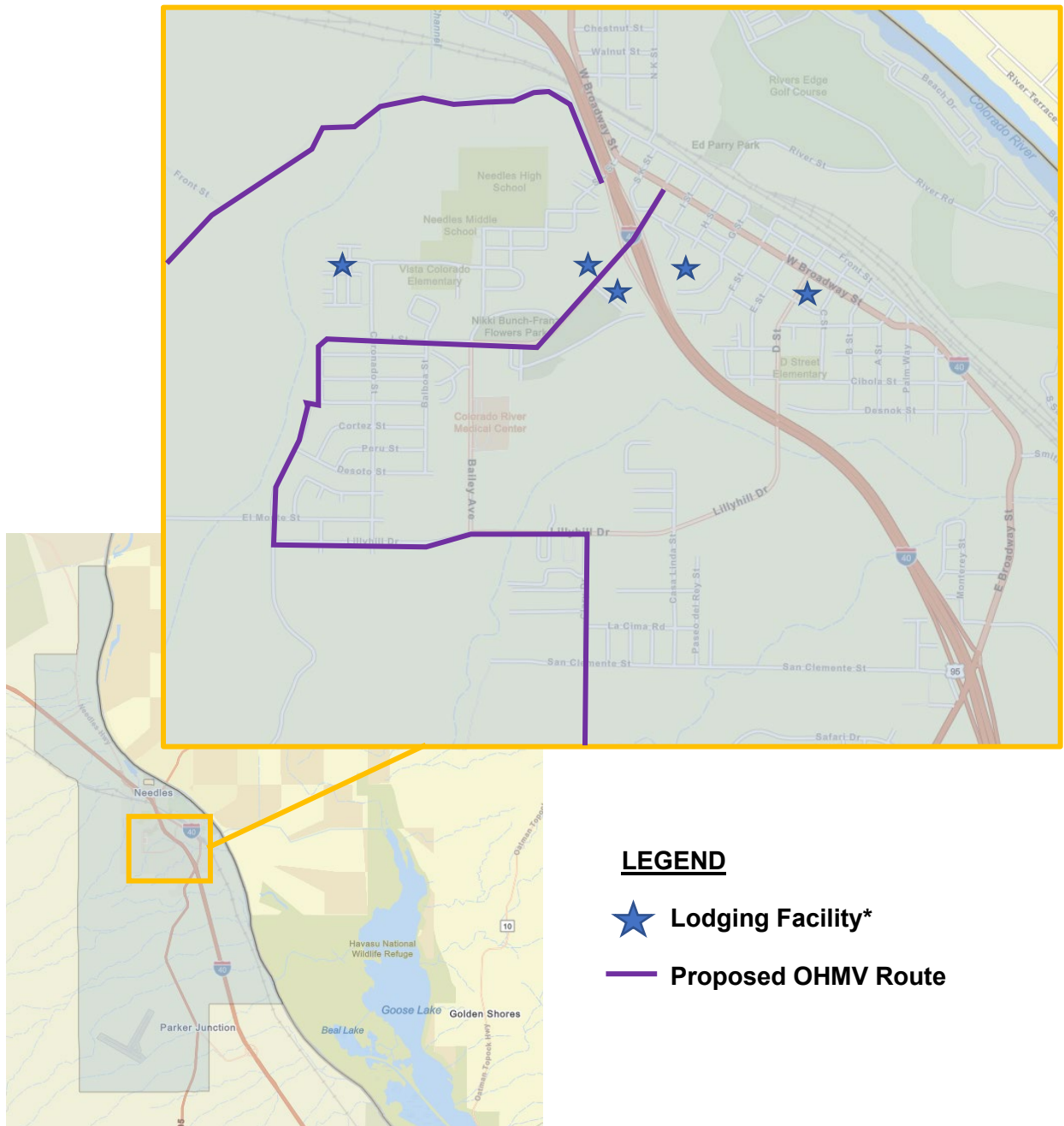


Figure 2: Existing Lodging Facilities in the Vicinity of Proposed OHMV Routes

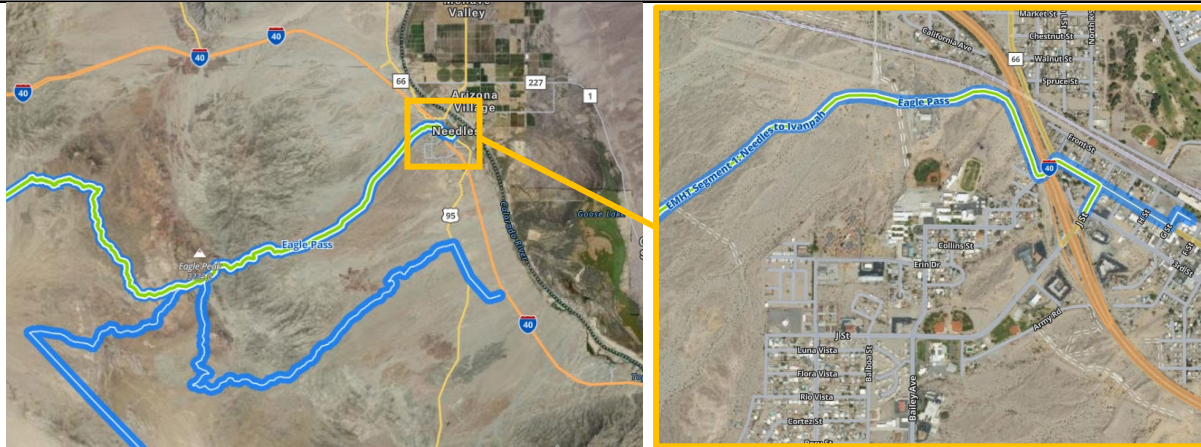
** Includes Motel 6, Days Inn & Suites, Econo Lodge, Santiago Coronado Village, and Quality Inn*





Table 