



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

## AGENDA

REGULAR MEETING OF THE HOUSING COMMISSION  
CITY OF NEEDLES, CALIFORNIA  
WEDNESDAY, MARCH 26, 2025 AT 4:00 PM  
EL GARCES - 950 FRONT STREET, NEEDLES

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**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](mailto:cclark@cityofneedles.com)**

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

**If asked, enter the following: Meeting ID: 972 249 787#  
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 972 249 787#  
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.

### PUBLIC HEARING

1. Adopt Housing Commission Resolution No. 03-26-2025 HC, recommending that the Needles Housing Authority Board of Commissioners approve and adopt the Five-Year Plan (FY 2025–2029) for the Housing Authority of the City of Needles (HACN). (ACT)
  - Staff Report
  - Commission questions of staff
  - Chair to open the public hearing
  - Public Comment
  - Chair to close the public hearing
  - Commission Discussion / Deliberation
  - Adopt Housing Commission Resolution No. 03-26-2025 HC, recommending that the Needles Housing Authority Board of Commissioners approve and adopt the Five-Year Plan (FY 2025–2029) for the Housing Authority of the City of Needles (HACN).

### REGULAR ITEMS

2. Housing Authority City of Needles Update (INF)
3. Approve the Minutes of February 26, 2025 (ACT)
4. Housing Authority of the City of Needles financial audit report for the fiscal year ended June 30, 2024. (INF)

## **COMMISSIONER REQUESTS**

### **CITY MANAGER REPORT**

[City](#) Manager's Reports for the weeks of March 7 and March 14, 2025

### **ADJOURNMENT**

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

**Posted: March 21, 2025**

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 Deermer, 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 21st day of March, 2025

/s/ Candace Clark, CPMC, CMC, Interim City Clerk



## City of Needles, California Request for Commission Action

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☐ CITY COUNCIL ☒ HOUSING COMMISSION

☒ Regular ☐ Special

**Meeting Date:** March 26, 2025

**Title:** Housing Commission Resolution No. 03-26-2025 HC  
A Resolution of the Housing Commission of the Needles Housing Authority Recommending that the Needles Housing Authority Board of Commissioners Approve and Adopt the Five-Year Plan and Annual Agency Plan (2025-2029) for the Housing Authority of the City of Needles (HACN)

**Background:** The Housing Authority of the City of Needles (HACN) is required to submit a Five-Year Plan and Annual Agency Plan to the U.S. Department of Housing and Urban Development (HUD) by April 17, 2025. This plan, submitted on HUD Form 50075-5Y, outlines HACN's mission, goals, and strategic priorities for serving low-income, very low-income, and extremely low-income families.

The development of this plan has been conducted in compliance with federal regulations (24 CFR Part 903) and includes engagement from the Resident Advisory Board (RAB), public housing residents, and community stakeholders. RAB meetings were held on February 14 and March 14, 2025, where feedback and recommendations were received and incorporated into the draft plan.

A public hearing is scheduled for March 26, 2025, at 4:00 PM during the regularly scheduled Housing Commission meeting at El Garces. A second hearing is scheduled before the Needles Housing Authority Board of Commissioners on April 8, 2025, at 6:00 PM, contingent on Commission recommendation. The final plan will then be submitted to HUD by the statutory deadline of April 17, 2025

The HACN Five-Year Plan and Annual Agency Plan (2025-2029) sets the following priorities:

### **A. Strategic Goals**

- **Expand Housing Opportunities:**
  - Maintain an open public housing waitlist
  - Increase participation in the Housing Choice Voucher (HCV) Program through landlord outreach
  - Leverage regional partnerships to address housing needs
- **Promote Self-Sufficiency:**
  - Support workforce development and financial literacy
  - Advance Family Self-Sufficiency (FSS) programming
- **Preserve and Modernize Affordable Housing:**
  - Execute a phased modernization strategy for aging infrastructure based on the **Physical Needs Assessment (PNA)**
  - Replace roofs, upgrade HVAC systems, resurface parking lots, and improve curb appeal
  - Interior upgrades (kitchens, bathrooms) planned over 10–20 years
- **Ensure Fair and Equal Access to Housing:**
  - Continue ADA compliance
  - Implement strategies consistent with the Violence Against Women Act (VAWA)
  - Prevent housing discrimination and affirmatively further fair housing

## B. Energy and Utility Efficiency

- Results from the **Energy Audit (EA)** show strong performance: LED lighting, efficient heat pumps, and water-saving fixtures already in place
- Utility allowances have been updated to reflect actual consumption and rate increases

## C. Capital Fund Program (CFP) 5-Year Action Plan

Fiscal Year	Capital Investment	Description
2025-2029	\$560,000	Roofs, fencing, mailboxes, HVAC prep, Continued maintenance and ADA enhancements Planning reserve for future infrastructure needs

**Fiscal Impact:** The proposed improvements are estimated at \$3.6 million over 20 years, with funding anticipated through HUD Capital Fund Program (CFP) grants. HACN will also seek additional state and federal housing grants to supplement future work

**Environmental Impact:** No adverse environmental impacts are expected. Work will comply with HUD environmental review and NEPA guidelines.

### Public Engagement and Legal Notice:

The public has been notified per federal requirements:

- Legal notices were published on January 15, 2025
- RAB meetings held in February and March 2025
- Public hearings scheduled on March 26 (Housing Commission) and April 8 (City Council)

### Attached Exhibits:

Exhibit A: Five-Year and Annual Agency Plan 2025-2029

Exhibit B: Five-Year and Annual Agency Plan PowerPoint

**Recommended Action:** Adopt Housing Commission Resolution No. 03-26-2025 HC, recommending that the Needles Housing Authority Board of Commissioners Approve and Adopt the Five-Year Plan and Annual Agency Plan (2025-2029) for the Housing Authority of the City of Needles (HACN)

**Submitted By:** Angelica Deerner, HACN Housing Manager

**City Manager Approval:** Patrick J. Martinez

**Date:** 3/20/2025

**Other Department Approval (when required):** \_\_\_\_\_

**Date:** \_\_\_\_\_

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐



<b>5-Year PHA Plan (for All PHAs)</b>	<b>U.S. Department of Housing and Urban Development Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226 Expires 09/30/2027</b>
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**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals, and objectives for serving the needs of low-income, very low-income, and extremely low-income families.

**Applicability.** The Form HUD-50075-5Y is to be completed once every 5 PHA fiscal years by all PHAs.

<b>A.</b>	<b>PHA Information.</b>														
<b>A.1</b>	<p><b>PHA Name:</b> Housing Authority of the City of Needles <b>PHA Code:</b> CA022  <b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): 07/2025  <b>The Five-Year Period of the Plan (i.e., 2019-2023):</b> 2025-2029  <b>Plan Submission Type</b> <input checked="" type="checkbox"/> 5-Year Plan Submission <input type="checkbox"/> Revised 5-Year Plan Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p><b>How the public can access this PHA Plan:</b> The proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public, at our office located at 908 Sycamore Drive, Needles, CA 92363-3131.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below.)</p> <table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) in the Consortia</th> <th rowspan="2">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV						
Participating PHAs	PHA Code					Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program							
		PH	HCV												
<b>B.</b>	<b>Plan Elements. Required for all PHAs completing this form.</b>														
<b>B.1</b>	<p><b>Mission.</b> State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years.</p> <p>The Needles Housing Authority aims to provide safe, quality and affordable housing in a suitable living environment without discrimination for low and very-low income families, persons with disabilities or the elderly and to promote self-sufficiency through economic opportunity.</p>														
<b>B.2</b>	<p><b>Goals and Objectives.</b> Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low-income, and extremely low-income families for the next five years.</p> <p>See attached Goals and Objectives</p>														
<b>B.3</b>	<p><b>Progress Report.</b> Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.</p> <p>The NHA has been able to maintain its mission to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through the utilization of the Capital Fund Program and the proper application of our public housing policies. We are continuing to address public housing vacancies very aggressively and our PHAS scores indicate that other operational issues are being satisfactorily addressed. Capital Funds have been utilized to provide modernization of our properties and our FY 2025 application will continue that effort. The NHA created and continues to facilitate self-sufficiency programs to improve resident employability as well as solicit support services for the elderly and families with disabilities. We are confident that the NHA will be able to continue to meet and accommodate all our goals and objectives in FY 2025. The NHA has updated its physical needs assessment to determine its modernization requirements and has developed an Annual and 5-year Action Plan to address its Capital Improvements. The NHA has no plans to demolish or dispose of any of its properties. The NHA has jointly addressed with the local police department to develop safety and crime prevention that adequately meets the needs of its residents. The following language has been incorporated into both the ACOP and Section 8 Administration Plan. The NHA shall not deny admission to any applicant on the basis that the applicant is or has been</p>														

	a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission. The NHA has developed relationships with local agencies to assist non-English speaking applicants through the application, lease-up, and move-in process. The NHA has certified that it has and will continue to adhere to all Civil Rights requirements and will affirmatively further fair housing. In addition, the NHA has included a copy of its most recent fiscal year audit reports as part of the documentation made available for public review during the 45 days prior to submission of NHA's Agency Plan to HUD by April 17, 2025. The NHA will explore its opportunities under the HUD "Repositioning" options and develop those that are most advantageous.
B.4	<p><b>Violence Against Women Act (VAWA) Goals.</b> Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.</p> <p>The goals of Needles Housing Authority's (NHA) VAWA policy are to reduce domestic violence, dating violence, and stalking and to prevent homelessness by: -Protecting the safety of victims; -Creating long-term housing solutions for victims; -Building collaborations among victim providers; and -Assisting the NHA to respond appropriately to the violence while maintaining a safe environment for NHA employees, residents, applicants, program participants and other program participants. -The policy will assist the Needles Housing Authority in providing rights under the Violence Against Women Act (VAWA) to its applicants, public housing residents, Housing Choice Voucher participants and other program participants. -This Policy has been incorporated into NHA's Admission and Continued Occupancy Policy and its Section 8 Housing Choice Voucher Administrative Plan and applies to all NHA housing programs.</p>
C.	<b>Other Document and/or Certification Requirements.</b>
C.1	<p><b>Significant Amendment or Modification.</b> Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan.</p> <p>See attached Significant Amendment</p>
C.2	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the 5-Year PHA Plan? Y <input type="checkbox"/> N <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations</p>
C.3	<p><b>Certification by State or Local Officials.</b></p> <p>Form HUD-50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
C.4	<p><b>Required Submission for HUD FO Review.</b></p> <p>(a) Did the public challenge any elements of the Plan? Y <input type="checkbox"/> N <input checked="" type="checkbox"/></p> <p>(b) If yes, include Challenged Elements.</p>
D.	<b>Affirmatively Furthering Fair Housing (AFFH).</b>
D.1	<p><b>Affirmatively Furthering Fair Housing.</b> (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)</p> <p>Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p>

**Form identification:** CA022-Housing Authority of the City of Needles form HUD-50075-5Y (Form ID - 2425) printed by Nekiaye Tolbert in HUD Secure Systems/Public Housing Portal at 02/12/2025 10:08AM EST

## **Significant Amendment or Modification**

### **Substantial Deviation from the 5-Year Plan**

The Needles Housing Authority's Definition of Substantial Deviation and Significant Amendment or Modification is as follows:

- changes to rent or admissions policies or organization of the waiting list;
- additions of non-emergency work items (items not intended in the current 5-Year Action Plan); and
- any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

### **Significant Amendment or Modification to the Annual Plan**

The Needles Housing Authority's Definition of Substantial Deviation and Significant Amendment or Modification is as follows:

- changes to rent or admissions policies or organization of the waiting list;
- additions of non-emergency work items (items not intended in the current Annual Statement); and
- any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

## **B.2 GOALS AND OBJECTIVES**

**HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

*NHA Goal: Expand the supply of assisted housing*

Objectives:

Apply for additional rental vouchers when available

Reduce public housing vacancies

*NHA Goal: Improve the quality of assisted housing*

Objectives:

Improve public housing and voucher management

Renovate or modernize public housing units

*NHA Goal: Increase assisted housing choices*

Objectives:

Conduct outreach efforts to potential voucher landlords

**HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

*NHA Goal: Promote self-sufficiency and asset development of assisted households*

Objectives:

Provide or attract supportive services to improve assistance recipients' employability

Provide or attract supportive services to increase independence for the elderly or families with disabilities

**HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans**

*NHA Goal: Ensure equal opportunity and affirmatively further fair housing*

Objectives:

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability

Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability

Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required

### **Other NHA Goals and Objectives:**

- A. Provide decent, safe and affordable housing for Needles.
- B. Insure equal opportunity in housing for everyone.
- C. Promote self-sufficiency and asset development of financially disadvantaged families and individuals.
- D. Improve community quality of life and economic vitality.
- E. Increase resident participation through resident council and/or advisory committee.
- F. Provide timely response to resident requests for maintenance problems.
- G. Return vacated units with new residents within 15 days.

