

**AREA HOUSING AUTHORITY OF THE
COUNTY OF VENTURA**

**Basic Financial Statements
and Supplemental Data**

Year Ended June 30, 2025

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AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Basic Financial Statements and Supplemental Data

Year Ended June 30, 2025

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements:	
Statement of Net Position	13
Statement of Revenues, Expenses and Changes in Net Position	14
Statement of Cash Flows	15
Notes to Basic Financial Statements	17
Supplemental Data:	
Combining Statement of Net Position by Sub-fund	42
Combining Statement of Revenues, Expenses and Changes in Net Position by Sub-fund	44
Low Rent Public Housing Sub-fund:	
Combining Statement of Net Position by Project	46
Combining Statement of Revenues, Expenses and Changes in Net Position by Project	48
Financial Data Schedule	49
Actual Modernization Cost Certificates	55
Single Audit Reports and Related Schedules:	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	56

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Basic Financial Statements and Supplemental Data

Year Ended June 30, 2025

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Single Audit Reports and Related Schedules (Continued):	
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	58
Schedule of Expenditures of Federal Awards	61
Notes to Schedule of Expenditures of Federal Awards	62
Schedule of Findings and Questioned Costs	64
Summary Schedule of Prior Audit Findings	65

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Area Housing Authority of the County of Ventura
Newbury Park, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Area Housing authority of the County of Ventura ("the Authority") as of and for the year June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2025, 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 Opinion

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

Emphasis of Matter

As described further in Note 1 to the financial statements, during the year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Authority's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 27, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* be presented to supplement the basic financial statements. Such information 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 opinion on the financial statements that collectively comprise the Authority's basic financial statements. The *Combining Sub-Fund Financial Statements, Combining Low Rent Public Housing Project Financial Statements and Schedule of Expenditures of Federal Awards*, as required by the U.S. Code of Federal Regulations, Title 2, Grants and Agreements, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying *Financial Data Schedule* is presented for purposes of additional analysis as required by the Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development and is not a required part of the financial statements. Additionally, the *Schedule of Actual Modernization Cost Certificates* is presented for additional analysis in accordance with filing requirements with the U.S. Department of Housing and Urban Development and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Combining Sub-Fund Financial Statements, Combining Low Rent Public Housing Project Financial Statements and Schedule of Expenditures of Federal Awards*, as required by the U.S. Code of Federal Regulations, Title 2, Grants and Agreements, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2026 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Davis Ferr LLP

Irvine, California
January 21, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

The discussion and analysis of the Area Housing Authority of the County of Ventura (Authority) financial performance provides an overview of the Authority's financial activity for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with the accompanying basic financial statements included in this report.

Financial Highlights

- Total spending for all programs was approximately \$59.2 million for the year. Rental, investment and other income generated approximately \$9.5 million towards this amount, with HUD grants and subsidies covering the balance.
- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by approximately \$41.3 million. Of that amount approximately \$31 million was considered unrestricted net assets.
- The Authority's net position increased by approximately \$1.8 million as a result of this year's operations.

Overview of the Financial Statements

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

Fund Financial Statements

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

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

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

The *statement of net position* presents information on the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

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

The *statement of cash flows* presents the change in the Authority's cash and cash equivalents during the most recent fiscal year.

The *notes to basic financial statements* provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

Financial Analysis

As noted earlier, the Authority uses funds to help it control and manage money for particular purposes. The following analysis focuses on the net position (Table 1) and the changes in net position (Table 2) of the Authority as a whole. A portion of the Authority's net position (22.2%) reflects its investment in capital assets (e.g., land, construction in progress, buildings and equipment), net of related debt. The Authority uses these capital assets to provide services to program participants; consequently, these assets are not available for future spending.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

Table 1
Net Position

	<u>2025</u>	<u>2024</u>	<u>Amount of Change</u>	<u>Increase (Decrease) %</u>
Current and other assets	\$ 33,630,946	32,568,685	1,062,261	3.3%
Capital assets, net	<u>23,217,954</u>	<u>22,794,125</u>	<u>423,829</u>	1.9%
Total assets	<u>56,848,900</u>	<u>55,362,810</u>	<u>1,486,090</u>	2.7%
Long-term liabilities	10,677,792	13,810,672	(3,132,880)	(22.7%)
Other liabilities	<u>4,818,277</u>	<u>1,960,840</u>	<u>2,875,437</u>	145.7%
Total liabilities	<u>15,496,069</u>	<u>15,771,512</u>	<u>(275,443)</u>	(1.7%)
Net position:				
Invested in capital assets, net of related debt	9,963,283	8,794,788	1,168,495	13.3%
Restricted for HAP	33,721	20,651	13,070	63.3%
Restricted for FSS forfeitures	255,157	234,547	20,610	8.8%
Restricted for replacement reserves	49,869	38,882	10,987	28.3%
Unrestricted	<u>31,050,801</u>	<u>30,502,431</u>	<u>548,370</u>	1.8%
Total net position	<u>\$ 41,352,831</u>	<u>39,591,299</u>	<u>1,761,532</u>	4.4%

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

The following is an explanation of the changes between fiscal years as shown in Table 1:

- Capital assets increased by \$423,829 (net of accumulated depreciation) as follows:

<u>Asset type</u>	<u>Amount</u>
Buildings	\$ 339,315
Furniture and equipment – dwellings	1,091,140
Furniture and equipment – admin	<u>(13,686)</u>
Total net additions	1,416,769
Net accumulated depreciation	<u>(992,940)</u>
Total deductions	(992,940)
Capital asset increase	<u>\$ 423,829</u>

- Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations, increased by \$548,370 from the prior year.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

Table 2
Changes in Net Position

	<u>2025</u>	<u>2024</u>	<u>Amount of Change</u>	<u>Increase (Decrease) %</u>
Operating revenues:				
Rental and other	\$ 8,587,171	7,875,310	711,861	9.0%
Grants and subsidies	50,493,993	48,424,918	2,069,075	4.3%
Nonoperating revenues:				
Investment income	784,677	813,158	(28,481)	(3.5%)
Capital contributions	941,630	459,685	481,945	104.8%
Other nonoperating revenue	<u>128,011</u>	<u>1,569,997</u>	<u>(1,441,986)</u>	<u>(91.8%)</u>
Total revenues	<u>60,935,482</u>	<u>59,143,068</u>	<u>1,792,414</u>	3.0%
Operating expenses:				
Administrative expenses	8,384,325	7,307,936	1,076,389	14.7%
Utilities	1,135,103	980,590	154,513	15.8%
Maintenance and operations	2,093,644	1,729,380	364,264	21.1%
General expenses	279,548	1,014,852	(735,304)	(72.5%)
Extraordinary maintenance	260,363	384,647	(124,284)	(32.3%)
Housing assistance	45,408,063	42,745,731	2,662,332	6.2%
Depreciation	1,005,179	1,002,998	2,181	0.2%
Nonoperating expenses:				
Interest expense	606,279	651,089	(44,810)	(6.9%)
Loss on disposal of capital assets	<u>1,446</u>	<u>15,578</u>	<u>(14,132)</u>	<u>(90.7%)</u>
Total expenses	<u>59,173,950</u>	<u>55,832,801</u>	<u>3,341,149</u>	6.0%
Increase (decrease) in net position	1,761,532	3,310,267	(1,548,735)	(46.8%)
Beginning net position	<u>39,591,299</u>	<u>36,281,032</u>	<u>3,310,267</u>	9.1%
Ending net position	<u>\$ 41,352,831</u>	<u>39,591,299</u>	<u>1,761,532</u>	4.4%

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

The following is an explanation of the changes between fiscal years as shown in Table 2:

- Total revenues increased from a year ago by approximately \$1.8 million (3.0%) and total costs increased by approximately \$3.3 million (6.0%).
- Rental and other revenue increased by \$711 thousand (9.0%) due to increased rents. Capital contributions decreased by \$482 thousand due to cost of FY2025 improvements. Other nonoperating revenue decreased \$1.4 million (91.8%) as less developer fees were earned in FY2025.
- Operating expenses increased \$3.3 million. This is primarily due to increases in administrative expenses as a result of the accounting standard change in recording of compensated absences, and housing assistance payments under the Housing Choice Voucher program.

Major Funds

As noted earlier, the Authority uses fund accounting to provide proper financial management of the Authority's resources and to demonstrate compliance with finance-related legal requirements. The following were considered major funds for the fiscal year ended June 30, 2025:

- Low Rent Public Housing – Net position increased by \$978,887. This is due to capital contributions for improvements received in FY 2025.
- Housing Choice Vouchers – Net position decreased by \$745,590. This is primarily due to additional administrative expenses from the change in compensated absence accounting in FY2025.
- Business Activities – Net position increased by \$1,709,809. This is primarily due increased rents and a decrease in general expenses in FY2025.
- Central Office Cost Center – Net position decreased by \$181,574. This is primarily due to additional administrative expenses from the change in compensated absence accounting in FY2025.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management’s Discussion and Analysis

Capital Assets

The Authority’s investment in capital assets as of June 30, 2025 totals \$23,217,954 (net of accumulated depreciation). This investment in capital assets includes land, structures, development costs, equipment and vehicles. The total increase in the Authority’s investment in capital assets for the current fiscal year was approximately 1.8%.

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

- Building improvements 339,315
- Furniture and equipment - dwelling 1,077,454

Capital Assets at Year-end

	<u>2025</u>	<u>2024</u>
Land	\$ 8,902,273	8,902,273
Buildings	46,887,934	46,548,619
Furniture and equipment - dwelling	6,854,192	5,776,738
Furniture and equipment - admin	<u>153,978</u>	<u>153,978</u>
Totals	<u>\$62,798,377</u>	<u>61,381,608</u>

Debt

Long-term debt includes family self-sufficiency liabilities, accrued interest payable, other deposits payable, compensated absences payable and notes and loans payable.

The table below reflects the details the Authority's outstanding debt as of June 30, 2025 and June 30, 2024. Long term notes and loans payable includes loans for Authority owned rental property and loans from joint ventures to create additional affordable housing in the Authority's jurisdiction.