3: Existing OHMV Routes in the City of Needles

1. EMHT Segment 1: Needles to Ivanpah



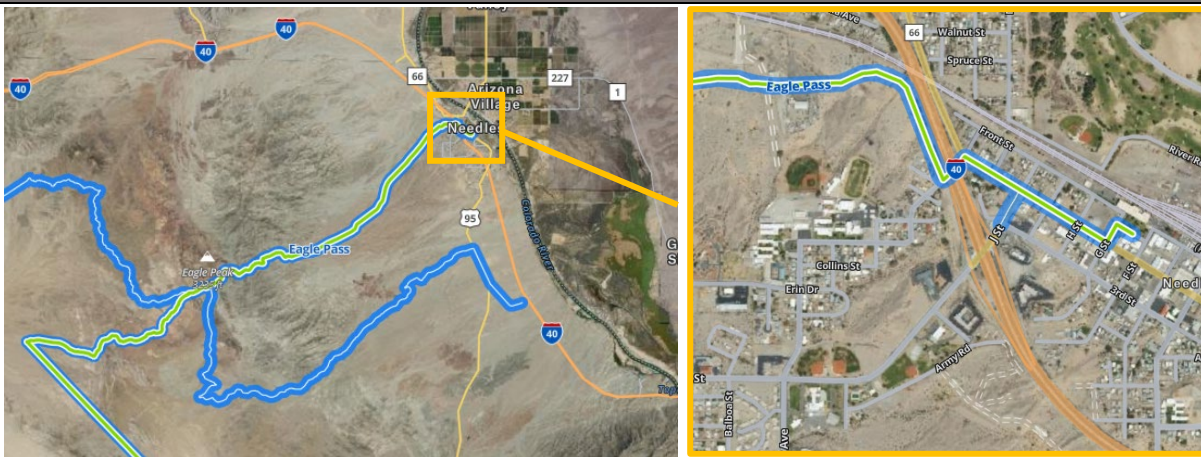
Accessible By



High
Clearance
4x4

Image Source: <https://www.onxmaps.com/offroad/trails/us/california/emht-segment-1-needles-to-ivanpah>