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Status: Draft

Approval Date:

Approved By:

<b>Part I: Summary</b>						
PHA Name : Housing Authority of the City of Needles		Locality (City/County & State)				
PHA Number: CA022		<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revised 5-Year Plan (Revision No: )				
A.	Development Number and Name	Work Statement for Year 1 2025	Work Statement for Year 2 2026	Work Statement for Year 3 2027	Work Statement for Year 4 2028	Work Statement for Year 5 2029
	AUTHORITY-WIDE	\$112,000.00	\$112,000.00	\$112,000.00	\$112,000.00	\$32,000.00
	NEEDLES HSG AUTHORITY (CA022000001)					\$80,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 1 2025				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$112,000.00
ID0000016	Operations(Operations (1406))	Operations		\$112,000.00
	Subtotal of Estimated Cost			\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 2 2026				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$112,000.00
ID0000015	Operations(Operations (1406))	Operations		\$112,000.00
	Subtotal of Estimated Cost			\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 3 2027				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$112,000.00
ID000014	Operations(Operations (1406))	Operations		\$112,000.00
	Subtotal of Estimated Cost			\$112,000.00

Form HUD-50075.2(4/2008)



Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 4 2028				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$112,000.00
ID00000613	Operations(Operations (1406))	Operations		\$112,000.00
	Subtotal of Estimated Cost			\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 5 2029				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	NEEDLES HSG AUTHORITY (CA022000001)			\$80,000.00
ID0000011	Upgrade Security System(Non-Dwelling Interior (1480)-Security)	Upgrade Security System		\$80,000.00
	AUTHORITY-WIDE (NAWASD)			\$32,000.00
ID0000012	Operations(Operations (1406))	Operations		\$32,000.00
	Subtotal of Estimated Cost			\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part III: Supporting Pages - Management Needs Work Statements (s)	
Work Statement for Year I 2025	
Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Operations(Operations (1406))	\$112,000.00
Subtotal of Estimated Cost	\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part III: Supporting Pages - Management Needs Work Statements (s)	
Work Statement for Year 2 2026	
Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Operations(Operations (1406))	\$112,000.00
Subtotal of Estimated Cost	\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

<b>Part III: Supporting Pages - Management Needs Work Statements (s)</b>	
<b>Work Statement for Year</b> 3	2027
<b>Development Number/Name</b> <b>General Description of Major Work Categories</b>	<b>Estimated Cost</b>
Housing Authority Wide	
Operations(Operations (1406))	\$112,000.00
Subtotal of Estimated Cost	\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Part III: Supporting Pages - Management Needs Work Statements (s)	
Work Statement for Year	4 2028
Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Operations(Operations (1406))	\$112,000.00
Subtotal of Estimated Cost	\$112,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

<b>Part III: Supporting Pages - Management Needs Work Statements (s)</b>	
<b>Work Statement for Year</b> 5	2029
<b>Development Number/Name</b> <b>General Description of Major Work Categories</b>	<b>Estimated Cost</b>
Housing Authority Wide	
Operations(Operations (1406))	\$32,000.00
Subtotal of Estimated Cost	\$32,000.00

Form HUD-50075.2(4/2008)



# Housing Authority of the City of Needles 5 Year Plan FY2025-2029



## B.2 GOALS AND OBJECTIVES

- ❖ HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing. By keeping Public Housing Waiting List Open, Landlord Outreach for Housing Choice Voucher Programs and Continuous Regional and Community Partnerships.
- ❖ HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals
- ❖ HUD Strategic Goal: Ensure  
Equal Opportunity in  
Housing for all Americans
- ❖ Other HACN Goals and Objectives

## SIGNIFICANT AMENDMENT OR MODIFICATION

### Substantial Deviation from the 5-Year Plan and Annual Plan

The Needles Housing Authority's Definition of Substantial Deviation and Significant Amendment or Modification is as follows:

- Changes to rent or admissions policies or organization of the waiting list;
- Additions of non-emergency work items (items not intended in the current 5-Year Action Plan); and
- Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

# HACN 5 Year Plan 2025

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A **5-year plan** is a list of professional goals, that the HACN, Resident Advisory Board(RAD), Housing Committee and City Council collectively would like to achieve within the next five years. It often includes ambitions with specific timelines and measurements. The concept of a Five-Year is to guide economic development over a five-year period.

ENERGY AUDIT(EA)

Key Findings:

- All 52 units (CA 22-1 Public Housing) are **individually metered** for electricity, natural gas, water, and sewer.
- **Heating and Cooling:** Units have individual **heat pumps** that are well-maintained.
- **Lighting:** Almost all fixtures are LED, which already maximizes energy efficiency.
- **Water Conservation:** Flow restrictors are installed on all faucets; toilets are **1.6 gallons per flush**, and hot water is **regulated at 120°F**.
- **Solar Energy:** No existing solar applications, and installation is not financially feasible due to high upfront costs and long payback periods.

**Conclusion:** The Energy Audit found that the NHA has already implemented effective energy conservation measures, leaving no significant recommendations for additional improvements.

PHYSICAL NEEDS ASSESSMENT (PNA)

Key Findings:

- **Site Conditions:** Parking areas need **resurfacing and sealing** in coming years; gang mailboxes require **replacement**.
- **Building Envelope:** Roofs (last replaced in **2000**) are **aging** and will need **replacement within the next few years**.
- **Interiors:** Flooring, kitchens, and bathrooms will need **replacement within the next 10-20 years**.
- **Plumbing & Mechanical:** Water and sewer lines are in **fair condition** and should last another **15 years**; existing **heat pumps (installed in 2010)** will require **replacements as they age**.
- **Electrical:** Adequate site lighting; however, **doorbells should be installed at front and rear entry doors** for resident convenience and security.
- **ADA Compliance:** The development **meets accessibility requirements** under **Section 504**.

**Conclusion:** The Public Housing units (CA 22-1) are **structurally sound and viable for the long term**, but certain aging infrastructure components require phased modernization.

UTILITY ALLOWANCE ESTIMATE (UAE)

Key Findings:

- **Average Monthly Utility Costs per Unit:**
  - **1-Bedroom:** \$97
  - **2-Bedroom:** \$118
  - **3-Bedroom:** \$133
  - **4-Bedroom:** \$147
- **Utility Rate Adjustments:**
  - **Electricity:** Base service charge is **\$36.22/month**.
  - **Water:** Base charge is **\$48.86/month**.
  - **Sewer:** Flat rate of **\$52.85/month**.
  - **Trash & Recycling:** Combined monthly cost is **\$35.02**.
  - **Natural Gas:** Rates range from **\$1.72 to \$1.89 per therm**, depending on seasonal consumption.

**Conclusion:** The updated utility allowances align with current consumption and utility rates for Public Housing and Section 8.

Management Resource Group, Inc.

# Capital Fund Program-5 Year Action Plan

Capital Fund Program - Five-Year Action Plan  
Housing

U.S. Department of Housing and Urban Development  
Office of Public and Indian  
2577-0274

Status: Draft

Approval Date:  
By:

Approved

02/28/2022

Part I: Summary						
PHA Name : Housing Authority of the City of Needles		Locality (City/County & State) <input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revised 5-Year Plan (Revision No: )				
PHA Number: CA022						
A.	Development Number and Name	Work Statement for Year 1 2025	Work Statement for Year 2 2026	Work Statement for Year 3 2027	Work Statement for Year 4 2028	Work Statement for Year 5 2029
	AUTHORITY-WIDE	\$112,000.00	\$112,000.00	\$112,000.00	\$112,000.00	\$32,000.00
	NEEDLES HSG AUTHORITY (CA022000001)					\$80,000.00



# Resident Advisory Board (RAB) Capital Funds Allocation Comments:

---

- ❖ 1 Perimeter Fencing
- ❖ 2 Curb Appeal Yards
- ❖ 3 Curb Appeal Buildings
- ❖ 4 Update Playground
- ❖ 5 Update Kitchens
- ❖ 6 Update Bathrooms

# FINAL RECOMMENDATION AND NEXT STEPS

## Short-Term Actions (0-3 years):   Long-Term Actions (3-10 years):

- ❖ **Prioritize roof replacements** in CA 22-1 before failures occur.
- ❖ **Budget for HVAC (heat pump) replacements** over the next few years.
- ❖ **Improve security and resident convenience** by installing doorbells.
- ❖ **Resurface & seal parking areas** and replace gang mailboxes.
- ❖ **Plan for kitchen and bathroom replacements** within the next 10-20 years
- ❖ **Continue proactive maintenance** to extend the life of plumbing and mechanical systems.
- ❖ **Explore funding opportunities** for solar energy feasibility studies.

## Considerations:

- ❖ **\$3.6 million in total estimated costs** over 20 years means securing **Capital Fund Program (CFP) grants** will be critical.
- ❖ **Energy costs are rising**—keep monitoring **potential funding for energy-efficient upgrades** to reduce long-term operational expenses.
- ❖ **Aging HVAC Systems: Heat pumps will require phased replacements**, so budgeting for this now will help avoid emergency repair costs later.
- ❖ **Site Enhancements:** Investing in **landscaping and parking lot maintenance** would improve **aesthetics and property value**.
- ❖ **Roof Replacement:** Given the **2000 installation date**, replacing roofs **sooner rather than later** would prevent structural issues.



# Thank you

---

Angelica Deermer

760-326-3222

[adeermer@cityofneedles.com](mailto:adeermer@cityofneedles.com)

**RESOLUTION NO. 03-26-2025 HC**

**A RESOLUTION OF THE HOUSING COMMISSION OF THE NEEDLES HOUSING AUTHORITY RECOMMENDING THAT THE NEEDLES HOUSING AUTHORITY BOARD OF COMMISSIONERS APPROVE AND ADOPT THE FIVE-YEAR PLAN AND ANNUAL AGENCY PLAN (2025–2029) FOR THE HOUSING AUTHORITY OF THE CITY OF NEEDLES**

**WHEREAS**, the Housing Authority of the City of Needles (HACN) is required by federal statutes and regulations to adopt certain governing and operating policies for its Public Housing and Housing Choice Voucher (HCV) Programs; and

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) requires HACN to submit a Five-Year Plan and Annual Agency Plan to outline its mission, goals, and strategic priorities for serving low-income, very low-income, and extremely low-income families; and

**WHEREAS**, HACN has developed the Five-Year Plan and Annual Agency Plan (2025–2029) in accordance with HUD Form 50075-5Y, ensuring compliance with federal regulations (24 CFR Part 903); and

**WHEREAS**, HACN has engaged with the Resident Advisory Board (RAB) and other stakeholders, incorporating feedback received from RAB meetings held on February 14 and March 14, 2025; and

**WHEREAS**, HACN desires to update the Five-Year Plan and Annual Agency Plan (2025–2029) as set forth in **Exhibit “A”** attached hereto and incorporated herein by reference; and

**WHEREAS**, HACN has prepared a **Capital Fund Program (CFP) 5-Year Action Plan**, with planned investments totaling **\$560,000** for the period 2025–2029, and an estimated **\$3.6 million over 20 years**, with additional funding to be sought from federal and state sources; and

**WHEREAS**, the Housing Commissioners have endeavored in good faith to set forth the basis for its decision on the proposed updates; and

**WHEREAS**, all of the findings and conclusions made by the Housing Commissioners pursuant to this Resolution are based upon the oral and written evidence before it as a whole; and

**WHEREAS**, notice of a public hearing to be held at the March 26, 2025 regular meeting of the Housing Commission was published in the Needles Desert Star on January 15, 2025 at least forty-five (45) days prior to said meeting; and

**WHEREAS**, on March 26, 2025, the Housing Commission met at a regular meeting to consider the proposed Five-Year Plan and Annual Agency Plan (2025–2029); and

**WHEREAS**, all other legal prerequisites to the adoption of Resolution No. 03-26-2025 HC have occurred; and

**WHEREAS**, the Housing Commission of the Housing Authority of the City of Needles (HACN) has sufficiently considered all testimony and any documentary evidence presented to it in order to make the following determination.

**NOW THEREFORE, BE IT RESOLVED** by the Housing Commission of the Housing Authority of the City of Needles (HACN) as follows:

**SECTION 1. Recitals.** The recitals above are hereby incorporated by reference as a substantive component of this Resolution.

**SECTION 2. Draft Updates.** The Housing Commission recommends that the Needles Housing Authority Board of Commissioners approve and adopt the Five-Year Plan and Annual Agency Plan (2025–2029), as set forth in **Exhibit “A”** attached hereto and incorporated herein by reference.

**SECTION 3. Effective Date.** This Resolution shall be effective immediately upon its adoption.

**SECTION 4.** The Housing Commission HEREBY FINDS AND DETERMINES that facts do exist to recommend approval of RESOLUTION 03-26-2025 HC.

**PASSED AND ADOPTED** at a regular meeting of the Housing Commission of the Housing Authority City of Needles (HACN) on March 26, 2025, by the following roll call vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

---

Chair Chris Mauer

ATTEST:

---

Candace Clark, Interim City Clerk





## City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ HOUSING COMMISSION

☒ Regular ☐ Special

**Meeting Date:** March 26, 2025

**Title:** Housing Authority of the City of Needles Update

**Background:** The Housing Authority of the City of Needles (HACN) continues its efforts to provide quality housing opportunities and support for low-income families, veterans, and individuals in need. Below is the latest update on public housing vacancies, voucher programs, and waiting lists.

**Public Housing Vacancies and Transfers:**

- Current Vacancies: 3 out of 52 units.
- Families Awaiting Transfers: 1
- Families Selected for Consideration from Waiting List: 2

○ **Housing Choice Vouchers (HCV):**

- Open and Pending Eligibility: 1 out of 23 allocated vouchers.
- Leased Up: 19
- Issued: 3
- Open: 1

○ **Veteran Affairs Supportive Housing (VASH) Vouchers:**

- Open and Pending Eligibility: 16 out of 30 allocated vouchers.
- Referrals Received from VA Loma Linda: 4
- Leased Up: 6
- Issued: 10

○ **Public Housing Waiting List:**

- Applicants on the waiting list: 64
- Always open for applications.
- Allows the public to submit applications for future selection and consideration.