	<u>2025</u>	<u>2024</u>
Notes payable - Authority owned	\$13,254,671	14,099,337
Notes payable - Joint ventures	100,000	100,000

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Management's Discussion and Analysis

Economic Factors

The Authority is primarily dependent upon the Department of Housing and Urban Development (HUD) for the funding of operations; therefore, the Authority is affected more by the federal budget than by local economic conditions. The Low Rent Public Housing budget is approved by HUD.

Requests for Information

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Authority's Finance Department, at the Area Housing Authority of the County of Ventura, 1400 West Hillcrest Drive, Newbury Park, California 91320.

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BASIC FINANCIAL STATEMENTS

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Statement of Net Position

June 30, 2025
(with comparative information for June 30, 2024)

	2025	2024
Assets:		
Current assets:		
Cash and investments (note 2)	\$ 20,058,577	\$ 19,531,469
Restricted cash and investments (note 2)	1,152,863	992,170
Accounts receivable - HUD	63,582	143,298
Accounts receivable - tenants, net	30,058	46,616
Accounts receivable - other, net	1,110,619	311,728
Accrued interest receivable	106,063	105,256
Notes receivable (note 3)	405,338	400,000
Prepaid expenses and other assets	187,342	151,153
Total current assets	23,114,442	21,681,690
Noncurrent assets:		
Notes receivable (note 3)	7,163,287	7,608,769
Accrued interest receivable	1,105,395	967,848
Other assets	1,904,322	1,966,878
Investment in joint venture (note 14)	343,500	343,500
Capital assets, net (note 5):		
Nondepreciable	8,902,273	8,902,273
Depreciable	14,315,681	13,891,852
Total noncurrent assets	33,734,458	33,681,120
Total assets	56,848,900	55,362,810
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	546,500	551,611
Security deposits payable	450,009	445,399
Unearned revenue	106,551	106,551
Compensated absences payable, current (note 6)	230,446	130,349
Notes and loans payable, current (notes 6, 7 and 8)	3,484,771	726,929
Total current liabilities	4,818,277	1,960,839
Long-term liabilities:		
Family self sufficiency liabilities (notes 6 and 9)	172,030	86,686
Accrued interest payable (note 6)	117,730	113,178
Compensated absences payable (note 6)	518,132	238,400
Notes and loans payable (notes 6, 7 and 8)	9,869,900	13,372,408
Total long-term liabilities	10,677,792	13,810,672
Total liabilities	15,496,069	15,771,511
Net position:		
Net investment in capital assets	9,963,283	8,794,788
Restricted for housing assistance payments	33,721	20,651
Restricted for FSS Forfeitures	255,157	234,547
Restricted for replacement reserves	49,869	38,882
Unrestricted	31,050,801	30,502,431
Total net position	\$ 41,352,831	\$ 39,591,299

See accompanying notes to basic financial statements

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Statement of Revenues, Expenses, and Changes in Net Position

**Year ended June 30, 2025
(with comparative information for June 30, 2024)**

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Dwelling rental income	\$ 6,702,928	\$ 5,915,249
Grant revenue	50,493,993	48,424,918
Other revenue	<u>1,884,243</u>	<u>1,960,061</u>
 Total operating revenues	 <u>59,081,164</u>	 <u>56,300,228</u>
Operating expenses:		
Administrative expenses	8,384,325	7,307,936
Management fee	-	-
Utilities	1,135,103	980,590
Maintenance and operations	2,093,644	1,729,380
General expenses	279,548	1,014,852
Extraordinary maintenance	260,363	384,647
Housing assistance	45,408,063	42,745,731
Depreciation	<u>1,005,179</u>	<u>1,002,998</u>
 Total operating expenses	 <u>58,566,225</u>	 <u>55,166,134</u>
 Operating income (loss)	 <u>514,939</u>	 <u>1,134,094</u>
Nonoperating revenues and expenses:		
Investment income	784,677	813,158
Developer fees	128,011	1,569,997
Interest expense	(606,279)	(651,089)
Gain (loss) on disposal of capital assets	<u>(1,446)</u>	<u>(15,578)</u>
 Total nonoperating revenues and expenses	 <u>304,963</u>	 <u>1,716,488</u>
 Income before capital contributions	 819,902	 2,850,582
Capital contributions	<u>941,630</u>	<u>459,685</u>
 Change in net position	 1,761,532	 3,310,267
Net position at beginning of year	<u>39,591,299</u>	<u>36,281,032</u>
Net position at end of year	<u>\$ 41,352,831</u>	<u>\$ 39,591,299</u>

See accompanying notes to basic financial statements

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Statement of Cash Flows

Year ended June 30, 2025
(with comparative information for June 30, 2024)

	2025	2024
Cash flows from operating activities:		
Cash received from tenants	\$ 6,687,907	\$ 5,919,157
Cash received from others	1,085,352	4,005,375
Repayments received on notes receivable	440,144	938,229
Grant revenue received	50,636,265	46,443,974
Cash payments to suppliers for goods and services	(12,158,061)	(6,991,542)
Cash payments for housing assistance	(45,322,719)	(42,922,472)
Cash payments to employees for services	379,796	(4,413,171)
Net cash provided by operating activities	1,748,684	2,979,550
Cash flows from noncapital financing activities:		
Development fees and interest received	128,011	1,569,997
Net cash provided by noncapital financing activities	128,011	1,569,997
Cash flows from capital and related financing activities:		
Capital contributions received	941,630	459,685
Purchase of capital assets	(1,430,454)	(2,057,632)
Principal payments on notes and loans payable	(744,666)	(1,107,329)
Interest and other fees paid	(601,727)	(646,537)
Net cash provided by (used for) capital and related financing activities	(1,835,217)	(3,351,813)
Cash flows from investing activities:		
Interest on investments	646,323	934,418
Net cash provided by investing activities	646,323	934,418
Net increase (decrease) in cash and cash equivalents	687,801	2,132,152
Cash and cash equivalents at beginning of year (restated)	20,523,639	18,391,487
Cash and cash equivalents at end of year	\$ 21,211,440	\$ 20,523,639

See accompanying note to basic financial statements

(Continued)

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Statement of Cash Flows

(Continued)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Operating income (loss)	\$ 514,939	\$ 1,134,094
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	1,005,179	1,002,998
(Increase) decrease in accounts receivable - tenants	16,558	287
(Increase) decrease in accounts receivable - HUD	79,716	(113,104)
(Increase) decrease in accounts receivable - other	(798,891)	2,045,314
(Increase) decrease in prepaid expenses and other assets	26,367	(1,902,201)
(Increase) decrease in notes receivable	440,144	938,229
Increase (decrease) in accounts payable and accrued liabilities	(5,111)	(29,007)
Increase (decrease) in security deposits payable	4,610	37,982
Increase (decrease) in FSS liabilities	85,344	(176,741)
Increase (decrease) in compensated absences payable	379,829	41,699
Increase (decrease) in unearned revenue	<u>-</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 1,748,684</u>	<u>\$ 2,979,550</u>

There were no significant non-cash capital, financing and investing activities for the years ended June 30, 2025 and 2024.

See accompanying notes to basic financial statements

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AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies

The basic financial statements of the Area Housing Authority of the County of Ventura (Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

(a) Organization

The Authority is a public entity, which was organized under the laws of the State of California's Health and Safety Code for the purpose of providing decent, safe and sanitary housing for qualified low-income individuals in areas where a shortage of such housing exists. To accomplish this purpose, the Authority has entered into Annual Contributions Contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs. Also, in order to raise contributions and to obtain private grants, the Authority has obtained a non-profit status from the Internal Revenue Service under Internal Revenue Code Section 501(c)(3).

(b) Fund Accounting

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

(c) Sub-Funds

The Authority reports the following sub-funds:

Low Rent Public Housing – To account for affordable public housing to low-income families that meet HUD criteria. Programs are subsidized by HUD through an annual contributions contract SF-568. Tenants' rental income, interest income, and other income is received and expended for all administrative and maintenance expenses.

Housing Choice Vouchers – To account for rental assistance vouchers to qualified low-income participants that meet HUD criteria. The program is funded by HUD through an annual contributions contract SF-525.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

Business Activities – To account for future housing developments as the Authority continues to look for additional avenues to provide affordable housing for the low to moderate income families in the County of Ventura (County).

Central Office Cost Center (COCC) – To account for revenue and expenses to support other programs and projects of Low Rent Public Housing.

(d) Measurement Focus and Basis of Accounting

The proprietary fund types are accounted for on an “income determination” or “cost of services” measurement focus. Accordingly, all assets and liabilities are included on the Statement of Net Position, and the reported net position provides an indication of the historical net worth of the fund. Operating statements for proprietary fund types report increases (revenues) and decreases (expenses) in total historical net worth.

Proprietary funds use the accrual basis of accounting, i.e., revenues are recognized in the period earned and expenses are recognized in the period incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The principal operating revenue of the Authority’s enterprise funds is funding from HUD that is received to finance housing assistance payments. Operating expenses include the cost of services provided, administrative expenses and depreciation on fixed assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

(e) Cash and Investments

Cash includes amounts in demand deposits and saving accounts. Investments are reported in the accompanying Statement of Net Position at fair value. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The Authority pools its cash and investments. Each sub-fund’s share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each sub-fund’s average cash and investment balance.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(f) Cash Equivalents

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

(g) Accounts Receivable – HUD

The amounts reported as accounts receivable – HUD represent funds earned under certain grant programs that have not yet been received.

(h) Allowance for Doubtful Accounts

Accounts receivable – tenants are reported net of allowance for doubtful accounts. The Authority estimates an allowance based on an analysis of specific tenants, taking into consideration past due accounts and an assessment of the tenant's ability to pay. As of June 30, 2025, the total allowance for doubtful accounts receivable – tenants was \$56,809.

Accounts receivable – other are reported net of allowance for doubtful accounts. The Authority estimates an allowance equal to the amount of fraud recovery related receivables. As of June 30, 2025, the total allowance for doubtful accounts receivable – other was \$32,798.