2. EHTM Segment 4: Fenner to Needles



Accessible By



SxS



High
Clearance
4x4

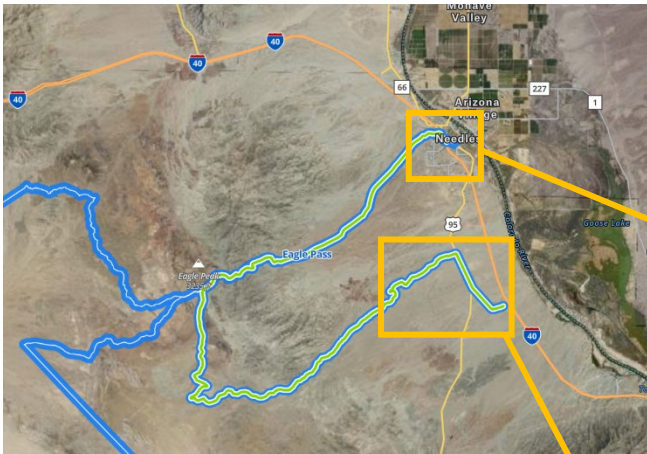


SUV

Image Source: <https://www.onxmaps.com/offroad/trails/us/california/emht-segment-4-fenner-to-needles>



3. Eagle Pass



Accessible By



Dirt Bike



ATV



SxS



High
Clearance
4x4

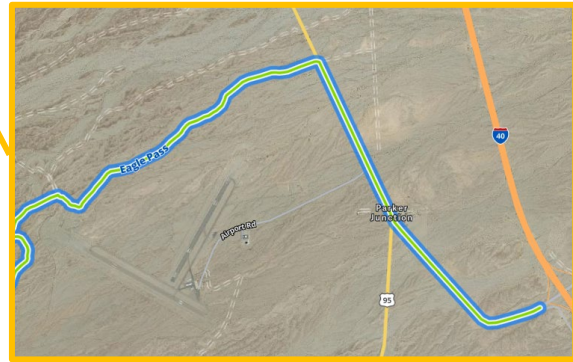


Image Source: <https://www.onxmaps.com/offroad/trails/us/california/eagle-pass>



Attachment A: **California Vehicle Code - § 38026.2**



- (a) Except as provided in subdivision (e), the City of Needles may establish a pilot project to designate combined-use highways on roads in the city for no more than 10 miles so that the combined-use highways can be used to link existing off-highway motor vehicle trails and trailheads on federal Bureau of Land Management or United States Forest Service lands, and to link off-highway motor vehicle recreational-use areas with necessary service and lodging facilities, in order to provide a unified system of trails for off-highway motor vehicles, preserve traffic safety, improve natural resource protection, reduce off-highway vehicle trespass on private land, and minimize impacts on city residents.
- (b) A pilot project established pursuant to this section shall do all of the following:
- 1) Prescribe a procedure for highway, road, or route selection and designation. The procedure shall be approved by a vote of a majority of the city council.
 - 2) Prescribe a procedure for the city to remove a combined-use designation, including a designation that is removed as a result of the conclusion of the pilot program.
 - 3) In cooperation with the Department of Transportation, establish uniform specifications and symbols for signs, markers, and traffic control devices to control off-highway motor vehicles, including, but not limited to, all of the following:
 - a) Devices to warn of dangerous conditions, obstacles, or hazards.
 - b) Designations of the right-of-way for regular vehicular traffic and off-highway motor vehicles.
 - c) A description of the nature and destination of the off-highway motor vehicle trail.
 - d) Warning signs for pedestrians and motorists of the presence of off-highway motor vehicle traffic.
 - 4) Require that off-highway motor vehicles subject to the pilot project meet the safety requirements of federal and state law regarding proper drivers' licensing, helmet usage, and the requirements specified in Section 38026.5.
 - 5) Prohibit off-highway motor vehicles from traveling faster than 35 miles per hour on highways designated under this section.
 - 6)
 - a) Prohibit a combined-use highway road segment designated under this section from exceeding 10 miles.
 - b) Notwithstanding subparagraph (A), two or more combined-use highway road segments may share a common starting point or ending point and may partially overlap as long as the resulting network of the highway road segments does not include more than three distinct locations of shared starting or ending points, or both.
 - 7) Include an opportunity for public comment at a public hearing held by the city in order to evaluate the pilot project.
- (c) A pilot project established pursuant to this section may include use of a state highway, subject to the approval of the Department of Transportation, or any crossing of a highway designated pursuant to Section 38025.
- (d)
- 1) By selecting and designating a highway for combined use pursuant to this section, the city agrees to defend and indemnify the state against any and all claims, including legal



defense and liability arising from a claim, for any safety-related losses or injuries arising or resulting from use by off-highway motor vehicles of a highway designated as a combined-use highway by the city council pursuant to this section.