○ **Section 8 Housing Choice Voucher (HCV) Waiting List:**

- Applicants on the waiting list: 68
- Opened July 1, 2024 – **CLOSED** July 31, 2024
- Public submitted applications for future selection and consideration

**Attached Exhibits:**

Exhibit A: March 18, 2025, Voucher Statistics Form

**Fiscal Impact:** None

**Environmental Impact:** None

**Recommended Action:** Information only

**Submitted By:** Angelica Deermer, HACN Housing Manager

**City Manager Approval:** Patrick J. Martinez

**Date:** 3/20/2025

**Other Department Approval (when required):** \_\_\_\_\_

**Date:** \_\_\_\_\_

Approved: ☐ Not Approved: ☐ Tabled: ☐ Other: ☐

Item 2.

## **HACN PUBLIC HOUSING / VOUCHER STATISTICS**

# MARCH 2025

Public Housing = 52 units, 3 current vacancies	
<u>104- Vacated 6/10/2024*</u>	<u>Waitlist admission</u>
<u>106- Vacated 7/1/2024*</u>	<u>Waitlist admission</u>
<u>212- Vacated 3/14/2025*</u>	<u>Waitlist admission</u>
<p><i>*Units are under modification due to extensive repair/renovation</i></p>	

### Units to be transferred

N/A

**HUD allocated HCV Vouchers = 23**

HCV Vouchers leased up = 19%

HCV Vouchers issued = 3\*\*

HCV Vouchers open = 1, pending submission of verifications

\*Port in Vouchers= 1

**\*\*Port out Vouchers=2**

**HUD allocated VASH Vouchers =30**

VASH Vouchers leased up = 6

VASH Vouchers issued = 10\* \*\*

VASH vouchers open =16

VASH Referrals = 4

\*VASH Port-outs= 6

**\*\*VASH Relinquish=2**

### Current Waitlist Applicants

Public Housing: 64	HCV: 68
--------------------	---------

*Item 2.*



## MINUTES

### REGULAR MEETING OF THE HOUSING COMMISSION CITY OF NEEDLES, CALIFORNIA WEDNESDAY, FEBRUARY 26, 2025, AT 4:00 PM EL GARCES- 950 FRONT STREET, NEEDLES

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**CALL TO ORDER** - Chair Mauer called the meeting to order at 4:00 PM

#### **ROLL CALL**

#### **PRESENT**

Commissioner Patrick McCaffrey  
Commissioner Deana Tucker  
Chair Chris Mauer  
Commissioner Larry Ford  
Commissioner Tamera Kissell

**PLEDGE OF ALLEGIANCE** - Led by Chair Mauer

#### **APPROVAL OF AGENDA**

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

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

**CONFLICT OF INTEREST** - None

**CORRESPONDENCE** - None

**INTRODUCTIONS** - None

**PUBLIC APPEARANCE** - None

**OATH OF OFFICE** - City Manager Patrick Martinez introduced newly appointed Commissioner Patrick McCaffrey and Interim City Clerk Candace Clark administered the Oath of Office.

#### **REGULAR ITEMS**

1. Approve the Minutes of January 22, 2025

Commissioner Ford made a motion, second by Commissioner Kissell, to approve the Minutes of January 22, 2024. Motion carried by the following roll call vote:

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

2. Housing Authority City of Needles Update - given by Housing Manager Angelica Deerner

**COMMISSIONER REQUESTS** - Commissioner Ford asked about staff budgeting for lawns at the housing authority residences. Housing Manager Angelica Deerner responded, stating this could be addressed during the 5-year plan public hearing scheduled for the March 26 meeting.

**CITY MANAGER REPORT** - given by City Manager Martinez for the weeks of February 7 and 14, 2025

**ADJOURNMENT** - Chair Mauer adjourned the meeting at 4:26 pm

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Chair Chris Mauer

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Interim City Clerk Candace Clark



## City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ HOUSING COMMISSION

☒ Regular ☐ Special

**Meeting Date:** March 26, 2025

**Title:** Housing Authority of the City of Needles financial audit report for the fiscal year ended June 30, 2024.

**Background:** The fiscal year 2023/24 Housing Authority financial audit report has been completed by Smith Marion.

Attached is the audit report for the fiscal year ended June 30, 2024 and the Auditors Communication with those Charged with Governance letter.

**Fiscal Impact:** None

**Environmental Impact:** n/a

**Recommended Action:** Discussion only

**Submitted By:** Barbara DiLeo, Acting Director of Finance

**City Manager Approval:** Patrick J. Martinez

**Date:** 3/21/2025

**Other Department Approval (when required):** \_\_\_\_\_

**Date:** \_\_\_\_\_

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

# HOUSING AUTHORITY OF THE CITY OF NEEDLES

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**Financial Statements & Independent Auditors' Report**

**For the Year Ended June 30, 2024**



# Housing Authority of the City of Needles

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For the Year Ended June 30, 2024

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• t: (615) 309-8959  
• f: (909) 825-9900  
• 4068 rural plains circle #180  
• franklin, tn 37064



**The Governing Body of**  
Housing Authority of the City of Needles  
Needles, CA

## **Independent Auditors' Report**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Needles, as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the Housing Authority of the City of Needles's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the City of Needles, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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 Housing Authority of the City of Needles 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 opinions.

#### ***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 Housing Authority of the City of Needles'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 opinions. 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:

Exercise professional judgment and maintain professional skepticism throughout the audit.

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.

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 Housing Authority of the City of Needles's internal control. Accordingly, no such opinion is expressed.

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.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the City of Needles'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, on pages i - iv, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Housing Authority of the City of Needles's basic financial statements. The supplemental information as shown in table of contents and the schedule of expenditures of federal awards, which is required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration of the Housing Authority of the City of Needles'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 Housing Authority of the City of Needles'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 Housing Authority of the City of Needles's internal control over financial reporting and compliance.

March 17, 2025

**Housing Authority of the City of Needles**  
Management's Discussion and Analysis (MD&A)  
For the Year Ended June 30, 2024

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Management's Discussion and Analysis (the MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Housing Authority of the City of Needles's, (the Authority) financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent years' challenges), and (d) identify issues or concerns. This will now be presented at the front of each year's financial statements.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the financial statements which follow this section.

**FINANCIAL HIGHLIGHTS**

Net Position on June 30, 2024, increased to \$1,265,525. This is an increase of \$275,885 from the \$989,640 amount for FYE 2023.

Unrestricted net position as of June 30, 2024, is \$523,030, a decrease of \$178,461 compared to \$701,491 for FYE 2023. The unrestricted net position category represents the amount the Authority can use to meet the ongoing obligation of the citizens and creditors.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. This MD&A is intended to serve as an introduction to the Authority's basic financial statements.

The following statements are included:

- Statement of Net Position - reports current financial resources (short-term expendable resources) with capital assets and long-term obligations.
- Statement of Revenue, Expenses, and Changes in Net Position - reports operating and nonoperating revenue, by major source along with operating and nonoperating expenses and capital contributions.
- Statement of Cash Flows - reports cash flows from operating, investing, capital, non-capital activities.

**PROGRAMS OF THE AUTHORITY**

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidy and capital grant funding to enable the Authority to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher - The objective of this program is to provide housing for eligible low-income families through Housing Assistance Payments to private landlords. In addition to this program the Authority received additional Disaster Vouchers from HUD.

**Housing Authority of the City of Needles**

Management's Discussion and Analysis  
For the Year Ended June 30, 2024

**FINANCIAL ANALYSIS**

The following tables focus on the Net Position and the change in net position of the primary government as a whole:

**TABLE 1 - STATEMENT OF NET POSITION**

	2024	2023	Change	
			Dollar	Percentage
<b>ASSETS</b>				
Current assets	\$ 605,932	\$ 723,698	\$ (117,766)	-16.27%
Capital and non-current assets	706,070	288,149	417,921	145.04%
Total assets	1,312,002	1,011,847	300,155	29.66%
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	-	-	-	-
<b>LIABILITIES</b>				
Current liabilities	39,072	22,207	16,865	75.94%
Non-current liabilities	7,405	-	7,405	100%
Total liabilities	46,477	22,207	24,270	109.29%
<b>DEFERRED INFLOWS OF RESOURCES</b>	-	-	-	-
<b>NET POSITION</b>				
Investment in capital assets	706,070	288,149	417,921	145.04%
Restricted net position	36,425	-	36,425	100%
Unrestricted net position	523,030	701,491	(178,461)	-25.44%
Total net position	\$ 1,265,525	\$ 989,640	\$ 275,885	27.88%

**MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION**

Current assets decreased by \$117,766 primarily due to a reduction in cash because of an increase in spending on capital assets.

Capital assets increased by \$417,921 primarily due to the window and door replacement project offset by depreciation.

# Housing Authority of the City of Needles

Management's Discussion and Analysis  
For the Year Ended June 30, 2024

**TABLE 2 - STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION**

The following schedule compares the revenue and expenses for the current and previous fiscal years. The Authority is engaged only in business-type activities:

	2024	2023	Change	
			Dollar	Percentage
Dwelling rent	\$ 237,811	\$ 229,743	\$ 8,068	3.51%
Government grants	870,806	429,425	441,381	102.78%
Other income	9,387	4,692	4,695	100.06%
Interest income	2,906	-	2,906	-
Gain (Loss) on disposition of capital asset	(1,610)	(4,175)	2,565	-61.44%
<b>TOTAL REVENUES</b>	<b>1,119,300</b>	<b>659,685</b>	<b>459,615</b>	<b>69.67%</b>
Administration	299,180	190,680	108,500	56.90%
Tenant services	2,089	-	2,089	-
Utilities	108,396	74,306	34,090	45.88%
Maintenance and operations	234,318	194,343	39,975	20.57%
Protective services	725	600	125	20.83%
Insurance	8,255	12,562	(4,307)	-34.29%
Other expenses	7,152	-	7,152	-
Housing Assistance Payments	137,328	130,561	6,767	5.18%
Depreciation	45,972	24,712	21,260	86.03%
<b>TOTAL EXPENSES</b>	<b>843,415</b>	<b>627,764</b>	<b>215,651</b>	<b>34.35%</b>
<b>CHANGE IN NET POSITION</b>	<b>275,885</b>	<b>31,921</b>	<b>243,964</b>	<b>764.27%</b>
<b>BEGINNING NET POSITION</b>	<b>989,640</b>	<b>896,699</b>		
<b>Prior Period Correction</b>	<b>-</b>	<b>61,020</b>		
<b>ENDING NET POSITION</b>	<b>\$ 1,265,525</b>	<b>\$ 989,640</b>		

## MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

The Authority had an operating gain of \$275,885 including non-cash depreciation expense of \$45,972 in 2024, versus an operating gain of \$31,921 including depreciation expense of \$24,712 in 2023.

Total operating revenue increased by \$459,615 primarily due to the increase in federal grants and subsidies received during the fiscal year ended June 30, 2024.

Total operating expenses increased by \$215,651 to \$843,415 due primarily to the increase in administrative, utility, and maintenance expenses during the fiscal year ended June 30, 2024.

## Housing Authority of the City of Needles

Management's Discussion and Analysis  
For the Year Ended June 30, 2024

### CAPITAL ASSETS

As of June 30, 2024, investment in capital assets for its business-type activities was \$706,070 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, and construction in progress.

	Change			
	2024	2023	Dollar	Percentage
Land	\$ 2,381	\$ 2,381	\$ -	0.00%
Buildings and improvements	3,686,024	3,190,630	495,394	15.53%
Equipment	81,618	81,618	-	0.00%
Construction in progress	-	39,341	(39,341)	-100.00%
	3,770,023	3,313,970	456,053	13.76%
Accumulated depreciation	(3,063,953)	(3,025,821)	(38,132)	1.26%
Net capital assets	<u>\$ 706,070</u>	<u>\$ 288,149</u>	<u>\$ 417,921</u>	145.04%

Major capital asset purchases during the current fiscal year included the following:

Windows and doors project totaling \$487,650. Part of this, \$39,341, was spent in FY 23.

Major capital asset disposals during the current fiscal year included the following:

None.

### DEBT AND SBITA PAYABLE

As of June 30, 2024, the Authority had a no Debt or SBITA payable.

### ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of 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.
- Inflationary pressure on utility rates, supplies and other costs.

### FINANCIAL CONTACT

This financial report is designed to provide a general overview of the finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to Executive Director Patrick Martinez, Housing Authority of the City of Needles, 760-326-3222.