(i) Employee Leave Benefits

Regular full-time Authority employees earn from 80 to 160 vacation hours a year, depending upon their length of employment, and 96 sick hours a year. Employees can carry forward up to the equivalent number of vacation hours earned in the immediately preceding twenty-four-month period or 240 vacation hours, whichever is less. Employees can also carry forward up to 720 hours of unused sick leave.

Upon termination or retirement, regular employees are entitled to receive compensation at their current base salary for all unused vacation leave. Employees may also request a vacation payoff for part of unused vacation hours accrued in the previous 12-month period, provided the employee has utilized a minimum of 40 hours of accrued vacation during the time period. Employees must maintain a minimum balance of 40 hours of vacation accrual after submitting the request.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(j) Capital Assets

Capital assets are stated at cost or estimated historical cost. Contributed capital assets are recorded at estimated acquisition value at the time received. Generally, any single item purchased by the Authority with a cost greater than or equal to \$10,000 and an anticipated useful life of greater than one year is capitalized and depreciated. Land and construction in progress are never depreciated. Development costs are depreciated only upon completion of the project. Maintenance, minor repairs and replacements are recorded as expenses. Extraordinary replacements of property resulting in property betterment are capitalized.

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

<u>Item</u>	<u>Useful Life</u>
Buildings and structures	27.5 years
Building improvements	10 years
Equipment and vehicles	5-10 years

(k) Payment in Lieu of Taxes (PILOT)

As a municipal corporation, the Authority is exempt from real and property taxes and special assessments levied by any taxing body. Historically, the Authority was required to make PILOT on certain rental properties owned by the Authority. On November 18, 2011, a Memorandum of Understanding was executed with the Cities of Ojai, Thousand Oaks, Camarillo and Moorpark and the County of Ventura regarding the distribution of PILOT. PILOT funds are retained by the Authority for the exclusive use of resident services for the tenants domiciled in public housing.

(l) Income Taxes

The Authority is exempt from federal and California income taxes.

(m) Net Position

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

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(n) Fair Value Measurements

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

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

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

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

(o) Use of Estimates

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

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(p) Compensated Absences

During the year ended June 30, 2025, the Authority adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences, which seeks to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. No prior period adjustment was needed. Accumulated unpaid vacation and sick leave totaling \$1,324,397 is accrued when incurred and included in current and noncurrent liabilities at June 30, 2025.

(q) Prior Year Data

Selected information from the prior year has been included in the accompanying financial statements in order to provide an understanding of changes in the Authority's financial position and operations. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with GAAP. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended June 30, 2024, from which this selected financial data was derived. Certain minor reclassifications of prior year data have been made in order to enhance its comparability with current year figures.

(2) Cash and Investments

Cash and investments held at June 30, 2025 are classified as follows in the accompanying Statement of Net Position:

Cash and investments	\$ 20,058,577
Restricted cash and investments	<u>1,152,863</u>
Total cash and investments	<u>\$ 21,211,440</u>

Cash and investments were restricted as follows:

Family Self Sufficiency escrow accounts	\$ 172,030
Family Self Sufficiency Forfeitures	255,157
Security deposits payable	450,009
Certificate of Deposits	63,284
Housing assistance payments	33,721
Emergency Housing Vouchers Program	128,793
Replacement Reserves	<u>49,869</u>
Total restricted cash and investments	<u>\$ 1,152,863</u>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(2) Cash and Investments (Continued)

Cash and investments held by the Authority at June 30, 2025 consisted of the following:

Demand deposits	\$ 14,526,284
Petty cash	500
State of California Local Agency Investment Fund (LAIF)	<u>6,684,656</u>
 Total cash and investments	 <u>\$ 21,211,440</u>

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

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

<u>Investment Types Authorized by State Law</u>	<u>Investment Policy</u>	<u>* Maximum Maturity</u>	<u>* Maximum Percentage Of Portfolio</u>	<u>* Maximum Investment In One Issuer</u>
Local Agency Bonds	No	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
State Obligations— CA And Others	No	5 years	None	None
CA Local Agency Obligations	No	5 years	None	None
U.S. Agency Obligations	Yes	5 years	None	None
Bankers’ Acceptances	No	180 days	40%	None
Commercial Paper— Pooled Funds	No	270 days	40%	None
Commercial Paper— Non-Pooled Funds	No	270 days	25%	None
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Non-negotiable Certificates of Deposit	No	5 years	None	None
Placement Service Deposits	No	5 years	30%	None
Placement Service Certificates of Deposit	No	5 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	Yes	92 days	20%	None
Medium-Term Notes	No	5 years	30%	None
Mutual Funds and Money Market Mutual Funds	Yes	N/A	20%	10%
Collateralized Bank Deposits	Yes	5 years	None	None
Mortgage Pass-Through Securities	No	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Joint Powers Authority Pool	No	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
Voluntary Investment Program Fund	No	N/A	None	None
Supranational Obligations	No	5 years	30%	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive.
N/A - not applicable

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(2) Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value will be to changes in market interest rates. In accordance with the Authority's Investment Policy, the Authority manages its exposure to interest rate risks by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity Less Than 1 year</u>
State of California		
Local Agency Investment Fund	\$ <u>6,684,656</u>	<u>6,684,656</u>
Total	\$ <u>6,684,656</u>	<u>6,684,656</u>

Disclosures Relating to Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2025, the Authority's investment portfolio consisted of \$6,684,656 invested in LAIF, which is not rated.

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than external investment pools) that represent 5% or more of total Authority investments.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(2) Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposit made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

The Authority is a voluntary participant in LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not subject to fair value measurement.

(3) Notes and Interest Receivable

Notes and interest receivable as of June 30, 2025 consisted of the following:

<u>Description</u>	<u>Balance at June 30, 2025</u>
On April 1, 2013, the Authority loaned \$190,000 to Colina Vista Housing Partners, L.P. (a California Limited Partnership). The note bears interest at a rate of 3% per year, compounded annually. The note is secured by a deed of trust. The principal and accrued interest must be paid in full upon the earlier of (a) sale of the Project or (b) April 1, 2070. Principal and interest due to the Authority was \$190,000 and \$82,955, respectively. See Note 15 for additional information regarding the Colina Vista Housing Partners, L.P. Partnership agreement.	\$ 272,955

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(3) Notes and Interest Receivable (Continued)

<u>Description</u>	<u>Balance at June 30, 2025</u>
On April 1, 2023, the Authority loaned \$1,000,000 to Barry60 LP (a California Limited Partnership). The note bears interest at a rate of 3% per year per annum. The note is secured by a short form deed of trust. The principal and accrued interest must be paid in full upon the earlier of (a) the date of any default, (b) April 1, 2080, and (c) any sale, transfer, assignment or conveyance of the development other than to the Authority. Principal and interest due to the Authority was \$1,000,000 and \$67,500, respectively. See additional information regarding the Barry60, LP Partnership agreement in Note 15.	\$ 1,067,500
On March 28, 2013, the Authority agreed to loan \$2,597,900 to Los Feliz 51, LP (a California Limited Partnership). The note accrues interest at an annual interest rate of 3% per year. The principal and interest are due to the Authority on March 28, 2070. A portion of the loan, \$1,507,900, was considered a stabilization loan and was funded prior to the conservation installment date and was funded in fiscal year 2014. The remainder of the loan was provided in fiscal year 2016. Principal and interest due to the Authority was \$1,838,784 and \$13,791, respectively. The current portion principal and interest due is in the amount of \$130,328 and 68,954, respectively. See Note 15 for additional information regarding the Los Feliz 51, LP Partnership agreement.	1,852,575
In February 2014, the Authority loaned \$1,410,000 to Los Feliz 20, LP (a California Limited Partnership). The note accrues interest at an annual interest rate of 3.56%. The principal and interest are due to the Authority on February 1, 2069. Principal and interest due to the Authority was \$1,334,113 and \$207,546, respectively. The current portion of principal and interest due is in the amount of \$75,888 and \$41,123, respectively. See Note 15 for additional information regarding the Los Feliz 20, LP Partnership agreement.	1,541,659
In October 2010, the Authority loaned \$200,000 to Moorpark 20, LP. The note accrues interest at the rate of 3.45% per year. All outstanding principal, accrued interest, and other charges are payable in a single lump-sum payment on or before October 2030. Principal and interest due to the Authority was \$200,000 and \$96,600, respectively. See Note 15 for additional information regarding the Moorpark, LP Partnership agreement.	296,600

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(3) Notes and Interest Receivable (Continued)

<u>Description</u>	<u>Balance at June 30, 2025</u>
<p>In December 2015, the Authority loaned \$175,776 to LF51 Solar, LLC. The note accrues interest at the rate of 2.50% per year. All outstanding principal, accrued interest, and other charges are payable in a single lump-sum payment on or before December 31, 2035. Principal and interest due to the Authority was \$59,957 and \$749, respectively. The current portion of principal and interest due was \$10,390 and \$877, respectively.</p>	\$ 60,706
<p>In April 2016, the Authority loaned \$2,290,000 to Bradford27, LP. The note accrues interest at the rate of 3.50% per year. All outstanding principal, accrued interest, and other charges are payable in a single lump-sum payment on or before April 2031. During the fiscal year 2017, a subordinate receivable from Bradford LP was granted in an amount of \$470,424 at 3.5% interest for a 15-year term. Principal and interest due to the Authority was \$2,227,293 and \$661,285, respectively. The current portion of principal and interest due was \$121,566 and \$9,944, respectively. See Note 15 for additional information regarding the Bradford27, LP Partnership agreement.</p>	2,939,118
<p>In March 2017, the Authority loaned \$1,000,000 to Walnut24, LP. The note accrues interest at the rate of 2.5% per year. The principal and interest are due to the Authority on March 1, 2049. Principal and interest due to the Authority was \$668,478 and \$3,342, respectively. The current portion of principal and interest due was \$67,166 and \$16,712, respectively. See Note 15 for additional information regarding the Walnut24, LP Partnership agreement.</p>	<u>671,820</u>
<p>Total Notes and Interest Receivable</p> <p>Less notes interest receivable</p>	<p>\$ 8,702,933</p> <p><u>(1,134,308)</u></p>
<p>Total notes receivable, net</p> <p>Less current portion</p>	<p>7,568,625</p> <p><u>(405,338)</u></p>
<p>Total non-current portion</p>	<p><u>\$ 7,163,287</u></p>

Management states that the above receivables are a direct result of partnerships created to construct and manage low-income tax credit affordable housing. Generally, the intent is to be able to refinance these receivables at the end of the 15-year tax credit use period. Any payments that may be made prior to refinancing are dependent upon the ability of the obligated parties to realize sufficient funds from the properties that serve as collateral for the receivables.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(4) Developer Fee and Interest Receivable

Pursuant to a Developer Agreement dated October 1, 2010, the Authority, as a developer of Moorpark 20, L.P., is entitled to a developer fee in the amount of \$873,009, exclusive of any consultant's fee for certain services performed in connect with the development of the Project. The developer fee accrues interest at 3.32% annually. Both the interest and the principal shall be paid upon installments set forth in the Agreement. The principal and interest was paid in full during the fiscal year ended June 30, 2024. See additional information in relation to the Moorpark 20, L.P. Partnership Agreement in Note 15.