2) This subdivision does not alter the requirements of subdivision (e).

(e) The city shall not designate a highway for combined use pursuant to this section unless the Commissioner of the Department of the California Highway Patrol finds that designating the highway for combined use would not create a potential traffic safety hazard.

(f)

1) Not later than January 1, 2027, the City of Needles, in consultation with the Department of the California Highway Patrol, the Department of Transportation, and the Department of Parks and Recreation, shall prepare and submit to the Legislature a report evaluating the pilot project, and containing all of the following:

a) A description of the road segments designated to allow combined use for over three miles, as approved or adopted by a majority vote of the members of the City of Needles city council.

b) An evaluation of the overall safety and effectiveness of the pilot project, including its impact on traffic flows, safety, off-highway vehicle usage on existing trails, incursions into areas not designated for off-highway vehicle usage, and nonmotorized recreation.

c) A description of the public comments received at a public hearing held by the city in regards to an evaluation of the pilot project.

2) On or before January 1, 2027, the City of Needles, in consultation with the entities listed in paragraph (1), shall prepare and submit a report to the Legislature that includes the information specified in paragraph (1).

(g) On or before January 1, 2027, the City of Needles, in consultation with the Department of Fish and Wildlife and the Mojave Desert Air Quality Management District, shall prepare and submit a report to the Legislature on the operation and impacts of the combined-use highways designated pursuant to this section, and the portions of any adjoining trails in close proximity to those highways, including impacts to neighboring lands affected by the system, if any. The report shall include the latest available information, including, but not limited to, impacts on cultural resources and archaeological sites, streambed modifications and water quality impacts, impacts on protections for wildlife and aquatic habitat, native plants, and wildlife, traffic, particulate pollution, and noise.

(h)

1) The reports submitted pursuant to subdivisions (f) and (g) shall be submitted in compliance with Section 9795 of the Government Code.

2) This section shall remain in effect only until January 1, 2028, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2028, deletes or extends that date.

Ca. Veh. Code § 38026.2

Added by Stats 2022 ch 185 (AB 2152), s 4, eff. 1/1/2023.



4. EARTH DAY COMMUNITY CLEAN UP

SPRING INTO ACTION

TWO LOCATIONS

Community Cleanup Day

Jack Smith Park | 1001 River Rd.

&

J Street | Nikki Bunch Fields

Saturday, April 20, 2024

7 AM - 8 AM

Join your friends and neighbors as we work together to clean our community. No registration required.

The City will provide bags, pickers and gloves!



cityofneedles.com

5. BOB BELT'S BEACH PARK



5. BOB BELT'S BEACH PARK



5. BOB BELT'S BEACH PARK



6. JACK SMITH PARK



6. JACK SMITH PARK





MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: April 12, 2024

1. This past weekend marked a landmark celebration for the Needles Rodeo Association with its 46th Annual Colorado River Round Up. Capturing the essence of the Tri-State region's spirit and heritage, the event set a new attendance record with 3,000 guests and enhanced the festivities by introducing food trucks for the first time. We were thrilled to feature local culinary favorites, Foodini's and River Sippin, enriching the experience for everyone involved. The steadfast support from our volunteers, supporters, and the entire Tri-State community continues to be the backbone of this event's success. More than just a rodeo, the Round-Up is a dynamic hub for the community to come together and celebrate our shared heritage and values. Please refer to the attached photos for a closer look at the festivities
2. On Thursday, April 11, 2024, the Housing Authority of the City of Needles (HACN) successfully convened a kick-off meeting with VA Loma Linda and key stakeholders to introduce the new HUD-VASH program, which will begin in May. Representatives from San Bernardino County Aging and Adult Services, VA Loma Linda, Nations Finest, and Billet Health discussed the implementation of this important initiative.