**Housing Authority of the City of Needles**

Statement of Net Position

June 30, 2024

**ASSETS****Current Assets**

Cash and equivalents	
Unrestricted	\$ 447,539
Restricted	46,125
<b>Subtotal Cash</b>	<b>493,664</b>
Certificates of Deposits	93,241
Accounts receivable, net	13,919
Prepaid expenses	5,108
<b>Total Current Assets</b>	<b>605,932</b>

**Non-Current Assets**

Capital assets not being depreciated	2,381
Capital assets, net	703,689
<b>Total Non-Current Assets</b>	<b>706,070</b>

**TOTAL ASSETS** **1,312,002**

**TOTAL DEFERRED OUTFLOWS OF RESOURCES** **-**

**LIABILITIES****Current Liabilities**

Accounts payable	18,485
Accrued liabilities	5,146
Tenant security deposits	9,700
Unearned revenue	3,890
Compensated absences, current	1,851
<b>Total Current Liabilities</b>	<b>39,072</b>

**Non-Current Liabilities**

Compensated absences, non-current	7,405
<b>Total Non-Current Liabilities</b>	<b>7,405</b>

**TOTAL LIABILITIES** **46,477**

**TOTAL DEFERRED INFLOWS OF RESOURCES** **-**

**NET POSITION**

Investment in capital assets	706,070
Restricted	36,425
Unrestricted	523,030
<b>TOTAL NET POSITION</b>	<b>\$ 1,265,525</b>

**Housing Authority of the City of Needles**  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2024

**REVENUES**

**Operating Revenues**

Tenant rental revenue, net of collection losses	\$ 237,811
Operating grants and subsidies	870,448
Other revenues	9,387
<b>Total Operating Revenues</b>	<b><u>1,117,646</u></b>

**EXPENSES**

**Operating Expenses**

Administration	299,180
Tenant services	2,089
Utilities	108,396
Ordinary maintenance and operations	234,318
Protective services	725
Insurance expense	8,255
Other general expenses	7,152
Housing Assistance Payments	137,328
Depreciation	45,972
<b>Total Operating Expenses</b>	<b><u>843,415</u></b>

<b>NET OPERATING INCOME (LOSS)</b>	<b><u>274,231</u></b>
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**NONOPERATING REVENUES (EXPENSES)**

Interest income	2,906
Gain (Loss) on disposition of capital asset	<u>(1,610)</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b><u>1,296</u></b>

Capital grants - HUD	<u>358</u>
	<u>358</u>

<b>CHANGE IN NET POSITION</b>	<b>275,885</b>
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<b>NET POSITION - BEGINNING</b>	<b><u>989,640</u></b>
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<b>NET POSITION - ENDING</b>	<b><u>\$ 1,265,525</u></b>
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# Housing Authority of the City of Needles

Statement of Cash Flows  
For the Year Ended June 30, 2024

## CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from tenants for rent	\$ 247,226
Cash received from grantors	870,759
Cash paid for Housing Assistance Payments	(137,328)
Cash paid for goods and services	(282,991)
Cash paid to and on behalf of employees for services	(343,660)

<b>NET CASH FLOW PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b><u>354,006</u></b>
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## CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	(465,503)
Capital contributions	358

<b>NET CASH FLOW PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b><u>(465,145)</u></b>
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## CASH FLOWS FROM INVESTING ACTIVITIES

Interest on investments	2,906
(Purchase) or redemption of Certificates of Deposit	(1,911)

<b>NET CASH FLOW PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b><u>995</u></b>
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<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(110,144)</b>
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<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<b><u>603,808</u></b>
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<b>ENDING CASH AND CASH EQUIVALENTS</b>	<b><u>\$ 493,664</u></b>
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## RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	\$ 274,231
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### Non-Cash Adjustment

Depreciation	45,972
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### Change in Assets and Liabilities

Accounts/grants receivable	1,528
Prepaid expenses	8,005
Accounts payable and accrued liabilities	18,308
Compensated absences	7,151
Unearned revenue	311
Tenant security deposits	(1,500)

<b>Total Adjustments</b>	<b><u>79,775</u></b>
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<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>\$ 354,006</u></b>
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**NOTE 01 - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICES AND REPORTING ENTITY**

**Introduction**

The financial statements of the Housing Authority of the City of Needles (the Authority), have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The Authority has previously implemented GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain significant changes in the statements are as follows: The financial statements will include a Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

The Housing Authority of the City of Needles is a special-purpose government engaged only in business-type activities and, therefore, presents only the financial statements required for enterprise funds, in accordance with GASB . For these governments, basic financial statements and required supplemental information consist of:

Management's Discussion and Analysis (MD&A)

Enterprise fund financial statements consisting of:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

Notes to Financial Statements

Required supplemental information other than MD&A and supplemental information.

**Reporting Entity**

The Housing Authority of the City of Needles 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. Under the United States Housing Act of 1937, the US Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into various contracts with the Authority for the purpose of constructing, owning, and operating public housing facilities.

GASB Statement No. 14 established criteria for determining the governmental reporting entity. Under provisions of this statement, the Housing Authority of the City of Needles is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB 14, 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.

The Authority's primary operations comprise of a number of housing and grant programs as follows:

The **Public Housing Program** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned, maintained, and managed by the Authority. The properties are acquired, developed, and modernized under HUD's Capital Fund Program. Funding of the program is provided by federal annual contributions and operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition). The agency operates its public housing units under the Asset Management Program under the New Operating Fund Rule (24 CFR 990).

The **Housing Choice Voucher Program** provides rental housing assistance subsidies. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are owned, maintained, and managed by private landlords.

The **Capital Fund Program** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards* and Statement No. 14 and No. 61 of the Government Accounting Standards Board, *the Financial Reporting Entity*:

- The organization is legally separate (can sue and be sued in their own name),
- The Authority holds the corporate powers of the organization,
- The Authority appoints a voting majority,
- The Authority is able to impose its will on the organization,
- The organization has the potential to impose a financial benefit/burden on the Authority, or
- There is fiscal dependency by the organization on the Authority.

Based on the aforementioned criteria and relationship between the Housing Authority of the City of Needles and the City of Needles, the Authority has determined to be a component unit of the City of Needles based on the following:

Although the Authority is a legally separate Special Purpose Government, 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.

**Basis of Presentation, Basis of Accounting and Measurement Focus**

*Basis of Accounting* - The Authority uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

*Basis of Presentation* - The financial statements of the Authority are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain authority functions. The fund is a separate accounting entity with a self-balancing set of accounts. The accounting and financial reporting method applied by a fund is determined by the fund's measurement focus. The accounting objectives are determination of net income, financial position, and cash flows. All assets and liabilities associated with the proprietary fund's activities are included in the statement of net position. In the statement of net position, equity is classified as net position and displayed in three components:

## Housing Authority of the City of Needles

Notes to Financial Statements  
For the Year Ended June 30, 2024

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.

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.

Unrestricted net position - All other assets that do not meet the definition of "restricted" or "net investment in capital assets".

*Proprietary Fund: Enterprise fund* - This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided. When both restricted and unrestricted net positions are available for use, generally it is the Authority's policy to use restricted resources first.

### Interfunds

Interfund receivables and payables are all classified as either current assets or current liabilities. Cash settlements are made monthly. Receivables and payables have been eliminated in the preparation of the basic financial statements.

### Budgetary Data

The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its Governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD. These budgets are adopted using a HUD outline that is not consistent with generally accepted accounting principles and are used for HUD purposes only.

### Board Members

<u>Name</u>	<u>Term Expires</u>	<u>Position</u>
Zachery Longacre	11/30/2028	Council Member
Henry Longbrake	11/30/2026	Council Member
JoAnne Pogue	11/30/2026	Council Member
Tona Belt	11/30/2028	Council Member
Ellen Campbell	11/30/2028	Vice Mayor
Jamie McCorkle	11/30/2026	Council Member
Janet Jernigan	11/30/2024	Mayor

### Revenues and Expenses

Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Authority are operating activities including rental related income, interest income and other sources of revenues are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

In accordance with GASB standards dwelling income has been netted with bad debt expense of \$ -. Collection losses on accounts receivable are expended, in the appropriate Fund, on the specific write-off method.

### Operating Revenue

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rent. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position below the non -operating revenue and expense.

#### Use of 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. The most significant estimates relate to depreciation and useful lives, allowance for bad debt, and inventory valuation.

#### Cash and Cash Equivalents

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments are stated at fair value, except for U. S. Treasury Bills, which are reported at amortized cost. Investment consists of Certificates of Deposit which have an initial maturity date greater than 90 days.

#### Accounts Receivable

Accounts receivable consist 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.

Accounts for which no possibility of collection is anticipated are charged to bad debts expense which is netted against dwelling rent revenues on the statement of revenues, expenses, and changes in net position.

Amounts due from other housing authorities related to Housing Choice Voucher Port In vouchers are deemed by management to be fully collectible and no allowance has been established for those types of accounts receivable.

#### Capital Assets and Depreciation/Amortization

Capital assets are stated at historical cost. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the statement of net position. If the initial cost of a piece of equipment and/or other personal property is one thousand five hundred dollars (\$1,500) or more and the anticipated life or useful value of said equipment or property is more than one (1) year, the purchased property/equipment will be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.

The estimated useful lives for each major class of depreciable capital assets are as follows:

<u>Category</u>	<u>Useful Life</u>
Buildings and improvements	20-50 Years
Vehicles and other equipment	5-7 Years
Computers	5 Years

#### Deferred Inflows/Outflows 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 a future period and so will not be recognized as an expense or expenditure until then. The Authority had no deferred outflows of resources.

Also, in addition to liabilities, the statement of net 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 and so will not be recognized as revenue until then. The Authority had no deferred inflows of resources.

**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.

**Insurance**

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. As of the date of the report, the Authority had necessary insurance coverage in force.

**Fair Market Value**

Accounting pronouncements define fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. These pronouncements established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The estimated fair value of the Authority's financial instruments has been determined by management using available market information. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the fair values are not necessarily indicative of the amounts that the Authority could be realized in a current market exchange. The use of different market assumptions may have a material effect on the estimated fair value amounts.

The carrying amounts of cash and cash equivalents, receivables, payables, and accrued liabilities are a reasonable estimate of their fair value, due to their short-term nature and method of computation. All financial assets that are measured at fair value on a recurring basis (at least annually) have been segregated into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date. All of the Authority's investments are valued using Level 1 inputs.

**Investment Policy**

The Housing Authority of the City of Needles's 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.

**Subsequent Events**

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through March 17, 2025, (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statement.

**NOTE 02 - CASH AND CASH EQUIVALENTS**

All the deposits of the Authority are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the Federal Depository Insurance coverage level are collateralized with securities held by the Authority's agents in these units' names.

At June 30, 2024, the Authority's deposit amounted to \$493,664. Of the bank balances held in various financial institutions, \$250,000 was covered by Federal Depository Insurance and the remainder was covered by collateral held under the Dedicated Method. All deposits of the Authority are with financial institutions meeting State and Federal deposit requirements.

Types of investment, which are authorized to be made with the Authority's funds, are controlled by the statutes of the State of California and by contract with HUD. Investments are limited to issues having maturities of three years or less, and may include the following:

- Backed by the full faith and credit of the United States Government, or
- Backed by guarantee of principal and/or interest by the United States Government, or
- Backed by a Government-sponsored agency, or
- Covered by the Federal Deposit Insurance Corporation, or
- Backed by full collateralization with approved securities.

## Housing Authority of the City of Needles

Notes to Financial Statements  
For the Year Ended June 30, 2024

*Interest rate risk* - As a means of limiting its exposure to market value losses arising from rising interest rates, the Authority's typically limits its investment portfolio to maturities of 12 months or less. The Authority has no specific policy regarding interest rate risk.

*Credit risk* - Custodial credit risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned. State statute governs collateral requirements and forms of collateral under California state statutes. In summary, California law states all deposits in excess of Federal Depository Insurance shall be secured by collateral.

Authorized security for deposits enumerated under law includes direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such monies. The Authority does not have a custodial credit risk policy that is more restrictive than state statutes.

*Custodial credit risk* - For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no policy on custodial credit risk.

Cash and cash equivalents were comprised of the following as of June 30, 2024:

### Unrestricted

Checking and Money Market accounts	\$ 447,539
Subtotal	447,539

### Restricted

Security deposits - tenants	9,700
Housing Assistance Payments	36,425
Subtotal	46,125

<b>Total Cash and Equivalents</b>	<b>\$ 493,664</b>
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### Unrestricted

Mutual fund - government backed securities	\$ 93,241
<b>Total Investments</b>	<b>\$ 93,241</b>

## NOTE 03 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2024, consisted of the following:

Tenant receivables	\$ 15,769
Allowance for receivables	(1,850)
Net receivable	13,919
<b>Accounts Receivable, Net</b>	<b>\$ 13,919</b>

**NOTE 04 - CAPITAL ASSETS**

A summary of changes in capital assets were as follows:

	Balance at 07/01/23	Additions	Deletions	Balance at 06/30/24
Capital assets not being depreciated				
Land	\$ 2,381	\$ -	\$ -	\$ 2,381
Construction in process	39,341	358	(39,699)	-
Capital assets not being depreciated	41,722	358	(39,699)	2,381
Capital assets being depreciated				
Buildings and improvements	3,190,630	504,844	(9,450)	3,686,024
Furniture and equipment	81,618	-	-	81,618
Total assets being depreciated	3,272,248	504,844	(9,450)	3,767,642
Accumulated depreciation	(3,025,821)	(45,972)	7,840	(3,063,953)
Net capital assets being depreciated	246,427	458,872	(1,610)	703,689
<b>Capital Assets, Net</b>	<b>\$ 288,149</b>	<b>\$ 459,230</b>	<b>\$ (41,309)</b>	<b>\$ 706,070</b>

For the year ended June 30, 2024, the Authority reported depreciation/amortization expense of \$45,972.

**NOTE 05 - COMMITMENTS AND CONTINGENCIES**

**Legal:** The Authority is party to no pending or threatened legal actions arising from the normal course of its operations.

**Grants and Contracts:** The Authority participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of June 30, 2024.

**Capital Fund:** The Authority receives capital funding each year for ongoing capital improvements and repairs and maintenance.

**NOTE 06 - RISK MANAGEMENT**

The Authority is exposed to all common perils associated with the ownership and rental of real estate properties. A risk management program has been established to minimize loss occurrence and to transfer risk through various levels of insurance. Property, casualty, employee dishonesty and public official's liability forms are used to cover the respective perils. The Authority is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

As of June 30, 2024, 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.

**NOTE 07 - ECONOMIC DEPENDENCE**

The Authority receives approximately 78% of funds used for affordable housing activities from HUD.