(5) Capital Assets

Capital asset activity for the year ended June 30, 2025 is as follows:

	<u>Balance at</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2025</u>
Capital assets not being depreciated				
Land	\$ 8,902,273	\$ -	\$ -	\$ 8,902,273
Total capital assets not being depreciated	<u>8,902,273</u>	<u>-</u>	<u>-</u>	<u>8,902,273</u>
Capital assets being depreciated:				
Buildings	46,548,619	339,315	-	46,887,934
Furniture and equipment – dwellings	5,776,738	1,091,140	(13,686)	6,854,192
Furniture and equipment – admin	153,978	-	-	153,978
Total capital assets being depreciated	<u>52,479,335</u>	<u>1,430,455</u>	<u>(13,686)</u>	<u>53,896,104</u>
Less accumulated depreciation for:				
Buildings	(35,863,302)	(738,001)	-	(36,601,303)
Furniture and equipment – dwellings	(2,587,561)	(261,207)	12,239	(2,836,529)
Furniture and equipment – admin	(136,620)	(5,971)	-	(142,591)
Total accumulated depreciation	<u>(38,587,483)</u>	<u>(1,005,179)</u>	<u>12,239</u>	<u>(39,580,423)</u>
Total capital assets being depreciated, net	<u>13,891,852</u>	<u>425,276</u>	<u>(1,447)</u>	<u>14,315,681</u>
Total capital assets, net	<u>\$ 22,794,125</u>	<u>\$ 425,276</u>	<u>\$ (1,447)</u>	<u>\$ 23,217,954</u>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(5) Capital Assets (Continued)

Depreciation expense in the amount of \$1,005,179 for the year ended June 30, 2025 was charged to the following functions:

Low rent public housing	\$	366,706
Section 8		3,768
Non-HUD		<u>634,705</u>
 Total depreciation expense	 \$	 <u>1,005,179</u>

(6) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2025:

<u>Description</u>	<u>Balance at July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2025</u>	<u>Amount Due Within One Year</u>	<u>Amount Due Beyond One Year</u>
County of Ventura	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
Zeiner	437,500	-	-	437,500	-	437,500
Kreutz	512,500	-	-	512,500	-	512,500
City of Ojai (1)	100,000	-	-	100,000	-	100,000
City of Ojai (2)	200,000	-	-	200,000	-	200,000
Montecito Bank (2)	1,713,093	-	(74,207)	1,638,886	72,759	1,566,127
Montecito Bank (3)	449,493	-	(449,493)	-	-	-
Montecito Bank (4)	1,672,381	-	(48,366)	1,624,015	1,624,015	-
Montecito Bank (5)	1,728,270	-	(51,114)	1,677,156	1,677,156	-
Greti U. Croft	5,058,865	-	(75,737)	4,983,128	79,202	4,903,926
Century Housing (1)	802,075	-	(18,391)	783,684	19,520	764,164
Century Housing (2)	1,132,100	-	(12,526)	1,119,574	12,119	1,107,455
Casas de Sueno Associates	<u>193,060</u>	-	<u>(14,832)</u>	<u>178,228</u>	-	<u>178,228</u>
 Subtotal	 14,099,337	 -	 (744,666)	 13,354,671	 3,484,771	 9,869,900
Family self-sufficiency liabilities	86,686	105,890	(20,546)	172,030	-	172,030
Accrued interest payable	113,178	4,552	-	117,730	-	117,730
Compensated absences payable*	<u>368,749</u>	<u>379,829</u>	-	<u>748,578</u>	<u>230,446</u>	<u>518,132</u>
 Totals	 <u>\$ 14,667,950</u>	 <u>\$ 490,271</u>	 <u>\$ (765,212)</u>	 <u>\$ 14,393,009</u>	 <u>\$ 3,715,217</u>	 <u>\$ 10,677,792</u>

*Compensated absences additions/deletions are shown net per implementation of GASB No. 101

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(7) Notes and Loans Payable

County of Ventura

The Authority is obligated on a note dated May 17, 1995, secured by a deed of trust on real property owned by an affiliated company, in the amount of \$100,000 payable to the County of Ventura. Compounding interest accrues at the rate of 3.00% per annum. All principal and accrued interest is due and payable on May 17, 2035. The outstanding balance at June 30, 2025 is \$100,000.

Zeiner

The Authority is obligated on a note dated January 14, 2002, secured by a deed of trust, in the amount of \$437,500 payable to Brian B. Zeiner and Christine A. Zeiner. The note bears interest at a rate of 6.25% per year. Monthly payments equal to the interest portion only began on March 1, 2002. The note is due in its entirety on January 14, 2032. On or after January 14, 2007, the lender may deliver a written demand for payment in full not less than six months after the demand is issued. The outstanding balance at June 30, 2025 is \$437,500.

Kreutz

The Authority is obligated on a note dated January 14, 2002, secured by a deed of trust in the amount of \$512,500 payable to Joseph D. Kreutz and Kyle K. Kreutz, Co-Trustees of the Kreutz Living Trust. The note bears interest at a rate of 6.25%. Monthly payments equal to the interest portion only began on March 1, 2002. The note is due in its entirety on January 14, 2032. On or after January 14, 2007, the lender may deliver a written demand for payment in full not less than six months after the demand is issued. The outstanding balance at June 30, 2025 is \$512,500.

City of Ojai

The Authority is obligated on a note dated December 13, 2001, secured by a deed of trust, in the amount of \$100,000 payable to the City of Ojai to finance the improvement of certain property pursuant to a Loan Agreement. The principal balance on the note bears no interest and is payable on December 13, 2041. The note will be forgiven if the Authority fully complies with all provisions of the loan documents. The outstanding balance at June 30, 2025 is \$100,000.

The Authority is obligated on a note dated March 27, 2002, secured by a deed of trust, in the amount of \$200,000, payable to the City of Ojai to finance the improvement of a certain property pursuant to a Loan Agreement. The principal balance on the note bears no interest and is payable on March 27, 2042. The note will be forgiven if the Authority fully complies with all provisions of the loan documents. The outstanding balance at June 30, 2025 is \$200,000.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(7) Notes and Loans Payable (Continued)

Montecito Bank

The Authority entered into a note agreement dated October 18, 2016, secured by a deed of trust on certain real property, in the amount of \$2,150,000 payable to Montecito Bank and Trust. The note bears interest at 4.25% annually. Monthly payments of \$11,731 began on November 25, 2016, with the final payment due on October 25, 2026. The proceeds from the note were used to refinance certain outstanding debt. The outstanding balance at June 30, 2025 is \$1,638,886.

The Authority originally entered into a loan agreement dated October 24, 2004 with Union Bank in the amount of \$700,000. The loan originally bore an initial interest rate of 5.00% per year. The loan was subsequently refinanced on October 27, 2014, secured by certain real property, in the amount of \$600,000 payable to Montecito Bank and Trust. The primary purpose of the loan was to refinance a previous loan with Union Bank. The stated interest rate of the loan is 4.75% with 119 regular payments of \$3,449 which began on December 5, 2014, and one last payment in the amount of \$449,493. The balance was paid in full at June 30, 2025.

The Authority originally entered into a loan agreement dated March 31, 2008 with Union Bank in the amount of \$2,300,000. The loan originally bore an initial interest rate of 4.65% per year. The loan was subsequently refinanced on November 13, 2015 with Montecito Bank and Trust for \$2,016,000. The primary purpose of the loan was to refinance a previous loan with Union Bank. The stated interest rate of the loan is 4.375% with 119 regular payments of \$10,143 which began on December 20, 2015, and one last payment in the amount of \$1,621,878. The outstanding balance at June 30, 2025 is \$1,624,015.

The Authority originally entered into a loan agreement dated January 14, 2008 in the amount of \$2,400,000 payable to Union Bank. The loan originally bore an initial interest rate of 4.625% per year. The loan was subsequently refinanced on November 12, 2015 with Montecito Bank and Trust in the amount of \$2,100,000. The primary purpose of the loan was to refinance a previous loan with Union Bank. The stated interest rate of the loan is 4.375% with 119 regular payments of \$10,574 which began on December 20, 2015, and one last payment in the amount of \$1,690,888. The outstanding balance at June 30, 2025 is \$1,677,156.

Greti U. Croft Living Trust

The Authority entered into a note agreement dated December 18, 2018 to acquire certain real property. The note was for \$5,500,000, payable to the Greti U. Croft Living Trust, and bears interest of 3.85% annually. Monthly payments of \$22,476 began on January 1, 2018 and continue through November 1, 2037, with a final payment of \$3,760,138 due on December 1, 2037. The outstanding balance at June 30, 2025 is \$4,983,128.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(7) Notes and Loans Payable (Continued)

Century Housing Corporation

The Authority entered into a permanent loan agreement, dated June 10, 2020, to acquire certain real property. The note was for \$863,000, payable to the Century Housing Corporation, and bears interest of 6.01% annually. Principal and interest payments are due monthly in equal installments that would fully amortize the loan over a 25-year period. The note is secured by a deed a trust and the outstanding balance at June 30, 2025 is \$783,684.