HACN is collaborating closely with Nations Finest, a dedicated organization that supports low-income veterans who are homeless or at risk of homelessness. This partnership focuses on helping veterans secure and maintain sustainable, permanent housing through comprehensive case management and temporary financial assistance.

For immediate assistance or to start the intake process, the public can contact Khristina at Nations Finest at (928) 615-4965 or HACN staff at (760) 326-3222. See attached flyer for additional information.

3. The recent rainfall in Needles has exacerbated the condition of our aging roadways, increasing potholes throughout the area. City Staff has quickly **mobilized this**

week, implementing temporary repairs to address these new challenges. These measures will ensure road safety until permanent repairs can be made. We encourage residents to report any potholes by contacting the City of Needles billing office at 760-326-2115, pressing #9, or using the convenient Needles Connect app. Please reach out with any concerns or to report issues as we work together to enhance our community's roads. The attached photos show the ongoing work, showcasing our commitment to maintaining and improving our infrastructure.

4. On **Friday, April 12, 2024**, City Staff has commissioned a company to rekey the historic El Garces Train Depot, initially built in 1908. The City purchased the building in 1999 and reopened it as the El Garces Intermodal Transportation Facility in 2014. This is the first time the building has been rekeyed since the City opened its doors in 2014. Named after Francisco Garces, a Spanish missionary who surveyed the area in the 1770s, this structure served as both a Harvey House and an ATSF station. Known as the "Crown Jewel" of the Harvey House network, El Garces was among the first train stations constructed from concrete. It was added to the National Register of Historic Places in 2002. El Garces houses the Needles Area Transit, Needles Desert Star, the Needles Chamber of Commerce and Visitor Center, and an Amtrak station today. Please see the attached photos for a view of the work being completed.
5. The Animal Shelter City Staff is thrilled to announce two upcoming Spay/Neuter Clinic events **on April 12-13, 2024**. We are deeply grateful to honor the memory of the late Kippy Poulson, a devoted Needles resident whose generous legacy donation makes the April 12th clinic accessible free of charge to all Needles residents. Regrettably, both clinics are now fully booked. These clinics will be expertly led by Dr. Angelina Beeks, DVM of Angel's Touch Mobile Veterinary Unit, who has been a cherished collaborator since April 2022. Our bi-annual spay/neuter clinics are integral to our ongoing commitment to promoting animal welfare in the community. For more information, please visit the city's [website](#) or call us at (760) 326-4952 press #9. See attached photos and flyers for further information.
6. Vandalism, including graffiti and damage to public property, costs the City of Needles thousands of dollars annually. To address this, the City promptly repairs any damage and reports incidents to law enforcement for prosecution. In 2019, the City Council strengthened our commitment to protecting public and private properties by passing Ordinance No. 624-AC, which amended the Municipal Code to enhance enforcement against vandalism and defacement. This includes graffiti on both privately and publicly owned walls and structures. If you witness vandalism, please report it to the **San Bernardino County Sheriff's Office by calling (909) 387-8313**. Additionally, contact (760) 326-2115 for graffiti removal or use the convenient Needles Connect app, available for Android and Apple devices (see attached Needles Connect download instructions for more details).
7. The Needles Animal Shelter is home to many loving pets eager to become a cherished part of your family. We are dedicated to enhancing the quality of life for all animals in our community through our adoption program. If you're considering

adding a furry friend to your home, the adoption fee is just \$60. We invite you to contact the Needles Animal Shelter at 760-326-4952 from 8 AM to 2 PM, Monday through Friday, to learn more about our adoption process or to schedule a visit. Please see the attached photos of a delightful new batch of puppies awaiting their forever homes.