# Housing Authority of the City of Needles

Notes to Financial Statements  
For the Year Ended June 30, 2024

## NOTE 08 - NON-CURRENT LIABILITIES

	Balance at 07/01/23	Additions	Deletions	Balance at 06/30/24	Due within One Year
Compensated absences	\$ 2,105	\$ 7,151	\$ -	\$ 9,256	\$ 1,851
Total	\$ 2,105	\$ 7,151	\$ -	\$ 9,256	\$ 1,851

## NOTE 09 - PENSION PLAN

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the City of Needles' Employee Pension Plan, a cost sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Authority reimburses the City of Needles for payments made to the employees of the Authority. All required disclosures for the defined benefit plan are included in the City of Needles' audit report. Detailed information can be found in the Notes to the Financial Statements of the City of Needles. The Authority has made all required contributions for the year ended June 30, 2024. There are no liabilities related to the pension contributions.

## NOTE 10 - NET POSITION

The Authority has the following net positions as June 30, 2024:

Capital assets not being depreciated	\$ 2,381
Capital assets, net	703,689
<b>Investment in Capital Assets</b>	<b>\$ 706,070</b>
Restricted cash	\$ 46,125
Security deposit liability	(9,700)
<b>Restricted Net Position</b>	<b>\$ 36,425</b>

**Housing Authority of the City of Needles**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

	<b>Assistance Listing Number(s)</b>	<b>Award Type</b>	<b>Expenditures</b>
<b>U.S. Department of HUD</b>			
Housing Choice Vouchers	14.871	Direct	\$ 195,290
<b>Total Housing Voucher Center Cluster</b>			<b>195,290</b>
Low Rent Public Housing	14.850	Direct	299,182
Public Housing Capital Fund Program	14.872	Direct	376,334
<b>Totals U.S. Department of HUD</b>			<b>870,806</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 870,806</b>
<b>Award Type</b>			
Direct			\$ 870,806
Indirect			\$ -

**NOTE 1: SCOPE OF PRESENTATION**

The accompanying schedule presents the expenditures incurred (and related awards received) by the Housing Authority of the City of Needles (the Authority) that are reimbursable under federal programs of federal agencies providing financial assistance awards. For the purpose of this schedule, only the portion of the program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with local or other nonfederal funds are excluded from the accompanying schedule. This schedule also only includes the amounts expended by the Authority, none of the amount expended, if any, by the blended or discretely present component units have been included.

**NOTE 2: BASIS OF ACCOUNTING**

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Expenditures are recognized in the accounting period in which the related liability is incurred. Expenditures reported included any property or equipment acquisitions incurred under the federal program. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE 3: 10% DE MINIMIS INDIRECT COST RATE**

The Authority has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

## Housing Authority of the City of Needles

Statement and Certification of Actual Costs

For the Year Ended June 30, 2024

1. The Actual Costs of the Authority was as follows:

Grant	Funds Approved	Funds Disbursed	Funds Expended	Balance Unspent
CA16P022501-18	\$ 119,358	\$ 119,358	\$ 119,358	\$ -
CA16P022501-19	\$ 123,997	\$ 123,997	\$ 123,997	\$ -
CA16P022501-20	\$ 133,733	\$ 133,733	\$ 133,733	\$ -
CA16P022501-21	\$ 139,371	\$ 138,738	\$ 138,738	\$ 633
CA16P022501-22	\$ 170,410	\$ 169,829	\$ 169,829	\$ 581
CA16P022501-23	\$ 175,309	\$ 22,317	\$ 22,317	\$ 152,992
CA16P022501-24	\$ 164,765	\$ -	\$ -	\$ 164,765

2. The distribution of costs as shown on the Financial Statement of Costs accompanying the Actual Cost Certificate submitted to HUD for approval, is in agreement with the Authority's records.
3. For the above completed grants, all costs have been paid and all related liabilities have been discharged through payment.

• t: (615) 309-8959  
• f: (909) 825-9900  
• 4068 rural plains circle #180  
• franklin, tn 37064



## Board of Commissioners

Housing Authority of the City of Needles  
Needles, CA

### **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

#### **Independent Auditors' Report**

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 as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the Housing Authority of the City of Needles's basic financial statements, and have issued our report thereon dated March 17, 2025.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Housing Authority of the City of Needles's internal control over financial reporting (internal control) as a basis for designing audit 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 Housing Authority of the City of Needles's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Needles'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 Housing Authority of the City of Needles's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

March 17, 2025

**Board of Commissioners**

Housing Authority of the City of Needles  
Needles, CA

**Report on Compliance for Each Major Federal Program; and Report on Internal Control over  
Compliance in Accordance with the Uniform Guidance**

**Independent Auditors' Report**

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

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

We have audited the Housing Authority of the City of Needles's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Needles's major federal programs for the year ended June 30, 2024. The Housing Authority of the City of Needles's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the City of Needles complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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



### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority of the City of Needles's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Obtain an understanding of the Housing Authority of the City of Needles's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Needles's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item **2024-002**. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority of the City of Needles's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Needles's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.



A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item **2024-001**, to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority of the City of Needles's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Needles's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

March 17, 2025



## Housing Authority of the City of Needles

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2024

### Section I Summary of Auditors' Results

#### Financial Statements

Type of auditors' report issued

Internal controls over financial reporting:

Material weakness(es) identified

Significant deficiency(ies) identified

Noncompliance material to financial statements noted

#### Federal Awards

Internal control over major federal programs

Material weakness(es) identified

Significant deficiency(ies) identified

Type of auditors' report issued on compliance for major federal programs

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)

Identification of major federal programs:

ALN(s)	Name of Federal Program or Cluster
14.872	Public Housing Capital Fund Program

Dollar threshold used to distinguish between type A and type B programs:

Auditee qualified as a low-risk auditee

### Section II Financial Statement Findings

No findings.

## Housing Authority of the City of Needles

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2024

### Section III Federal Awards Findings

#### US Department of Housing and Urban Development

#### Direct Award

**Program Name** Public Housing Capital Fund

**ALN Number** 14.872

**2024-001** Obligation of Funds

**Questioned Costs** None

**Criteria** Unless an extension is approved by HUD, a PHA must obligate at least 90 percent of each Capital Fund grant, including formula grants, DDTF, RHF, and natural disaster grants within 24 months of the funds of becoming available to the PHA for obligation. For emergency grants, including Safety and Security Grants the PHA must obligate at least 90 percent within 12 months of the funds becoming available. The funds become available when the HUD executes the ACC Amendment (24 CFR section 905.306).

**Condition** The Authority did not obligate the funds within the time frame above for CFP Grant Year 2019.

**Context** The 2019 CFP grant was not obligated within the 24 month allowable period.

**Cause** Due to changes in staff the funds were not obligated properly.

**Effect** The Authority is not in compliance with the CFP grant contract.

**Recommendations** The Authority should implement internal controls to ensure all funds are obligated within the correct period of time.

**Management Views** Management Agrees. See Corrective Action Plan.

Internal Control	Significant Deficiency
H	Period of Performance

## Housing Authority of the City of Needles

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2024

### Section III Federal Awards Findings

#### US Department of Housing and Urban Development

#### Direct Award

**Program Name** Public Housing Capital Fund

**Non-Compliance**

**Significant  
Deficiency**

**ALN Number** 14.872

**L**

**Reporting**

**2024-002** Submission of Required Forms

**Questioned Costs** None

**Criteria** For modernization projects, the PHA shall submit the AMCC within 90 days after Expenditure End Date. To initiate the closeout process, the PHA shall submit the AMCC which details actual costs incurred between the DOFA date and the completion of the modernization project.

**Condition** During the audit, we noted that the HUD-53001 form was not completed or filed with HUD as required.

**Context** Multiple grants CFP grants were closed during the year and the required HUD form was not filed.

**Cause** The Authority was unaware of the requirement.

**Effect** The Authority was in violation of the Federal Regulation relating to report submissions.

**Recommendations** We recommend that Management implement procedures to ensure compliance with the above regulations as it relates to all federal awards.

**Management Views** Management Agrees. See Corrective Action Plan.

## Housing Authority of the City of Needles

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended June 30, 2024

### Financial Statement Findings

Prior Year Findings Number	Findings Title	Status/Current Year Findings Number
2023-001	Prior Period Restatement to Accumulated Depreciation	Resolved

### Federal Award Findings and Questioned Costs

Prior Year Findings Number	Findings Title	Status/Current Year Findings Number
N/A	There were no prior findings reported	N/A



*City of Needles*  
*Housing Authority*

908 Sycamore Drive, Needles, California 92363

(760) 326-3222 • FAX (760) 326-6765

[www.cityofneedles.com](http://www.cityofneedles.com)

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

City Manager Patrick Martinez

March 13, 2025

Re: Housing Authority of the City of Needles Corrective Action Plan

**Audit Finding 2024-001: The Authority did not obligate the funds within the time frame required for CFP Grant Year 2019.**

The Housing Authority of the City of Needles was notified by HUD on 06/18/24 that we were noncompliant with the obligation requirements for our 2019 CFP grant. As a result, our 2024 CFP grant was reduced. Our Acting Finance Director, Barbara DiLeo and our Housing Manager, Angelica Deerner took a class on 02/13/25 that reiterated the information on the proper timing for obligating and drawing down funds. This finding has been corrected effective 02/14/25.

**Audit Finding 2024-002: The Authority has not filed HUD-53001 form for multiple grants that were closed during the year.**

Acting Finance Director, Barbara DiLeo and Housing Manager, Angelica Deerner have received the Capital Fund Guidebook that has instructions on doing the fiscal closeout of a Capital Fund grant. We will follow those procedures and contact our HUD General Engineer representative if we have any additional questions. We anticipate the closeout process to be completed by April 30, 2025.

Sincerely,

Patrick Martinez  
Executive Director

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



### **Auditors' Communication with Those Charged with Governance**

The Governing Body of  
Housing Authority of the City of Needles

We have audited the financial statements of the Housing Authority of the City of Needles (Authority) as of and for the year ended June 30, 2024, and have issued our report thereon dated March 17, 2025. Professional standards require that we advise you of the following matters relating to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes 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, as part of our audit, we considered the internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting *and material weaknesses, if applicable* and material noncompliance, and other matters noted during our audit in a separate letter to you dated March 17, 2025.

#### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

#### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.



### **Significant Risks Identified**

In planning and performing the audit we obtained an understanding of the Authority and its environment for the purpose of identifying and assessing the risks of material misstatement as a basis for designing and performing further audit procedures. Certain risks are considered inherent and significant to performing the audit. Those risks and a description of the risk are as follows:

- The risk that management will override internal controls.  
Because management is primarily responsible for the design, implementation, and maintenance of internal control, the Authority is always exposed to the danger of management override of controls, whether the Authority is publicly held, private, not-for-profit, or governmental. When the opportunity to override internal control is combined with powerful incentives to meet accounting objectives, senior management may engage in fraudulent financial reporting. Thus, otherwise effective internal control cannot be relied upon to prevent, detect, or deter fraudulent financial reporting perpetrated by senior management.
- The risk that management will recognize revenue that has not been earned in accordance with GAAP.  
Because management is responsible for meeting financial goals and the consequences to management for failing to meet financial goals can be significant, incentives or pressure to commit fraudulent financial reporting may exist when management is under pressure, from sources outside or inside the Authority.

### **Qualitative Aspects of the Authority's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Authority is included in the notes to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.



### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are described below:

None noted.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Authority's financial statements relate to:

Capital Assets.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. The following significant unusual transactions identified as a result of our audit procedures were brought to the attention of management:

We noted no transactions involving complex accounting treatments and regulations, unusually large discounts or returns, circular arrangements, that occurred under contracts whose terms changed before expiration or involved a purpose outside the normal course of business.

### **Identified or Suspected Fraud**

We have identified or have obtained information that indicates that the following fraud may have occurred:

No events or conditions were identified or communicated to us that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.





### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also 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 and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

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. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

See Adjusting Journal Entry Report.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

None.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 17, 2025.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.



#### **Other Significant Matters, Findings, or Issues**

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.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

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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.

March 17, 2025

# Housing Authority of the City of Needles

## MANAGEMENT REPRESENTATION LETTER

### Smith Marion & Co.

4068 Rural Plains Circle STE 180  
Franklin, TN. 37064

Ladies and Gentlemen,

This representation letter is provided in connection with your audit of the financial statements of Housing Authority of the City of Needles, which comprise the statement of financial position as of June 30, 2024, and the related statements of operations and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

### Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement FYE 2024, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. With regard to nonaudit services performed by you, we acknowledge and our responsibility to:
  - a. Assume all management responsibilities;
  - b. Oversee the services by designating an individual who possesses suitable skill, knowledge, or experience;
  - c. Evaluate the adequacy and results of the services performed; and
  - d. Accept responsibility for the results of the services.
6. Significant assumptions used by us in making accounting estimates are reasonable.
7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

9. The effects of uncorrected misstatements aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
11. With regard to items reported at fair value:
  - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
  - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
13. All funds and activities are properly classified.
14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
15. All net position components and fund balance classifications have been properly reported.
16. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
17. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
18. All interfund and intra-entity transactions and balances have been properly classified and reported.
19. Special items and extraordinary items have been properly classified and reported.
20. Deposit and investment risks have been properly and fully disclosed.
21. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
22. All required supplementary information is measured and presented within the prescribed guidelines.
23. Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
24. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* which codifies FASB Accounting Standards Codification™ (ASC) 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments.
25. With regard to pensions and OPEB, if any:
  - a. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
  - b. We are unable to determine the possibility of a withdrawal liability from the Pension Plan of which we are a sponsor and are not currently contemplating withdrawing from the Pension Plan
  - c. Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation or disclosed as a subsequent event.