The Authority entered into a permanent loan agreement, dated June 10, 2020, to acquire certain real property. The note was for \$1,170,000, payable to the Century Housing Corporation, and bears interest of 6.01% annually. Principal and interest payments are due monthly in equal installments that would fully amortize the loan over a 25-year period. The note is secured by a deed a trust and the outstanding balance at June 30, 2025 is \$1,119,574.

Casas de Sueno Associates

The Authority entered into a non-interest-bearing note agreement, dated December 13, 2018, to acquire certain real property. The note was for \$200,000, payable to the Casas de Sueno Associates over 18 years from residual receipts. The outstanding balance at June 30, 2025 is \$178,228. There is no debt to maturity schedule available for this loan.

(8) Debt Service Requirements to Maturity

As of June 30, 2025, the annual requirements to amortize outstanding notes and loans payable of the Authority to maturity, including interest payments, are as follows:

Year Ending June 30	County of Ventura	Zeiner	Kreutz	Ojai Successor Agency	Montecito	Gretti U. Croft Living Trust	Century Housing	Total	Interest	Principal
2026	\$ -	27,344	32,031	-	3,558,933	269,714	146,939	4,034,961	541,384	3,493,577
2027	-	27,344	32,031	-	1,599,849	269,714	146,939	2,075,877	397,876	1,678,001
2028	-	27,344	32,031	-	-	269,714	146,939	476,028	354,764	121,264
2029	-	27,344	32,031	-	-	269,714	146,939	476,028	349,170	126,858
2030	-	27,344	32,031	-	-	1,348,572	146,939	1,554,886	1,422,163	132,723
2031-2035	326,204	506,946	563,216	-	-	4,435,492	1,703,123	7,534,981	4,248,038	3,286,943
2036-2040	-	-	-	-	-	-	-	-	374,871	4,037,077
2041-2043	-	-	-	300,000	-	-	-	300,000	-	300,000
Totals	\$326,204	643,666	723,371	300,000	5,158,782	6,862,920	2,437,818	16,452,761	7,688,266	13,176,443

The above schedule does not include the note payable to Casa de Sueno Associates since the note is payable from residual receipts.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(9) Family Self-Sufficiency Liabilities

The Family Self-Sufficiency (FSS) program provides supportive services that enable participating low- and moderate-income families to achieve economic independence and self-sufficiency. The Authority contracts with each participating Section 8 family to set aside funds in an interest-bearing account as long as the client meets all of the goals set forth when they originally signed up for the FSS program. Upon successful completion of the program goals, those funds are disbursed to the family. The Authority's liability to FSS participants at June 30, 2025 was \$172,030.

(10) Defined Contribution Retirement Plan

The Authority provides retirement benefits for all its regular employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate six months after the date of employment. The Authority contributes an amount equal to 13.7% of the employee's total wages each month. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service. Authority contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the Authority's current-period contribution requirement. The Authority's contribution for the year ended June 30, 2025 was \$569,627.

(11) Commitments and Contingencies

Grant Funding

The Authority has received funds from various federal and local grant programs. It is possible that at some future date, it may be determined that the Authority was not in compliance with applicable grant requirements. The amounts, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

Contingent Liabilities

In the normal course of operations, the Authority may become a defendant in various litigation disputes. In the opinion of management and counsel, the outcome of current litigation, if any, is not expected to materially adversely affect the financial position of the Authority.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(12) Bond Conduit Financings

Los Feliz 20, LP

In February 2014, the Authority issued tax-exempt bonds in the amount of \$5,400,000. The bonds were issued for the benefit of Los Feliz 20, L.P., a California limited partnership. Los Feliz 20, L.P. was formed on February 1, 2014 to provide financing for the construction of a multifamily rental housing facility known as Los Feliz Phase II Apartments located in Thousand Oaks, California. The Project will be operated in a manner necessary to qualify for federal low-income housing tax credits as provided in Section 42 of the Internal Revenue Code. As of June 30, 2025, the outstanding balance of these revenue bonds is:

<u>Description</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount of Issue</u>	<u>Outstanding Balance at June 30, 2025</u>
2014 Series A-1	2014	2069	\$ 1,540,000	\$ 1,289,302
2014 Series A-2	2014	2069	1,000,000	462,010
Totals			<u>\$ 2,540,000</u>	<u>\$ 1,751,312</u>

In the opinion of Authority officials, the Los Feliz 20, L.P. bonds are not and will never become general obligations of the issuer but are limited obligations of the issuer and are payable solely from the sources set forth in the indenture. The Bonds shall not be payable from the general revenues of the issuer and in no event shall the Bonds be payable out of any funds or properties other than those specifically pledged therefore. The issuer has no taxing power.

(13) Insurance Coverage

As of June 30, 2025, the Authority held the following levels of insurance coverage:

Commercial Liability Insurance:

General Liability	\$5,000,000 per occurrence; \$5,000,000 limit
Fire Damage Liability	\$50,000 limit
Athletic Sports Liability	\$250,000 per occurrence; \$250,000 limit
Personal and Advertising Injury	\$5,000,000 limit
Public Official's Errors and Omissions	\$2,000,000 per wrongful act; \$2,000,000 limit
Mold or Other Fungus	\$100,000 limit

The Authority is insured for workers' compensation claims by California Housing Workers' Compensation Authority (CHWCA). Under this program, the pool provides up to \$750,000 workers' compensation coverage and \$750,000 employer's liability coverage. In addition, the Authority is insured for Statutory Workers' Compensation by the Safety National Casualty Corporation. The Pool provides up to \$5,000,000 per occurrence.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(14) Investment in Joint Venture

Oak Creek Housing Investors, LP

On March 21, 2002, the Authority entered into an agreement with Simpson Housing Solutions and Urban Pacific Builders, LLC (Urban) to form a limited partnership called Oak Creek Housing Investors, LP (Partnership). Subsequently, Simpson Housing Solutions became MCA Housing Partners LLC, which subsequently became Highridge Costa Investors, LLC (Highridge). The Authority is the Managing General Partner, Urban is the Administrative General Partner, and Highridge is the Limited Partner.

The Partnership's purpose is to locate and acquire property suitable for a low-income housing apartment project (Project) that qualifies for tax credits and to develop, own and operate the Project thereon. The Partnership is in effect until December 31, 2056. Effective November 1, 2018, the management of the property was released from Many Mansions to the Authority.

Capital contributions to establish the Partnership were \$0.50, \$0.50, and \$99.00 for the Authority, Urban and Highridge, respectively. Any additional contributions are deemed to be interest-free loans. Profits and losses, distributions and tax credits of the Partnership are allocated 0.5% each to the Authority and Urban, and 99.0% to Highridge.

In December 2002, the Authority entered into a limited partnership agreement creating the Oak Creek Housing Limited Partnership (Oak Creek). As part of the agreement, the Authority was to receive certain developer fees of approximately \$343,500. Oak Creek did not have the cash to pay the Authority. Therefore, in 2015 it was agreed that the liability Oak Creek owed to the Authority would be converted to an equity position. Separate audited financial statements for the Partnership can be obtained from the Authority.

Upon termination of the Partnership, the assets of the Partnership will be distributed in the following order: (1) to pay the Partnership's debts; (2) to repay any loans made by Highridge as the Limited Partner; (3) to establish a reserve for any contingent or foreseeable liabilities of the Partnership; (4) to pay the Authority, Urban and Highridge an amount equal to any compensation due; (5) to repay any loans made by the Authority as the General Partner and to Urban as the Administrative General Partner; and (6) to distribute any remaining balances to the Authority, Urban and Highridge in accordance with their capital accounts. The Authority has the option to acquire the real property owned by the Partnership at any time at least fifteen years following the acquisition of the property for an amount equal to outstanding encumbrances on the property plus \$1.

The Authority, as Managing General Partner, is solely responsible for (1) post-construction management, accounting and operations of the Project and the Partnership; (2) services to the Project in accordance with a Distribution and Development Agreement entered into between the Partnership and the Thousand Oaks Redevelopment Agency; (3) applying for grants and loans; and (4) maintaining its non-profit status. The Authority receives compensation for its management services. There is no remaining balance of development fees due to the Authority as of June 30, 2025.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(14) Investment in Joint Venture (Continued)

On December 1, 2002, the Authority entered into a payment and performance guaranty with Bank of America, N.A., on behalf of Oak Creek Housing Investors, LP, for the \$6,225,000 California Statewide Community Development Authority Multifamily Housing Revenue Bonds (Oak Creek Apartments Project) Series 2002 DD that were issued on December 1, 2002.

On October 2, 2023, the Authority entered into an agreement with Urban Pacific Development Group, the successor-in-interest to Urban Pacific Builders, the Administrative General Partner. Under the terms of the agreement, the Authority purchased Urban's interest as Administrative General Partner and Urban has withdrawn from the partnership.

Under the terms of the agreement, the Authority guaranteed to the bank the prompt and full payment of the obligations of Oak Creek Housing Investors, LP including principal and interest accrued and the payment of all charges, fees and expenses for which Oak Creek Housing Investors LP is obligated. The remaining balance of bonds as of June 30, 2025 was \$2,527,522.

(15) Additional Partnership Agreements

Shadows TC Investors, LP

On April 10, 2007, the Authority entered into an Amended and Restated Agreement of Limited Partnership with Shadows Partners, LLC, SCDC, LLC, and Red Capital Tax Credit Fund XXIV, LLC to form a limited partnership called Shadows TC Investors, LP (Partnership). The Authority is the Managing General Partner, Shadows Partners, LLC is the Co-Managing General Partner, SCDC, LLC is the Special Limited Partner, and Red Capital Tax Credit Fund XXIV, LLC is the Investor Limited Partner. The Partnership's purpose is to provide decent, safe, sanitary and affordable low-income housing to poor and economically disadvantaged persons by acquiring land and developing, financing, rehabilitating, owning, maintaining, operating and selling or otherwise disposing of the Property. The Partnership is in effect until December 31, 2066.

The Authority, as the Managing General Partner, may delegate all or any of its powers, rights and obligations to the Co-Managing General Partner. Subject to the continued oversight and supervision by the Authority, the Co-Managing General Partner shall: (1) be responsible and shall have the authority for financing and rehabilitation of the Property; (2) be responsible for the execution and enforcement of contracts and agreements pertinent to the Partnership; and (3) determine the amount and timing of distributions of cash flow, excess development funds, or other cash sources.