8. IMPORTANT DATES:

- **Community Cleanup event** is scheduled for **April 20, 2024, at 7 am**, in honor of Earth Day. Owing to its success over the years, we've expanded the initiative to include two cleanup sites this year: Jack Smith Park (1001 River Road) and J Street/Nikki Bunch Fields. There's no need to register; everyone is invited to join the effort. The City will supply bags, pickers, and gloves for participants.
- **The Grand Opening ribbon cutting ceremony** of Needles' newest business, The Painted Butterfly. Hosted by the Chamber of Commerce, this exciting event is scheduled for **April 24, 2024, from 2 to 4 PM**, at 537 Front Street. Come celebrate the launch of this vibrant new addition to our community!
- **The Lily Hill ribbon-cutting ceremony** for the newly renamed William "Bill" M. Claypool III Booster Station, formerly known as the Lily Hill Water Booster Station, is set for **April 25, 2024, at 9:30 AM**. The event will take place on the southeast corner of Lily Hill and Clary Drive. This renaming by the City Council in October 2023 honors William "Bill" M. Claypool III's contributions. Join us to commemorate this special occasion.
- **The JSP dedication ceremony** for the newly named Marilyn Hohstadt Mathews Trail at Jack Smith Park (JSP) is scheduled for **April 30, 2024, at 9:30 AM**. This event will take place at 1000 River Rd, Needles, CA 92363. The City Council has honored Marilyn Hohstadt Mathews by dedicating the new walking trail at JSP in her name. Join us to celebrate this special occasion!

1. 46TH ANNUAL COLORADO RIVER ROUND UP RODEO



1. 46TH ANNUAL COLORADO RIVER ROUND UP RODEO



1. 46TH ANNUAL COLORADO RIVER ROUND UP RODEO



1. 46TH ANNUAL COLORADO RIVER ROUND UP RODEO



2. VASH PROGRAM



Hours of Operation Monday Through Friday

8:00 A.M. until 5:00 P.M

Located at 1343 Hancock Rd. Bullhead City, AZ 86442

WHAT OUR SSVF PROGRAM DOES:

Our program assists low-income veterans that are homeless or at risk of becoming homeless, obtain and/or keep sustainable permanent housing through case management and temporary financial assistance.

WHERE WE SERVE:

We assist those in Kingman, Lake Havasu, Bullhead City, and any other surrounding areas in Mohave County, as well as those in Laughlin, NV.

HOW YOU CAN REACH US:

Please call the Case Manager located in your area to make an appointment*

OR stop by our office at 1343 Hancock Rd. Bullhead City, AZ.

*For appointments Monday through Thursday in the **Kingman area** please call:
(928) 440-6408; ask for Jessica or (928) 216-5208; ask for Mack

*For appointments on Monday, Tuesday, Thursday, and Friday in the **Lake Havasu** area please call:
(928) 615-4965; ask for Khristina

*For appointments Monday through Thursday in the **Laughlin, NV & Bullhead City** area please call:
(928) 362-0689; ask for Lauren or (928) 223-7362; ask for Justin

Find more about us at www.nationsfinest.org

3. POTHOLE REPAIRS



4. EL GARCES REKEY



5. ANIMAL SHELTER





SPAY/NEUTER CLINIC FOR TRI-STATE AREA

SATURDAY, April 13th, 2024

NEEDLES ANIMAL SHELTER
1662 FLIP MENDEZ PKWY
NEEDLES, CA 92363
(760)326-4952

SERVICES PROVIDED BY:

ANGEL'S TOUCH MOBILE VETERINARY UNIT
DR. ANGELINA BEEKS DVM

Must have an appointment and fill out an application

*MUST FILL OUT A SPAY/NEUTER APPLICATION (available at the Needles Animal Shelter) and turn in on or before 03/29/2024.

*\$50.00 DEPOSIT IS REQUIRED AT TIME APPLICATION IS RECEIVED AND APPOINTMENT IS SCHEDULED

-NON-REFUNDABLE IF CANCEL OR NO SHOW

-\$50.00 DEPOSIT WILL GO TOWARDS SPAY/NEUTER ON DAY OF SERVICES

PLEASE CALL THE SHELTER FOR PRICES AND ALL QUESTIONS



FREE SPAY/NEUTER CLINIC



April 12th 2024

Needles Animal Shelter

1662 Flip Mendez Parkway

Needles, CA 92363

(760)326-4952

Services provided by:

Angel's Touch Mobile

Veterinary Clinic

Dr. Angelina Beeks

!THIS FREE CLINIC IS FOR NEEDLES RESIDENTS ONLY!

The City of Needles Animal Shelter received a generous donation from a longtime Needles resident Kippy Poulson. The donation will be used to cover the costs of the spay/neuter of cats and dogs in the city of Needles.