**Information Provided**

26. We have provided you with:
  - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
27. All transactions have been recorded in the accounting records and are reflected in the financial statements.
28. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
29. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a. Management;
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.
30. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
31. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
32. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
33. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
34. We have a process to track the status of audit findings and recommendations.
35. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
36. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
37. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial.
38. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
39. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
40. Housing Authority of the City of Needles has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
41. We have disclosed to you all guarantees, whether written or oral, under which Housing Authority of the City of Needles is contingently liable.
42. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

43. There are no:
- a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
44. Housing Authority of the City of Needles has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
45. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
46. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

#### Single Audit

47. With respect to federal awards, we represent the following to you:
- a. We are responsible for understanding and complying with and have complied with the requirements of the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as applicable.
  - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.
  - c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
  - d. The methods of measurement or presentation have not changed from those used in the prior period.
  - e. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
  - f. We have notified you of federal awards and funding increments that were received before December 26, 2014, and differentiated those awards from awards and funding increments received on or after December 26, 2014, and subject to the audit requirements of the Uniform Guidance.
  - g. When the schedule of expenditures of federal awards is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
  - h. We have, in accordance with the Uniform Guidance<sup>10</sup>, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.



- i. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program; and we have complied, in all material respects, with these requirements.
- j. We have provided to you our interpretations of any compliance requirements that have varying interpretations.
- k. We are responsible for establishing and maintaining effective internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies, including material weaknesses, reported in the schedule of findings and questioned costs.
- l. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to federal programs.
- m. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- n. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews. We also know of no instances of noncompliance occurring subsequent to the end of the period audited.
- o. We have charged costs to federal awards in accordance with applicable cost principles, including amounts claimed or used for matching determined in accordance with relevant guidelines in the Uniform Guidance (for grant awards and funding increments received before December 26, 2014).
- p. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance (for grant awards and funding increments received before December 26, 2014).
- t. We have charged costs to federal awards in accordance with the provisions of the Uniform Guidance (for grant awards and funding increments received before December 26, 2014), as applicable.
- u. We are responsible for and have accurately prepared the summary schedule of prior audit findings, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- w. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form as required by the Uniform Guidance, and we are responsible for preparing and implementing a correction action plan for each audit finding.
- x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.

- y. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information. (This representation is required by footnote 28 to paragraph 3.18 of *Government Auditing Standards* when the auditor has a role in preparing the trial balance and draft financial statements and related notes.)
- z. We have reviewed, approved, and taken responsibility for accrual adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments. (This representation is required by footnote 28 to paragraph 3.18 of *Government Auditing Standards* when the auditor has a role in converting cash-basis financial statements to accrual-based financial statements.)
- aa. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

#### Supplementary Information in Relation to the Financial Statements as a Whole

With respect to the supplementary information accompanying the financial statements (as listed in the table of contents):

- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America, U.S. GASB, and other Federal and State regulatory standards.
- b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America, U.S. GASB, and other Federal and State regulatory standards.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

#### Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements (as listed in the table of contents):

- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP, U.S. GASB, and other Federal and State regulatory standards.
- b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP, U.S. GASB, and other Federal and State regulatory standards.

 *Barbara Dille - Acting Director of Finance*  
Signature & Title

  
Date





# City of Needles

817 Third Street, Needles, California 92363  
(760) 326-2113 • FAX (760) 326-6765  
[www.cityofneedles.com](http://www.cityofneedles.com)

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

City Manager Patrick J. Martinez

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## MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: March 7, 2025

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1. This past weekend, **Needles** hosted a **successful series of sports tournaments**, reinforcing its reputation as a **premier destination for sports tourism**. **Fifty-six teams** participated in **three major events**, generating **significant tourism activity**, supporting **local businesses**, and enhancing **community engagement**. The **Colorado River Invitational Baseball & Softball Tournament** featured **16 baseball and 16 softball teams**, bringing in teams from across the region and increasing **visitor activity**. The **18th Annual Needles Spring Classic Basketball Tournament** showcased **24 teams**, providing a **competitive platform** for young athletes and further engaging visitors within the city. These tournaments contributed to the **city's economic vitality**, strengthened **community involvement**, and showcased **Needles' commitment to sports and recreation**. Looking ahead, our **Youth Basketball All-Stars** from **third through eighth grade** will showcase their skills in upcoming tournaments. They will compete in **Beaumont this weekend March, 7-9**, and in **Twentynine Palms on March 21-23**. The **City of Needles** takes pride in its status as a **sports tourism destination**, consistently hosting **various sporting events** throughout the year. Join us in **celebrating the spirit of sports** in our vibrant community. **Good luck to our team this weekend in Beaumont!**
2. The City Staff is excited to share some fantastic news! After months of dedicated effort to address the pharmacy shortage in our community, Needles will soon welcome **Route 66 Pharmacy**, which will open in the coming weeks. This new pharmacy will operate **Monday through Friday from 9:00 AM to 5:30 PM** and be closed on weekends, ensuring residents have reliable, local access to essential medications and healthcare services. As you may recall, the closure of Rite Aid in January left **3,000 Medi-Cal patients, including 2,300 IEHP members**, without a nearby pharmacy. In response, the City Council took swift action, declaring a **Local Emergency (Resolution No. 2024-7) on January 30, 2024**, and working with partners to establish alternative solutions. Thanks to these efforts, seven Arizona pharmacies stepped in to serve Medi-Cal patients,

with one even offering delivery to Needles. With the opening of Route 66 Pharmacy, our residents will once again have a **local, in-person option for their prescription needs**, strengthening healthcare access and supporting our local economy. This aligns with the City Council's goal of **fostering economic growth and business development** by creating a pro-business environment and attracting essential services to the community. This is a **significant win for Needles**, ensuring our residents have the necessary healthcare resources while contributing to a thriving local economy. We look forward to welcoming and supporting this new business as it begins serving our community. Stay tuned for more updates as we approach the grand opening! **Refer to the attached image for a glimpse of the sign they put up this week.**

3. The **Needles Pride Program** continues to **grow and make a lasting impact**, encouraging residents to actively care **for their neighborhoods**, uphold **community standards**, and foster a **strong sense of local pride**. As our community works together on these initiatives, the **City of Needles remains dedicated to investing in essential infrastructure improvements** that **enhance service reliability and overall quality of life** for all residents.

This week, **our dedicated Public Works crews** remained focused on **roadway maintenance**, working **diligently** to enhance **safety** and **accessibility**. Crews improved along **Lillyhill Drive**, **filling potholes** to ensure **smoother travel** and completing **red curb painting** on **J Street and Broadway**. They will continue **addressing citywide road maintenance needs** as time and resources allow. Their **hard work** is **essential** to keeping our **streets safe, functional, and well-maintained**, and we sincerely appreciate their **ongoing dedication**. **Refer to the attached image of the newly painted curb.**

We encourage the community to stay engaged and report any road issues by contacting the **City of Needles Billing Office** at **760-326-2115 (press #9)** or by downloading the **Needles Connect app** from the [Google Play Store](#) for Android or the [Apple Store](#) (iOS). Through **active participation** and **collaboration**, we are **building a stronger, safer, and more vibrant Needles** for all.

4. The **City of Needles** is pleased to announce that the **ribbon-cutting ceremony** for the **Well No. 11 Treatment Plant Project** has been **rescheduled for April 8, 2025, at 9:00 a.m.** This **\$8.9 million** project marks a **significant milestone** in strengthening Needles' **water infrastructure**, ensuring a **reliable supply of high-quality drinking water** for years. The event will occur **adjacent to the Needles Golf Course Maintenance Yard**, where we will celebrate this **critical investment in the city's future**. With **final system calibration underway**, the project is **nearly complete**. Representatives from **key agencies** will attend, and we invite the **community to commemorate this essential advancement** in Needles' water system.
5. The **Needles Animal Shelter** is home to many **affectionate, eager pets** looking for their **forever families**. We are committed to **enhancing the well-being** of animals in our community through our **adoption program**, ensuring

they find safe, loving homes. If you're ready to **welcome a furry companion**, the **adoption fee is just \$60**—a small price for a lifetime of love and companionship! To learn more about the adoption process or to schedule a visit, please get in touch with the Needles Animal Shelter at **760-326-4952**, available **Monday through Friday from 8 AM to 2 PM**. Check out the **adorable dogs currently available for adoption** in the attached flyer, and help us give these pets the second chance they deserve!

6. On March 11, 2025, the Needles Women's Club will host a **Turkey Bacon Wrap Luncheon** to benefit **women's empowerment, youth programs, scholarships, and civic initiatives**. For just **\$10**, enjoy a delicious meal featuring a **turkey bacon wrap, chips, and a cookie!** Order your lunch today by [clicking this link](#). Delivery is available for orders of **three or more** within Needles. Meals can be picked up at the **Needles Women's Club at 305 W. Broadway Street**. Don't miss the chance to support your local Women's Club! **Place your order by 5:30 p.m. on March 10, 2025. If you have trouble ordering, feel free to call/text Karrie at 928-201-1836.**
7. Tri-State Community Healthcare is excited to host the **Third Annual Needles Easter Egg Hunt**, bringing families and children together for a fun-filled celebration. On **Saturday, April 19, 2024, starting at 9:30 AM at Jack Smith Park (1000 River Road, Needles, CA)**, the event promises an exciting experience for kids of all ages. With **5,000 eggs hidden** throughout the park, children can discover prizes, gift baskets, and more. In addition to the egg hunt, families can enjoy **face painting and capture memorable moments with the Easter Bunny**. This beloved community event, organized by Tri-State Community Healthcare, is a perfect way to celebrate Easter with joy and excitement. Don't miss out on this special day filled with fun and laughter! **Refer to the attached flyer for more information.**
8. In celebration of **Read Across America Week** from **March 2-6**, a dedicated community member, in partnership with the **City of Needles**, has placed a **Little Free Library #181873** in front of the **Dance Trax Building**, located across from the **Recreation Center at 1299 Flip Mendez Pkwy, Needles, CA 92363**. This thoughtful initiative helps promote literacy and encourages a love of reading throughout the community. A **Little Free Library** is a "take a book, leave a book" free book exchange, fostering community sharing and lifelong learning. Anyone can stop by to **borrow or donate a book**, ensuring a continuous supply of reading material for all ages. This new addition to our city is an excellent way to connect with others through books and make reading more accessible to everyone. We encourage everyone to visit the **Little Free Library**, pick up a book, and share in the joy of reading. Whether you're looking for your next great read or have books to donate, this is a fantastic way to celebrate **Read Across America Week** and support literacy in our community. For more information about the **Little Free Library movement**, visit [littlefreelibrary.org](http://littlefreelibrary.org). **Refer to the attached image for a glimpse at the new library!**

9. **IMPORTANT UPCOMING DATES:**

- City staff has **carefully curated a comprehensive community events calendar** to keep residents informed about **Needles' diverse activities and happenings**. Organizations are encouraged to **collaborate with the City Clerk's Office** to add or update events, ensuring a vibrant and inclusive calendar for all. For contributions or modifications, please **contact Candace Clark at [cclark@cityofneedles.com](mailto:cclark@cityofneedles.com)**. Your **active participation** helps strengthen our community and enrich local experiences. **Check the attached calendar for the remaining 2025 events** and stay engaged with all that Needles has to offer!



## 2. ROUTE 66 PHARMACY





### 3. NEEDLES PRIDE





## 5. ANIMAL ADOPTION

### ***Needles Animal Shelter***

*Please*  
**Adopt Us**



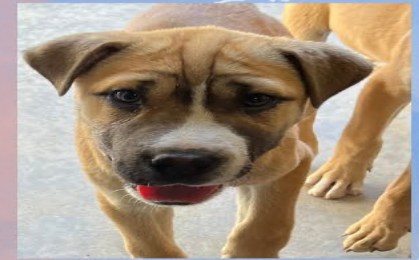
**Cookie - female -  
5 months old -  
Pit/Sharpei mix  
unaltered**



**Honey - female -  
5 months old -  
Pit/Sharpei mix  
unaltered**



**Heath - male -  
5 months old  
Pit/Sharpei mix  
unaltered**



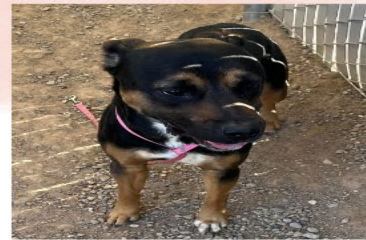
**Coco - female -  
5 months old -  
Pit/Sharpei mix  
unaltered**



**Coda - male -  
Lab mix -  
3 months old -  
neutered**



**Odie - male  
Jack Russell  
mix  
3 years old -  
neutered**



**Bailey - male  
aprox. 1-2 years old  
Rottweiler mix  
unaltered**



**Erin - male  
aprox. 1-2 years old  
border collie mix  
unaltered**

CONTACT US 760-326-4952

1662 Flip Mendez PKWY  
Needles, CA 92363





## 7. TRI-STATE EASTER EGG HUNT

**5,000 Eggs**  
Gift Baskets & prizes

NEEDLES, CA

*Easter*

EGG HUNT

SATURDAY- APRIL 19

**Hunt starts at 9:30**

Jack Smith Park  
1000 River Rd, Needles, CA

**FACE PAINTING & PHOTOS WITH  
THE EASTER BUNNY**

This event is brought to you by:



(844) 444-1424 [www.tristateclinics.org](http://www.tristateclinics.org)