Camarillo13, LP

On January 5, 2007, the Authority formed 13 Camarillo, LLC, a California Limited Liability Corporation. The Authority is the sole member of the company, which was formed to hold ownership interest in the Calle la Roda Family Apartments. 13 Camarillo, LLC was added as the For-Profit General Partner of Camarillo13, LP pursuant to the Amended and Restated Limited Partnership Agreement dated February 7, 2007.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(15) Additional Partnership Agreements (Continued)

Camarillo13, LP was originally formed on July 7, 2006 to construct and operate a 13 unit multifamily apartment complex known as Calle la Roda Family Apartments in Camarillo, California.

On May 1, 2024 and pursuant to the Partnership Agreement, the Authority acquired the Limited Partner and General Partner interests, becoming the owner of the Calle La Roda Family Apartments.

The Calle la Roda Family Apartments is rented to low-income tenants and is operated in a manner necessary to qualify for federal low-income housing tax credits. Profits and losses from operation and low-income housing tax credits in any one year shall be allocated 0.0051% to 13 Camarillo, LLC, the For-Profit General Partner. Additionally, pursuant to the Partnership Agreement, 13 Camarillo, LLC is entitled to receive an annual non-cumulative incentive management fee, in an amount equal to the lesser of 10% of Camarillo13, LP's available cash flow. As of June 30, 2024, no such fee was earned by 13 Camarillo, LLC.

Apart from 13 Camarillo, LLC, the Authority has made certain development and operating loans to Camarillo13, LP. Following the purchase agreement, 13 Camarillo, LLC and Camarillo13, LP were dissolved and balance due to the Authority was forgiven. See additional information in relation to the terms of the notes receivable in Note 3.

20Moorpark, LLC

On September 23, 2010, the Authority formed 20Moorpark, LLC, a California Limited Liability Corporation. The Authority is the sole member of the company which was formed to hold ownership interest in the Charles Street Apartments. 20Moorpark, LLC was added as the Limited Partner and Special Limited Partner to Moorpark 20, L.P. pursuant to the Amended and Restated Limited Partnership Agreement (Agreement) dated October 1, 2010, which was originally formed to construct, develop, own and operate an apartment development known as Charles Street in Moorpark, California, a 20 residential unit development. In addition, pursuant to the Agreement, the Authority is the Administrative General Partner.

The Authority also manages the property and receives compensation in the form of management fees. Profits and losses from operation in any one year shall be allocated 0.0051% to 20Moorpark, LLC, and 0.0024% directly to the Authority. The Authority has made a loan to Moorpark 20, L.P. in the amount of \$200,000. As of June 30, 2025, the developer fee was paid in full and a notes receivable of \$296,600 was due to the Authority. See additional information in relation to the note receivable in Note 3, and the developer fee receivable in Note 4.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(15) Additional Partnership Agreements (Continued)

Colina Vista Housing Partners, LP

The Colina Vista Housing Partners, LP, a California Limited Partnership, was established on February 28, 2013. The Authority is the Partnership's administrative general partner and Colina Vista, Inc. is the Partnership's managing general partner. The purpose of the Partnership is to further charitable purposes in providing opportunities and to assist people in need of affordable housing through developing, rehabilitating, owning and operating a low-income housing project in Piru, California. On April 3, 2013, the Authority entered into an Amended and Restated Limited Partnership Agreement of Colina Vista Housing Partners, LP. The main purpose of the amendment to the original agreement was to admit Union Bank, N.A. as the Investor and Special Limited Partner. Effective August 1, 2018, the management of the property was released from Many Mansions to the Authority.

Per the Amended Agreement, the Authority, the Administrative General Partner is obligated to make loans to the Partnership to pay operating deficits that arise during the construction completion, initial qualifying occupancy and the initial rent-up date as defined in the Amended Agreement. The Authority, as the Administrative General Partner, agrees to purchase the interests of the Limited Partners upon the occurrence of a repurchase event, as defined in the Amended Agreement. On April 1, 2013, the Partnership entered into a promissory note with the Authority in the amount of \$190,000. As of June 30, 2025, a notes receivable of \$272,955 was due to the Authority. See additional information in relation to the note receivable in Note 3.

Profits, losses and tax credits are allocated in accordance with the Amended and Restated Limited Partnership Agreement, dated April 3, 2013. The allocations are based on the ownership interests which are 99.98% to the Investor Limited Partner, 0.01% to the General Partners and 0.01% to the Special Limited Partner.

Los Feliz 20, LP

The Los Feliz 20, LP, a California Limited Partnership, was established on January 2, 2014. The Authority is the General Partner, and the Executive Director of the Authority was the Initial Limited Partner. The purpose of the partnership is for improvements to the construction known as Los Feliz apartments, comprised of 20 units of residential rental housing in Thousand Oaks, California. On February 1, 2014, the Partnership entered into the Amended and Restated Limited Partnership Agreement of Los Feliz 20, LP. The main purpose of the amendments to the original agreement was to withdraw the Initial Limited Partner and to admit MCCC, LLC as the successor and sole Limited Partner.

Per the Amended Agreement, the Authority, as the Administrative General Partner, is obligated to make loans to the Partnership to pay operating deficits that arise during the course of operations as defined in the Amended Agreement. The Authority, as the Administrative General Partner, agrees to purchase the interests of the Limited Partners upon the occurrence of a repurchase event, as defined in the Amended Agreement.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(15) Additional Partnership Agreements (Continued)

On February 1, 2014, the Partnership entered into a promissory note with the Authority in the amount of \$1,410,000. As of June 30, 2025, notes receivable of \$1,334,113 were due to the Authority. See additional information in relation to the note receivable in Note 3.

Effective November 1, 2018, the management of the property was released from Many Mansions to the Authority. Profits, losses and tax credits are allocated in accordance with the Amended and Restated Limited Partnership Agreement. The allocations are based on the ownership interests, which are 99.99% to the Limited Partner and 0.01% to the General Partner.

Los Feliz 51, LP

The Los Feliz 51, LP, a California Limited Partnership, was entered into as of March 14, 2012. The Authority is the General Partner, Bank of America is the Limited Partner, the Executive Director of the Authority was the Initial Limited Partner and Bank of America CDC Special Holding Company, Inc. is the Special Limited Partner. The purpose of the Partnership is to develop and construct 36 residential units and to operate 35 of those units as a qualified low-income housing project in Thousand Oaks, California. On March 28, 2013, the Authority entered into an Amended and Restated Limited Partnership Agreement of Los Feliz 51, LP. The main purpose of the amendment to the original agreement was to allow the withdrawal of the Executive Director of the Authority from the Partnership.

Per the Amended Agreement, the Authority, as the Administrative General Partner, agrees to make loans to the Partnership to pay operating deficits that arise during the Compliance Period defined in the Amended. The Authority, as the Administrative General Partner, agrees to purchase the interests of the Limited Partners upon the occurrence of a repurchase event, as defined in the Amended Agreement. On March 28, 2013, the Partnership entered into a promissory note with the Authority in the amount of \$2,597,900. As of June 30, 2025, notes receivable totaling \$1,852,575 was due to the Authority. See additional information in relation to the note receivable in Note 3.

Effective November 1, 2018, the management of the property was released from Many Mansions to the Authority. Profits, losses and tax credits are allocated in accordance with the Amended Agreement. The allocations are based on the ownership interests, which are 99.98% to the Limited Partner, 0.01% to the General Partner and 0.01% to the Special Limited Partner.

Barry60 LP

The Barry60 LP, a California Limited Partnership, was established on January 11, 2021. 60Barry LLC is the General Partner and the Authority is the Limited Partner. The purpose of the Partnership is to acquire, develop, construct, and operate 60 residential units as an affordable housing project in Camarillo, California. On April 5, 2023, the Authority entered into an Amended and Restated Limited Partnership Agreement of Barry60 LP.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(15) Additional Partnership Agreements (Continued)

The main purpose of the amendment to the original agreement was to allow the withdrawal of the Authority as the Limited Partner, admission Wells Fargo Community Investment Holdings, LLC as the Investor Limited Partner, and a restatement of the Partnership.

As identified in the Agreement, the percentage of partnership interest of the Limited Partner is 99.99% and is 0.01% for the General Partner. On April 1, 2023, the Partnership entered into a promissory note with the Authority in the amount of \$1,000,000. As of June 30, 2025, notes receivable totaling \$1,067,500 were due to the Authority. See additional information in relation to the note receivable in Note 3.

Bradford27, LP

Per the Amended Agreement, the Authority, as the Managing General Partner, agrees to make loans to the Partnership to pay operating deficits that arise during the Compliance Period defined in the Amended Agreement. The Authority, as the Managing General Partner, also agrees to purchase the interests of the Limited Partners upon the occurrence of a repurchase event, as defined in the Amended Agreement. On April 21, 2016, the Partnership entered into a promissory note with the Authority in the amount of \$2,290,000, and during fiscal year 2017 a subordinate loan in the amount of \$470,424 was made to Bradford27, LP. As of June 30, 2025, notes receivable totaling \$2,939,118 was due to the Authority. See additional information in relation to the note receivable in Note 3.

Effective November 1, 2018, the management of the property was released from Many Mansions to the Authority. Profits, losses and tax credits are allocated in accordance with the Amended Agreement. The allocations are based on the ownership interests, which are 99.98% to the Limited Partner, 0.01% to the General Partner and 0.01% to the Special Limited Partner.

Walnut24, LP

The Walnut24 LP, a California Limited Partnership, was established on May 29, 2015. The Authority is the Managing General Partner, and the Executive Director of the Authority was the Initial Limited Partner. The Partnership is organized to lease, purchase, develop, finance, maintain and operate real property located in Moorpark California. As identified in the Agreement, the percentage of partnership interest of the Limited Partner is 99% and is 1% for the General Partners. On March 1, 2017, the Partnership entered into a promissory note with the Authority in the amount of \$1,000,000. As of June 30, 2025, notes receivable totaling \$671,820 were due to the Authority. See additional information in relation to the note receivable in Note 3.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Basic Financial Statements (Continued)

Year Ended June 30, 2025

(15) Additional Partnership Agreements (Continued)

Mountain View 77 LP

The Mountain View 77 LP, a California Limited Partnership, was established on October 1, 2020. Mountain View 77 LLC is the Managing General Partner. The purposes, nature, and general character of the business of the Partnership consists of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of the Partnership Property. As identified in the Agreement, the percentage of partnership interest of the Limited Partner is 99.99% and is 0.01% for the General Partner.