Must have an appointment and fill out an application.

*MUST FILL OUT A SPAY/NEUTER APPLICATION (available at the Needles Animal Shelter) and turn in on or before 03/29/2024.

*MUST ATTACH ONE OF THE FOLLOWING TO PROVE RESIDENCY WITHIN THE CITY OF NEEDLES (utility bill, drivers license, or government issued photo ID)

*DOGS MUST HAVE VALID CITY LICENSE

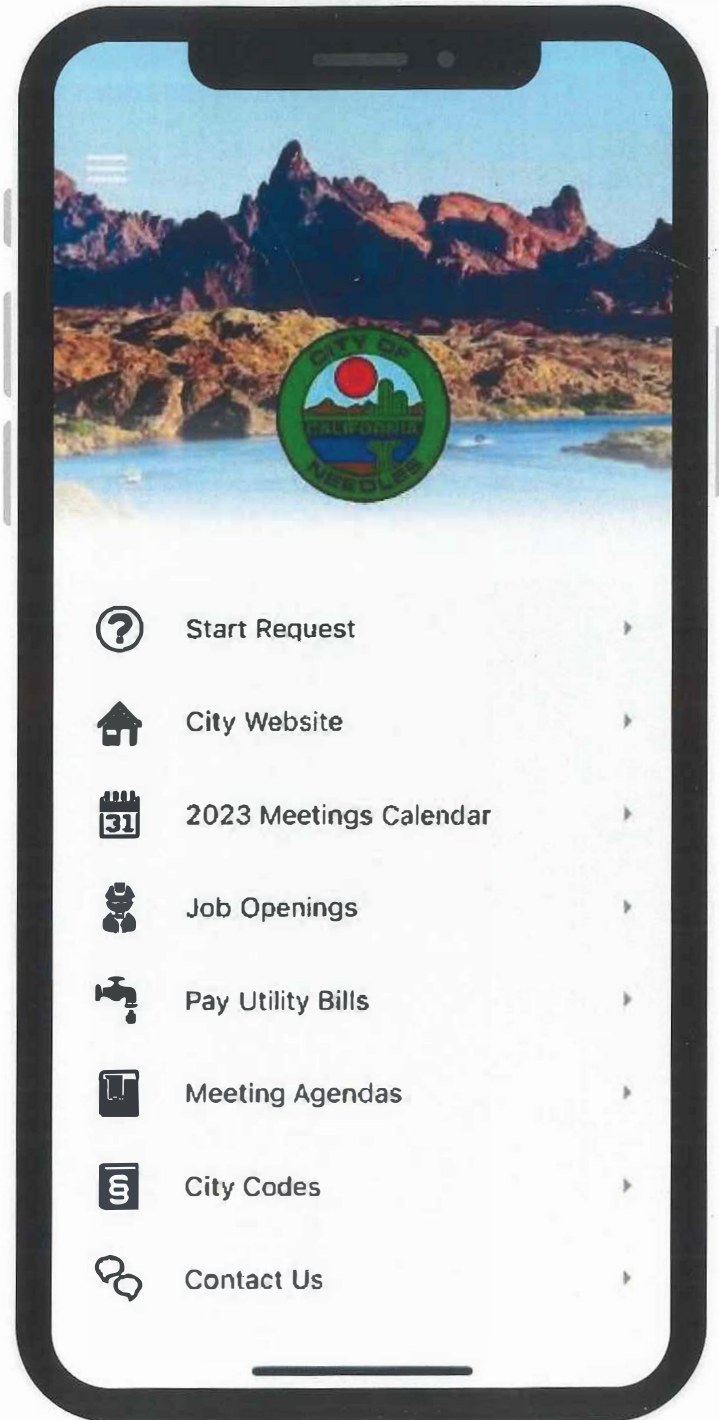
*NOT ELIGIBLE TO NEEDLES RESIDENTS THAT HAVE PARTICIPATED IN PREVIOUS FREE SPAY/NEUTER CLINICS

Download Needles Connect

- Access Information
- View latest Updates
- Receive Notifications
- And more...



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7. ADOPTION