## 8. LITTLE FREE LIBRARY



## 9. COMMUNITY CALENDAR

# March 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						<b>1</b> <b>HOUSEHOLD HAZARDOUS WASTE COLLECTION</b> CITY PUBLIC WORKS YARD 112 ROBUFFA 7AM - 11AM
<b>2</b> 16TH ANNUAL SPRING CLASSIC <b>BASKETBALL TOURNAMENT</b> 3RD-8TH GRADES MAY 1 - 2	3	4	<b>5</b> PLANNING COMMISSION 4pm	6	7	<b>8</b> HARVEST BIBLE CHURCH GOLF TOURNAMENT
<b>9</b>	10	<b>11</b> CITY COUNCIL 6pm	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b> LUCKY GREENS ANNUAL GOLF TOURNAMENT RIVER EDGE GOLF COURSE 
<b>16</b>	<b>17</b> PARKS & RECREATION 4pm HAPPY  St. Patrick's DAY	<b>18</b> BOARD OF PUBLIC UTILITIES 4pm	<b>19</b> JOB AND RESOURCE FAIR EL GARCES 10AM - 2PM ASSEMBLYMAN GONZALEZ'S REPS MOBILE OFFICE 10AM-5:30PM NEEDLES TOURISM OFFICE 920 W BROADWAY	<b>20</b>	<b>21</b>	<b>22</b> JJ's GOLF CLINIC 10AM RIVERS EDGE GC
<b>23</b>	24	<b>25</b> CITY COUNCIL 6pm	<b>26</b> CTE ADVISORY MEETING 12PM - 5PM PVC THEATER BLYTHE, CA <b>HOUSING COMMISSION</b> 4pm	27	28	<b>29</b>



# April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 TWILIGHT LEAGUE RIVERS EDGE GOLF COURSE BOARD OF PUBLIC UTILITIES 4pm	2 PLANNING COMMISSION 4pm	3	4 47th ANNUAL COLORADO RIVER ROUND UP	5 
6	7	8 CITY COUNCIL 6pm	9	10 ART IN THE PARK EL GARCES - SANTA FE PARK	11	12 PALO VERDE COLLEGE 5K COLOR RUN & WALK 9AM SIGN IN 7:30AM
13	14	15 BOARD OF PUBLIC UTILITIES 4pm	16	17	18	19  EASTER EGG HUNT FACE PAINTING & PHOTOS WITH EASTER BUNNY JACK SMITH PARK 9:30 AM 1ST ANNUAL WORLD FAMOUS CHILI COOKOFF SANTA FE PARK 10AM
20 	21 PARKS & RECREATION 4pm	22 CITY COUNCIL 6pm	23 HOUSING COMMISSION 4pm	24 SPRING PAY/NEUTER CLINIC THE NEEDLES ANIMAL SHELTER IS SPONSORING A SPAY/NEUTER CLINIC FOR NEEDLES RESIDENTS. PET OWNER PAYS DEPOSIT AND NEEDLES ANIMAL SHELTER PAYS REMAINING COST MUST FILL OUT APPLICATION AND PROVIDE PROOF OF RESIDENCY SERVICES PROVIDED BY ANGEL'S TOUCH MOBILE VETERINARY CLINIC THE ANGELINA BEEK'S DYAM NEEDLES ANIMAL SHELTER 888 F-UP HOUNDS FWY 780326-8893 APPLICATIONS AVAILABLE AT SHELTER BY APPOINTMENT ONLY LIMITED AVAILABILITY DOGS MUST HAVE VALID RABIES AND CPV TITRAGE	25 APRIL 21 - 27	26
27 ROUTE 66 BIKE WEEK	28	29	30			

# May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 BOARD OF PUBLIC UTILITIES 4pm	7 PLANNING COMMISSION 4pm	8	9	10
11	12	13 CITY COUNCIL 6pm	14 	15	16	17
18	19 PARKS & RECREATION 4pm	20 BOARD OF PUBLIC UTILITIES 4pm	21	22	23	24
25	26	27 CITY COUNCIL 6pm	28 HOUSING COMMISSION 4pm	29	30	31



# City of Needles

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Councilmember Zachery Longacre

City Manager Patrick J. Martinez

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## MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: March 14, 2025

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1. The **Needles Pride Program** continues to inspire residents to take pride in their neighborhoods and strengthen our community. The **City of Needles remains committed to infrastructure improvements** that enhance service reliability and overall quality of life. **Mark your calendars! Councilmember Longacre** has scheduled the next **community cleanup** for **Saturday, March 29th, at 9:00 a.m. along San Clemente**. Join us in keeping Needles clean and beautiful! This week, **Public Works crews worked to improve roadway safety**, continuing **pothole repairs along Lillyhill Drive**, **refreshing red curb markings at Duke Watkins Park**, and **repainting the skatepark railings**. As time and resources allow, they will continue citywide maintenance to keep our streets and public spaces in top shape. **See the attached image of the freshly painted infrastructure and repaired potholes!**

Crews have started clearing overgrown vegetation at the J Street Spillway near the Aquatics Center as part of ongoing fire abatement efforts. This work is essential in reducing wildfire risks and enhancing emergency access in the area. The city is taking proactive measures to improve safety for residents and first responders by removing excess vegetation. **Check out the attached photos** to see their hard work in action! Residents can report road or vegetation concerns by calling **760-326-2115 (press #9)** or using the **Needles Connect app** on [Google Play Store](#) (Android) and [Apple Store](#) (iOS). **Together, we're building a safer, stronger Needles!**

2. This week, a **significant milestone** was reached in the **\$3.96 million Duke Watkins Park Improvement Project**—the **chemical storage tank** for the **Duke Watkins Splash Pad** was successfully installed (refer to the attached image for a look)! This **final key component** brings us closer to fully operationalizing the splash pad. As one of the **most anticipated features** of the park renovation, the **splash pad** will provide a **fun, family-friendly recreational space** for residents and visitors. With this **final installation complete**, the project is now in its **final stages** before opening to the public. The **next step** is to work with the **San**

**Bernardino County Public Health Department to inspect the unit before it can go online, which is anticipated in the first week of April. This investment reflects the City Council's commitment to enhancing public spaces, promoting outdoor recreation, and improving amenities for families in Needles. More updates, including the official opening date, will be shared soon. Take a look at the attached images and take a peek of the improvements!**

3. On **Friday, March 14, 2025**, **City Code Enforcement**, in collaboration with **law enforcement personnel from the Colorado River Sheriff's Station/Needles Police, Animal Control, the Utilities Department, and the San Bernardino County Fire Department**, conducted a **coordinated operation** at a residence in the **400 Block of D Street**. An **inspection warrant** and a **search warrant** were executed as part of the operation. The **property owner had previously received multiple stop-work orders** for conducting **construction without the required permits**. These **unauthorized modifications** posed **serious health and safety hazards**, particularly for **future tenants or occupants**, as unpermitted work can result in **structural instability, electrical hazards, and non-compliance with fire and building codes**. The **San Bernardino County Fire Department** conducted a **fire safety inspection**, identifying **fire hazards, illegal modifications, or code violations** that could endanger occupants, first responders, or neighboring properties. Additionally, **Animal Control** ensured that any **neglected or endangered animals** were handled correctly; however, none were found. The **Utilities Department** assessed the property for **hazardous utility conditions** that could pose further risks to public safety. This coordinated effort reflects the City's ongoing commitment to **enforcing safety regulations, protecting residents, and ensuring compliance with local and state laws**.
4. The **City of Needles** is pleased to announce a **\$5,000 Edible Food Recovery Grant** available to a **local non-profit** in 2025. **Funded by the Mojave Desert and Mountain Recycling Authority**, this grant supports efforts to **collect and distribute edible food** to those in need. Since **2022**, the City has distributed over **\$30,000 in edible food recovery funds**, ensuring every available grant directly benefits the community. **Proposals are due by Monday, March 17, 2025 (Refer to the attached application)**, with the **City Council reviewing submissions at the second meeting in March and funds distributed in April**. This initiative directly supports the **City Council's goals** by **enhancing public infrastructure** through investments in sustainable food recovery programs, **fostering economic growth** by reducing waste disposal costs for local businesses, **promoting community engagement** by strengthening partnerships with non-profits and **supporting families** by improving access to nutritious food for residents in need. The City is advancing its commitment to **sustainability, resource conservation, and public well-being** by funding local food recovery efforts.

**Food recovery is crucial in reducing waste and ensuring residents have access to nutritious meals. SB 1383, signed into law in 2016, mandates a**

**75% reduction in organic waste disposal by 2025**, requiring certain **food businesses** to **donate surplus edible food** to **recovery organizations**. Needles is home to three key **food recovery organizations**—**St. Vincent De Paul, Fire House Ministries, and Set Free** provide **essential services** to the community. Unlike **neighboring cities** with **larger budgets**, Needles **lacks dedicated funding** to cover **operational costs** like **insurance, fuel, and utilities**. However, the City **continues to seek external funding** to support these efforts. **Strengthening food recovery benefits the entire community**, and the City remains **committed to supporting local non-profits** in this mission. More information is available at [CalRecycle](https://www.calrecycle.net). **Contact Rainie Torrance at [rtorrance@cityofneedles.com](mailto:rtorrance@cityofneedles.com) with any questions.**

5. On **Friday, March 14, 2025**, the **Housing Authority of the City of Needles (HACN)** staff met with the **Resident Advisory Board (RAB)** to refine the **Five-Year and Annual Agency Plan**. This meeting was part of an ongoing collaborative effort, with RAB members providing valuable insights and recommendations to ensure the plan reflects the needs and priorities of the residents. Public housing residents were also allowed to provide input through the comment process, with RAB voting members submitting feedback. The **amended Five-Year and Annual Agency Plan** will be formally presented during a **public hearing at the Housing Commission meeting on March 26, 2025, at 4:00 PM** at **El Garces, 950 Front Street, Needles, California**. Following the Housing Commission's recommendation, a **public hearing before the HACN Board of Commissioners** will be held at the **City Council meeting on April 8, 2025, at 6:00 PM**, also at **El Garces**. HACN will consider all public comments at this meeting before finalizing the agency plan for submission to the **U.S. Department of Housing and Urban Development (HUD)** by **April 17, 2025**. This process underscores the commitment of HACN to **transparency, resident engagement, and strategic planning** to improve housing opportunities in Needles.
6. The **2nd Annual Needles Craft Show & Art in the Park** will take place **April 10-12, 2025**, at **El Garces and Santa Fe Park**. It will support local artists, crafters, and vendors while fostering community engagement and economic activity.
  - **Art in the Park (April 10-12, El Garces, 950 Front St.)** – Features **Best in Show and People's Choice competitions**, plus a **cocktail party on April 11 (6:00–8:00 PM)**.
  - **Craft Show (April 12, 9:00 AM–2:00 PM, Santa Fe Park)** – **Vendor spaces are available for \$20.**

These events align with the **City Council's goals of enhancing community engagement, supporting local businesses, and promoting Needles as a cultural hub**. These events encourage tourism, stimulate economic activity, and showcase Needles' vibrant arts community by providing a platform for local artists and vendors. Participation from local businesses, organizations, and residents will help strengthen community ties and create a lively, welcoming

atmosphere for visitors. For more details, including registration information, **refer to the attached flyer.**

7. Eight **new decorative light poles** were installed on **Broadway**, enhancing Needles' **historic charm** and revitalizing the downtown streetscape. Initially introduced in the **mid-1990s**, these iconic fixtures have long contributed to the city's character but have deteriorated over time due to aging infrastructure and vehicle damage. The new light poles improve **visibility, safety, and aesthetics**, creating a more welcoming atmosphere for residents and visitors. Designed to preserve the **vintage appeal** that defines Needles, the updated fixtures offer **modern durability and longevity**. These enhancements improve the **downtown experience for businesses and pedestrians** and support community events, making the area more inviting for gatherings, tourism, and local commerce. City staff will continue evaluating the condition of the remaining light poles and implementing **phased replacements** to maintain the downtown district's **distinctive identity**. The **remaining missing light poles** have been ordered and are scheduled for **delivery and installation in May**. Additional poles have also been ordered as backups to ensure ongoing maintenance and future replacements.
8. The **Pancakes in the Park** event, organized by **Billet Health**, will take place on **March 29, 2025, from 9 AM to 12 PM at Santa Fe Park (950 Front Street, Needles, CA)** to honor **Vietnam Veterans**. The program includes a **JROTC opening ceremony, rifle spinning performance, Welcome Home Vietnam Veterans presentation by George DeLeon (Commander of Post 404), POW-MIA remembrance ceremony, and a 13-Folds Flag Ceremony**. A **complimentary pancake breakfast** will be provided for all veterans and community members. This event aligns with the City Council's **Community Engagement** and **Family Support** goals by strengthening Needles' identity through public celebrations that honor veterans and unite the community. It also supports the Council's mission to **foster a vibrant, connected city** and enhance engagement by promoting activities that encourage participation and civic pride. **Additional details are available on the attached event flyer or through the event organizers (Maria Bower, 928-444-7401).**
9. As of **March 2025**, the **Jack Smith Park Boat Launch Facility** is now open for the season. The facility will be **open every weekend, with daily access available from April 1 through September 30, 2025**. Beginning in **October**, operations will return to **weekends only**. Boaters can access the launch by purchasing a **\$20 Day-Use Launch Pass** or a **\$180 Annual Launch Pass**, both available at the **kiosk at Jack Smith Park**. For any questions or assistance, please get in touch with Jennifer Valenzuela at **(760) 326-2814** or via email at [jvalenzuela@cityofneedles.com](mailto:jvalenzuela@cityofneedles.com). The City is excited to welcome residents and visitors back to the water and looks forward to another great season. For more details, visit the [\*\*City of Needles Jack Smith Park & Launching Facility website.\*\*](#)