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SUPPLEMENTAL DATA

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Combining Statement of Net Position by Sub-Fund

June 30, 2025

	Low Rent Public Housing	Housing Choice Vouchers	Business Activities
Assets:			
Current assets:			
Cash and investments	\$ 2,908,854	4,532,534	12,489,283
Restricted cash and investments	200,197	592,647	360,019
Accounts receivable - HUD	9,922	53,660	-
Accounts receivable - tenants, net	23,883	-	6,175
Accounts receivable - other, net	-	21,218	1,089,401
Accrued interest receivable	-	-	100,928
Notes receivable	-	-	405,338
Prepaid expenses and other assets	55,661	70,348	57,418
	<u>3,198,517</u>	<u>5,270,407</u>	<u>14,508,562</u>
Noncurrent assets:			
Notes receivable	-	-	7,163,287
Accrued interest receivable	-	-	1,105,395
Other assets	-	-	1,904,322
Investments in joint venture	-	-	343,500
Capital assets:			
Capital assets not being depreciated	1,614,083	-	7,288,190
Other capital assets being depreciated	34,173,717	74,043	19,615,890
Less accumulated depreciation	<u>(28,252,418)</u>	<u>(64,752)</u>	<u>(11,230,832)</u>
Capital assets, net	<u>7,535,382</u>	<u>9,291</u>	<u>15,673,248</u>
Total noncurrent assets	<u>7,535,382</u>	<u>9,291</u>	<u>26,189,752</u>
Total assets	<u>10,733,899</u>	<u>5,279,698</u>	<u>40,698,314</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	73,327	147,394	300,585
Security deposits payable	200,197	-	249,812
Unearned revenue	-	106,551	-
Compensated absences payable, current	8,530	127,813	70,304
Notes and loans payable, current	-	-	3,484,771
Total current liabilities	<u>282,054</u>	<u>381,758</u>	<u>4,105,472</u>
Long-term liabilities:			
Family self sufficiency liabilities	-	172,030	-
Accrued interest payable	-	-	117,730
Compensated absences payable	19,174	287,378	158,069
Notes and loans payable	-	-	9,869,900
Total long-term liabilities	<u>19,174</u>	<u>459,408</u>	<u>10,145,699</u>
Total liabilities	<u>301,228</u>	<u>841,166</u>	<u>14,251,171</u>
Net position (deficits):			
Net investment in capital assets	7,535,382	9,291	2,418,577
Restricted for Housing Assistance Payments	-	33,721	-
Restricted for FSS Forfeitures	-	255,157	-
Restricted for replacement reserves	-	-	49,869
Unrestricted	<u>2,897,289</u>	<u>4,140,363</u>	<u>23,978,697</u>
Total net position (deficits)	<u>\$ 10,432,671</u>	<u>\$ 4,438,532</u>	<u>26,447,143</u>

Central Office Cost Center	Subtotals	Eliminations	Totals
127,906	20,058,577	-	20,058,577
-	1,152,863	-	1,152,863
-	63,582	-	63,582
-	30,058	-	30,058
-	1,110,619	-	1,110,619
5,135	106,063	-	106,063
-	405,338	-	405,338
3,915	187,342	-	187,342
<u>136,956</u>	<u>23,114,442</u>	<u>-</u>	<u>23,114,442</u>
-	7,163,287	-	7,163,287
-	1,105,395	-	1,105,395
-	1,904,322	-	1,904,322
-	343,500	-	343,500
-	8,902,273	-	8,902,273
32,454	53,896,104	-	53,896,104
(32,421)	(39,580,423)	-	(39,580,423)
<u>33</u>	<u>23,217,954</u>	<u>-</u>	<u>23,217,954</u>
<u>33</u>	<u>33,734,458</u>	<u>-</u>	<u>33,734,458</u>
<u>136,989</u>	<u>56,848,900</u>	<u>-</u>	<u>56,848,900</u>
25,194	546,500	-	546,500
-	450,009	-	450,009
-	106,551	-	106,551
23,799	230,446	-	230,446
-	3,484,771	-	3,484,771
<u>48,993</u>	<u>4,818,277</u>	<u>-</u>	<u>4,818,277</u>
-	172,030	-	172,030
-	117,730	-	117,730
53,511	518,132	-	518,132
-	9,869,900	-	9,869,900
<u>53,511</u>	<u>10,677,792</u>	<u>-</u>	<u>10,677,792</u>
<u>102,504</u>	<u>15,496,069</u>	<u>-</u>	<u>15,496,069</u>
33	9,963,283	-	9,963,283
-	33,721	-	33,721
-	255,157	-	255,157
-	49,869	-	49,869
34,452	31,050,801	-	31,050,801
<u>34,485</u>	<u>41,352,831</u>	<u>-</u>	<u>41,352,831</u>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Combining Statement of Revenues, Expenses, and Changes in Net Position by Sub-Fund

Year ended June 30, 2025

	Low Rent Public Housing	Housing Choice Vouchers
Operating revenues:		
Dwelling rental income	\$ 2,490,148	-
Grant revenue	1,096,769	49,311,195
Other revenue	<u>61,681</u>	<u>107,818</u>
Total operating revenues	<u>3,648,598</u>	<u>49,419,013</u>
Operating expenses:		
Administrative expenses	824,887	4,547,989
Management fee	519,145	-
Utilities	613,746	41,508
Maintenance and operations	1,013,837	190,127
General expenses	124,633	53,487
Extraordinary maintenance	194,226	-
Housing assistance	-	45,408,063
Depreciation	<u>366,706</u>	<u>3,768</u>
Total operating expenses	<u>3,657,180</u>	<u>50,244,942</u>
Operating income (loss)	<u>(8,582)</u>	<u>(825,929)</u>
Nonoperating revenues and expenses:		
Investment income	47,285	80,339
Developer fees	-	-
Interest expense	-	-
Gain (loss) on disposal of capital assets	<u>(1,446)</u>	<u>-</u>
Total nonoperating revenues and expenses	<u>45,839</u>	<u>80,339</u>
Income (loss) before capital contributions contributions	37,257	(745,590)
Capital contributions	<u>941,630</u>	-
Transfers in	117,152	-
Transfers out	<u>(117,152)</u>	<u>-</u>
Change in net position	978,887	(745,590)
Net position at beginning of year	<u>9,453,784</u>	<u>5,184,122</u>
Net position at end of year	<u>\$ 10,432,671</u>	<u>4,438,532</u>

<u>Business Activities</u>	<u>Central Office Cost Center</u>	<u>Subtotals</u>	<u>Eliminations</u>	<u>Totals</u>
4,212,780	-	6,702,928	-	6,702,928
-	86,029	50,493,993	-	50,493,993
<u>1,714,744</u>	<u>519,145</u>	<u>2,403,388</u>	<u>(519,145)</u>	<u>1,884,243</u>
<u>5,927,524</u>	<u>605,174</u>	<u>59,600,309</u>	<u>(519,145)</u>	<u>59,081,164</u>
2,268,359	743,090	8,384,325	-	8,384,325
-	-	519,145	(519,145)	-
470,585	9,264	1,135,103	-	1,135,103
850,151	39,529	2,093,644	-	2,093,644
98,273	3,155	279,548	-	279,548
66,137	-	260,363	-	260,363
-	-	45,408,063	-	45,408,063
<u>634,637</u>	<u>68</u>	<u>1,005,179</u>	<u>-</u>	<u>1,005,179</u>
<u>4,388,142</u>	<u>795,106</u>	<u>59,085,370</u>	<u>(519,145)</u>	<u>58,566,225</u>
<u>1,539,382</u>	<u>(189,932)</u>	<u>514,939</u>	<u>-</u>	<u>514,939</u>
648,695	8,358	784,677	-	784,677
128,011	-	128,011	-	128,011
(606,279)	-	(606,279)	-	(606,279)
<u>-</u>	<u>-</u>	<u>(1,446)</u>	<u>-</u>	<u>(1,446)</u>
<u>170,427</u>	<u>8,358</u>	<u>304,963</u>	<u>-</u>	<u>304,963</u>
1,709,809	(181,574)	819,902	-	819,902
<u>-</u>	<u>-</u>	<u>941,630</u>	<u>-</u>	<u>941,630</u>
<u>-</u>	<u>-</u>	<u>117,152</u>	<u>-</u>	<u>117,152</u>
<u>-</u>	<u>-</u>	<u>(117,152)</u>	<u>-</u>	<u>(117,152)</u>
1,709,809	(181,574)	1,761,532	-	1,761,532
<u>24,737,334</u>	<u>216,059</u>	<u>39,591,299</u>	<u>-</u>	<u>39,591,299</u>
<u>26,447,143</u>	<u>34,485</u>	<u>41,352,831</u>	<u>-</u>	<u>41,352,831</u>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Low Rent Public Housing by Sub-Fund