10. [Needles Area Transit \(NAT\)](#) provides a **deviated fixed-route service**, operating **Monday through Friday from 7:00 a.m. to 6:55 p.m.** and on **Saturdays from 10:00 a.m. to 4:55 p.m.** **Deviation requests** can be accommodated as time allows by calling **1-866-669-6309**. In response to community needs, **NAT provides deviations, upon request, to the newly developed park behind Rivers Edge Golf Course**, extending service for those looking to enjoy river activities—**this will be the farthest point for deviation. Students ride for free on NAT**, making it an accessible transportation option for local youth. For **questions or comments**, residents can contact **Transportation Concepts at 1-866-669-6309** or the **City of Needles at 760-326-2113 ext. 115**. In addition to NAT's regular service, **curb-to-curb transportation is available for seniors and individuals with mobility disabilities, though registration is required**. The city also provides **Arizona medical and shopper transport services** for those traveling across state lines for essential appointments or errands. For more details on these **specialized services**, please call **760-326-4789**.
11. Rivers Edge Golf Course is having a standout year, featuring some of the finest greens in the Tri-State region. We're excited to host top-tier tournaments and events as we grow into a championship-caliber destination. Tomorrow, **March 15, 2025**, the **Needles Chamber of Commerce** presents the **Second Annual Lucky Greens Golf Tournament**, promising a day of fun and competition. **Twilight League play** returns this month for weekly matchups, and **JJ's golf clinic on March 22 (10 AM - 11 AM)** offers a chance to sharpen your skills. Whether you're booking a round, competing, or hosting an event, Rivers Edge delivers an unbeatable golf experience. **Call (760) 326-3931 to reserve your tee time** or contact **JJ DeLeon for tournament coordination**. For more information, visit the Rivers Edge Golf Course [website](#).
12. As directed by the City Council, staff has included a **coyote awareness flyer** in the **April utility bill** and displayed it in **City Hall** to educate residents on safe coexistence with wildlife. The flyer provides key tips, including **keeping pets supervised, removing outdoor food sources, securing trash bins, and eliminating standing water** to reduce coyote encounters. Staff is also working to share this information through the **city's website** and collaborating with **local organizations, schools, and animal control** to expand awareness. These efforts reinforce the city's commitment to **public safety, proactive communication, and environmental stewardship**. **Refer to the attached flyer for additional information**.
13. The **"Meat Eat" Fundraising BBQ** will take place on **Wednesday, March 26th, at 6 PM** in the **Needles High School Gym**. This event directly supports several **City Council goals** by fostering community engagement and strengthening local partnerships. It enhances **public relations** by bringing residents together for a family-friendly event and supports the **goal of attracting families** by promoting student involvement in music and culinary arts. Additionally, it reinforces the **City's partnership with Needles Unified School District**, demonstrating a shared commitment to youth development. By supporting

school programs like band and choir, this event contributes to the **cultural and social vibrancy** of the community, aligning with the City's broader goals of engagement and quality of life.

**14. IMPORTANT UPCOMING DATES:**

- City staff has **carefully curated a comprehensive community events calendar** to keep residents informed about **Needles' diverse activities and happenings**. Organizations are encouraged to **collaborate with the City Clerk's Office** to add or update events, ensuring a vibrant and inclusive calendar for all. For contributions or modifications, please **contact Candace Clark at [cclark@cityofneedles.com](mailto:cclark@cityofneedles.com)**. Your **active participation** helps strengthen our community and enrich local experiences. **Check the attached calendar for the remaining 2025 events** and stay engaged with all that Needles has to offer!



# 1. NEEDLES PRIDE





# 1. NEEDLES PRIDE





# 1. CITY BEAUTIFICATION





# 1. CITY BEAUTIFICATION





# 1. CITY BEAUTIFICATION





## 2. DUKE WATKINS SPLASH PAD







# 4. NEEDLES PRIDE

## Edible Food Recovery Proposal

2025

Organization:

Address:

Non-Profit Number:

Edible Food Recovery Proposed Project Scope:

Proposed Edible Food Generators which will support the project scope:

Proposed record keeping of edible food recovered:

Proposed use of funds:

How did you utilize the 2024 edible food recovery funds? (If applicable)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

## 6. ART IN THE PARK

# 2ND ANNUAL NEEDLES ART IN THE PARK

Hosted By  
Friends of El Garces  
& River Valley Artist Guild

APRIL 10TH - 12TH, 2025

El Garces  
950 Front Street  
Needles CA

Presenting  
Best in Show and People's Choice

Thursday: April 10, 2025  
10:00am - 6:00pm

Friday: April 11, 2025  
Cocktail Party 6:00-8:00 PM

Saturday: April 12, 2025  
10:00am - 5:00pm

For Registration Contact: Victoria Valdemar  
Vmeyersvaldemar@yahoo.com  
951.334.8454





2ND ANNUAL NEEDLES

# CRAFT SHOW

Sponsored By  
Friends of El Garces

APRIL 12TH, 2025

9:00AM - 2:00PM

\$20.00 per space

Santa Fe Park  
950 Front Street, Needles CA

For Registration Contact: Jan Jernigan 760.221.3211





# ART IN THE PARK AND CRAFT SHOW

Saturday April 12, 2025

9:00 a.m.- 2:00 p.m.

## REGISTRATION FORM

Antiques /Collectable      Craft      (circle one)

Company Name \_\_\_\_\_

Contact Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Phone# \_\_\_\_\_ Email Address \_\_\_\_\_

Description of Items \_\_\_\_\_

10 x 10 Space(s) \_\_\_\_\_ \*Spaces will be Assigned      \*Set up Starts at 7:00am

Payment Amount \$ \_\_\_\_\_ Cash      Check      Other      (circle one)

Notes \_\_\_\_\_

Signature \_\_\_\_\_

- **NO ELECTRIC**

Submit Form, including fee of \$20.00 per space to:

Jan Jernigan - 760-221-3211





## 7. DECORATIVE LIGHT REPLACEMENT





## 8. VETERAN'S BREAKFAST



SPONSORED BY



# PANCAKES IN THE *Park*

Honoring Vietnam Veterans



**29 MARCH 2025**

9AM-12PM

Santa Fe Park

950 Front Street Needles, CA 92363



9am Mohave High School JROTC Opening  
Ceremony

10am Rifle Spinning JROTC

10:30am Welcome Home Vietnam Veterans  
Presented by George DeLeon Commander  
Post 404 Commemorative Coin Presentation

11am POW-MIA Remembrance Ceremony

11:30am 13 Folds Flag Ceremony

WE WILL BE PROVIDING A PANCAKE  
BREAKFAST FOR ALL VETERANS AND  
THE COMMUNITY



FOR MORE INFORMATION CONTACT  
MARIA BOWER (928)444-7401

## 12. COYOTE AWARENESS



# COYOTES LIVE HERE



Coyotes are active year-round and become more visible during their breeding season in January through March. Pups are born from April to mid-May. Coyotes can be seen throughout the day, but are especially active at dawn and dusk. They may travel alone or in groups.

**COYOTES ARE NATIVE WILDLIFE AND ARE FREE TO ROAM AS DETERMINED UNDER THE JURISDICTION OF THE DEPARTMENT OF FISH AND WILDLIFE; THEY ARE A NORMAL AND VALUABLE PART OF THE URBAN ECOSYSTEM. COYOTES KEEP RODENT POPULATIONS DOWN AND PROVIDE FREE CARRION REMOVAL, AMONG OTHER BENEFITS.**

### TIPS TO KEEP THE PEACE :

- **KEEP YOUR CATS INSIDE AND SUPERVISE SMALL DOGS OUTDOORS OR KEEP THEM IN PREDATOR-PROOF CATIOS OR DOG RUNS**
- **REMOVE ANY OUTDOOR PET FOOD**
- **REMOVE ANY BIRD FEEDERS OR REGULARLY CLEAN UP ANY FALLEN SEED AND SECURE IT TO ENSURE OTHER WILDLIFE IS UNABLE TO ACCESS IT**
- **PICK UP FRUIT AS SOON AS IT FALLS TO THE GROUND**
- **KEEP BARBECUE GRILLS CLEAN**
- **ELIMINATE ACCESS TO WATER ON YOUR PROPERTY, LIKE STANDING WATER OR BIRD BATHS**

# 13. NUSD BAND FUNDRAISER

Needles High School Music/Culinary Department  
Proudly Presents

## **The Meat Eat**

*A Fundraising BBQ*



Come join us for performances by The Blue Notes, The Advanced Band and The Needles High School Choir and eat some wonderful BBQ

When: Wednesday, March 26th at 6 pm

Where: The Needles High School Gym

How Much: \$10 a plate



# 14. COMMUNITY CALENDAR

## March 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						<b>1</b> <b>HOUSEHOLD HAZARDOUS WASTE COLLECTION</b> CITY PUBLIC WORKS YARD 112 ROBUFFA 7AM - 11AM
<b>2</b> 16TH ANNUAL SPRING CLASSIC <b>BASKETBALL TOURNAMENT</b> 3RD-8TH GRADES MAY 1 - 2	<b>3</b>	<b>4</b>	<b>5</b> PLANNING COMMISSION 4pm	<b>6</b>	<b>7</b>	<b>8</b> HARVEST BIBLE CHURCH GOLF TOURNAMENT
<b>9</b>	<b>10</b>	<b>11</b> WOMEN'S CLUB LUNCHEON CITY COUNCIL 6pm	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b> LUCKY GREENS ANNUAL GOLF TOURNAMENT RIVER EDGE GOLF COURSE 
<b>16</b>	<b>17</b> PARKS & RECREATION 4pm HAPPY  <b>St. Patrick's</b> DAY	<b>18</b> BOARD OF PUBLIC UTILITIES 4pm	<b>19</b> JOB AND RESOURCE FAIR EL GARCES 10AM - 2PM ASSEMBLYMAN GONZALEZ'S REPS MOBILE OFFICE 10AM-5:30PM NEEDLES TOURISM OFFICE 920 W BROADWAY	<b>20</b>	<b>21</b>	<b>22</b> JJ's GOLF CLINIC 10AM RIVERS EDGE GC
<b>23</b>	<b>24</b>	<b>25</b> CITY COUNCIL 6pm	Needles High School Music/Culinary Department Proudly Presents <b>The Meat Eat</b> A Fundraising BBQ  performances by The Blue Notes, The Advanced Band & The Needles High School Choir NEEDLES HIGH SCHOOL GYM 6PM \$10 / PLATE	<b>27</b>	<b>28</b>	<b>29</b>  <b>HONORING            VIETAM VETERANS            PANCAKES IN THE PARK</b> SANTA FE PARK 9AM <b>COMMUNITY CLEANUP</b> SAN CLEMENTE ST. 

# April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 TWILIGHT LEAGUE RIVERS EDGE GOLF COURSE  BOARD OF PUBLIC UTILITIES 4 PM	2  PLANNING COMMISSION 4 PM	3  PALO VERDE COLLEGE 5K COLOR RUN & WALK 9AM SIGN IN 7:30AM	4  47th ANNUAL COLORADO RIVER ROUND UP	5 
6	7	8  WELL 11 TREATMENT PLANT 9AM  WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	9	10  2ND ANNUAL NEEDLES ART IN THE PARK APRIL 10TH - 12TH, 2025 CRAFT SHOW APRIL 12TH, 2025 EL GARCES 950 FRONT STREET NEEDLES, CA	12  PALO VERDE COLLEGE NEEDLES CENTER SCHOLARSHIP 5K COLOR RUN & WALK	
13	14	15  BOARD OF PUBLIC UTILITIES 4 PM	16	17	18	19  tri-state COMMUNITY COLLEGE EASTER EGG HUNT FACE PAINTING & PHOTOS WITH EASTER BUNNY JACK SMITH PARK 9:30 AM 1ST ANNUAL WORLD FAMOUS CHILI COOKOFF SANTA FE PARK 10AM
20 	21  PARKS & RECREATION 4 PM	22  CITY COUNCIL 6 PM	23  HOUSING COMMISSION 4 PM	24  SPRING SPAY/NEUTER CLINIC THE NEEDLES ANIMAL SHELTER IS SPONSORING A SPAY/NEUTER CLINIC FOR NEEDLES RESIDENTS. PET OWNER PAYS DEPOSIT AND NEEDLES ANIMAL SHELTER PAYS REMAINING COST MUST FILL OUT APPLICATION AND PROVIDE PROOF OF RESIDENCY SERVICES PROVIDED BY ANGEL'S TOUCH ANIMAL VETERINARY CLINIC 1000 ANGELINA BEEK'S DVM	25	26
ROUTE 66 BIKE WEEK						
27  ROUTE 66 BIKE WEEK	28	29	30			

# May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 BOARD OF PUBLIC UTILITIES 4 PM	7 PLANNING COMMISSION 4 PM	8	9	10
11	12	13 WOMEN'S CLUB LUNCH  CITY COUNCIL 6 PM	14 	15	16	17 Rabies and Licensing Clinic Needles Animal Shelter 1662 Flip Mendez Pkwy Needles, CA 92363 May 17th 9:30-12:30 CASH ONLY
18	19 PARKS & RECREATION 4 PM	20 BOARD OF PUBLIC UTILITIES 4 PM	21	22	23	24
25	26	27 CITY COUNCIL 6 PM	28 HOUSING COMMISSION 4 PM	29	30	31

# June 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 BOARD OF PUBLIC UTILITIES 4 PM	4 PLANNING COMMISSION 4 PM	5	6	7
8	9	10 WOMEN'S CLUB LUNCH CITY COUNCIL 6 PM	11	12	13	14
15	16 PARKS & RECREATION 4 PM	17 BOARD OF PUBLIC UTILITIES 4 PM	18	19	20	21
22	23	24 CITY COUNCIL 6 PM	25 HOUSING COMMISSION 4 PM	26	27	28
29	30	1	2	3	4	5