Combining Statement of Net Position by Project

June 30, 2025

	Whispering Oaks	Florence Janss	Leggett Court
Assets:			
Current assets:			
Cash and investments	\$ 700,403	244,738	424,254
Restricted cash and investments	42,435	24,674	30,968
Accounts receivable - HUD	-	1,145	1,908
Accounts receivable - tenants, net	1,248	2,197	1
Accounts receivable-other	-	-	-
Prepaid expenses and other assets	<u>13,274</u>	<u>8,595</u>	<u>8,215</u>
Total current assets	<u>757,360</u>	<u>281,349</u>	<u>465,346</u>
Noncurrent assets:			
Capital assets:			
Capital assets not being depreciated	592,747	274,009	4,968
Other capital assets being depreciated	8,473,386	5,088,203	6,144,435
Less accumulated depreciation	<u>(6,691,054)</u>	<u>(4,409,622)</u>	<u>(4,180,515)</u>
Capital assets, net	<u>2,375,079</u>	<u>952,590</u>	<u>1,968,888</u>
Total assets	<u>3,132,439</u>	<u>1,233,939</u>	<u>2,434,234</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	13,950	7,265	5,860
Security deposits payable	42,435	24,674	30,968
Compensated absences payable, current	<u>1,313</u>	<u>1,716</u>	<u>1,543</u>
Total current liabilities	<u>57,698</u>	<u>33,655</u>	<u>38,371</u>
Long-term liabilities:			
Compensated absences payable	<u>2,952</u>	<u>3,859</u>	<u>3,469</u>
Total long-term liabilities	<u>2,952</u>	<u>3,859</u>	<u>3,469</u>
Total liabilities	<u>60,650</u>	<u>37,514</u>	<u>41,840</u>
Net position:			
Net investment in capital assets	2,375,079	952,590	1,968,888
Unrestricted	<u>696,710</u>	<u>243,835</u>	<u>423,506</u>
Total net position	<u>\$ 3,071,789</u>	<u>1,196,425</u>	<u>2,392,394</u>

Roth Apartments	Tafoya Terrace	Ellis Terrace	Fiore Gardens	Total Low Rent Public Housing
246,823	207,454	372,319	712,863	2,908,854
28,603	11,716	24,445	37,356	200,197
1,908	1,145	1,908	1,908	9,922
7,454	3,288	2,808	6,887	23,883
-	-	-	-	-
5,741	4,794	4,481	10,561	55,661
<u>290,529</u>	<u>228,397</u>	<u>405,961</u>	<u>769,575</u>	<u>3,198,517</u>
186,325	177,877	364,456	13,701	1,614,083
3,261,042	2,301,532	3,526,021	5,379,098	34,173,717
<u>(3,035,140)</u>	<u>(1,882,228)</u>	<u>(2,888,778)</u>	<u>(5,165,081)</u>	<u>(28,252,418)</u>
<u>412,227</u>	<u>597,181</u>	<u>1,001,699</u>	<u>227,718</u>	<u>7,535,382</u>
<u>702,756</u>	<u>825,578</u>	<u>1,407,660</u>	<u>997,293</u>	<u>10,733,899</u>
7,346	18,572	13,407	6,927	73,327
28,603	11,716	24,445	37,356	200,197
<u>796</u>	<u>331</u>	<u>594</u>	<u>2,237</u>	<u>8,530</u>
<u>36,745</u>	<u>30,619</u>	<u>38,446</u>	<u>46,520</u>	<u>282,054</u>
<u>1,789</u>	<u>743</u>	<u>1,334</u>	<u>5,028</u>	<u>19,174</u>
<u>1,789</u>	<u>743</u>	<u>1,334</u>	<u>5,028</u>	<u>19,174</u>
<u>38,534</u>	<u>31,362</u>	<u>39,780</u>	<u>51,548</u>	<u>301,228</u>
412,227	597,181	1,001,699	227,718	7,535,382
<u>251,995</u>	<u>197,035</u>	<u>366,181</u>	<u>718,027</u>	<u>2,897,289</u>
<u>664,222</u>	<u>794,216</u>	<u>1,367,880</u>	<u>945,745</u>	<u>10,432,671</u>

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Low Rent Public Housing by Sub-Fund

Combining Statement of Revenues, Expenses, and Changes in Net Position by Project

Year ended June 30, 2025

	<u>Whispering Oaks</u>	<u>Florence Janss</u>	<u>Leggett Court</u>
Operating revenues:			
Dwelling rental income	\$ 433,766	282,312	427,143
Grant revenue-direct	357,280	297,978	95,685
Other revenue	<u>9,472</u>	<u>7,562</u>	<u>10,180</u>
Total operating revenues	<u>800,518</u>	<u>587,852</u>	<u>533,008</u>
Operating expenses:			
Administrative expenses	144,697	129,829	162,713
Management fees	147,229	93,363	71,541
Utilities	124,933	98,112	86,482
Maintenance and operations	300,496	144,946	149,969
General expenses	28,962	19,793	16,813
Extraordinary maintenance	42,467	102,450	13,126
Depreciation	<u>114,698</u>	<u>64,417</u>	<u>47,888</u>
Total operating expenses	<u>903,482</u>	<u>652,910</u>	<u>548,532</u>
Operating income (loss)	<u>(102,964)</u>	<u>(65,058)</u>	<u>(15,524)</u>
Nonoperating revenues and expenses:			
Investment income	12,135	3,288	8,505
Gain (loss) on disposal of capital assets	<u>-</u>	<u>(1,446)</u>	<u>-</u>
Total nonoperating revenues and expenses	<u>12,135</u>	<u>1,842</u>	<u>8,505</u>
Income (loss) before capital contributions and transfers	(90,829)	(63,216)	(7,019)
Capital contributions	9,940	2,500	885,681
Transfers in	-	82,152	-
Transfers out	<u>-</u>	<u>(82,152)</u>	<u>-</u>
Change in net position	(80,889)	(60,716)	878,662
Net position at beginning of year	<u>3,152,678</u>	<u>1,257,141</u>	<u>1,513,732</u>
Net position at end of year	<u>\$ 3,071,789</u>	<u>1,196,425</u>	<u>2,392,394</u>

<u>Roth Apartments</u>	<u>Tafoya Terrace</u>	<u>Ellis Terrace</u>	<u>Fiore Gardens</u>	<u>Eliminations</u>	<u>Total Low Rent Public Housing</u>
212,939	138,979	301,791	693,218	-	2,490,148
200,020	92,636	30,168	23,002	-	1,096,769
<u>5,235</u>	<u>6,425</u>	<u>5,628</u>	<u>17,179</u>	<u>-</u>	<u>61,681</u>
<u>418,194</u>	<u>238,040</u>	<u>337,587</u>	<u>733,399</u>	<u>-</u>	<u>3,648,598</u>
94,538	70,054	80,589	142,467	-	824,887
50,423	44,768	38,658	73,163	-	519,145
99,778	29,002	41,346	134,093	-	613,746
88,641	74,533	92,311	162,941	-	1,013,837
12,909	10,522	11,202	24,432	-	124,633
23,837	3,250	9,096	-	-	194,226
<u>37,375</u>	<u>27,571</u>	<u>47,186</u>	<u>27,571</u>	<u>-</u>	<u>366,706</u>
<u>407,501</u>	<u>259,700</u>	<u>320,388</u>	<u>564,667</u>	<u>-</u>	<u>3,657,180</u>
<u>10,693</u>	<u>(21,660)</u>	<u>17,199</u>	<u>168,732</u>	<u>-</u>	<u>(8,582)</u>
3,617	3,193	5,462	11,085	-	47,285
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,446)</u>
<u>3,617</u>	<u>3,193</u>	<u>5,462</u>	<u>11,085</u>	<u>-</u>	<u>45,839</u>
14,310	(18,467)	22,661	179,817	-	37,257
2,750	-	40,759	-	-	941,630
25,000	10,000	-	-	-	117,152
<u>(25,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(117,152)</u>
17,060	(18,467)	63,420	179,817	-	978,887
<u>647,162</u>	<u>812,683</u>	<u>1,304,460</u>	<u>765,928</u>	<u>-</u>	<u>9,453,784</u>
<u>664,222</u>	<u>794,216</u>	<u>1,367,880</u>	<u>945,745</u>	<u>-</u>	<u>10,432,671</u>

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FINANCIAL DATA SCHEDULE

Housing Authority of the County of Ventura (CA092)

NEWBURY PARK, CA

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$30,359			\$193,966	\$68,215		\$623	\$293,163		\$293,163
112 Cash - Restricted - Modernization and Development										
113 Cash - Other Restricted		\$255,156		\$110,217	\$172,030			\$537,403		\$537,403
114 Cash - Tenant Security Deposits	\$200,197			\$249,812				\$450,009		\$450,009
115 Cash - Restricted for Payment of Current Liabilities										
100 Total Cash	\$230,556	\$255,156	\$0	\$553,995	\$240,245	\$0	\$623	\$1,280,575		\$1,280,575
121 Accounts Receivable - PHA Projects										
122 Accounts Receivable - HUD Other Projects	\$9,922	\$0	\$3,504		\$50,156			\$63,582		\$63,582
124 Accounts Receivable - Other Government										
125 Accounts Receivable - Miscellaneous				\$1,089,401	\$53,916	\$100		\$1,143,417		\$1,143,417
126 Accounts Receivable - Tenants	\$18,293		\$0	\$8,470		\$2,633		\$29,396		\$29,396
126.1 Allowance for Doubtful Accounts - Tenants	-\$676			-\$2,296		-\$2,633		-\$5,605		-\$5,605
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	-\$32,798	\$0		-\$32,798		-\$32,798
127 Notes, Loans, & Mortgages Receivable - Current				\$405,338				\$405,338		\$405,338
128 Fraud Recovery	\$6,264				\$54,176			\$60,440		\$60,440
128.1 Allowance for Doubtful Accounts - Fraud	\$0				-\$54,176			-\$54,176		-\$54,176
129 Accrued Interest Receivable				\$169,736			\$5,134	\$174,870		\$174,870
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$33,803	\$0	\$3,504	\$1,670,649	\$71,274	\$100	\$5,134	\$1,784,464		\$1,784,464
131 Investments - Unrestricted	\$2,878,500			\$12,295,303	\$4,406,669	\$57,650	\$127,283	\$19,765,405		\$19,765,405
132 Investments - Restricted					\$45,530	\$119,929		\$165,459		\$165,459
135 Investments - Restricted for Payment of Current Liability										
142 Prepaid Expenses and Other Assets	\$55,661			\$57,417	\$69,011	\$1,337	\$3,915	\$187,341		\$187,341
143 Inventories										
143.1 Allowance for Obsolete Inventories										
144 Inter Program Due From										
145 Assets Held for Sale										
150 Total Current Assets	\$3,198,520	\$255,156	\$3,504	\$14,577,364	\$4,832,729	\$179,016	\$136,955	\$23,183,244		\$23,183,244
161 Land	\$1,614,082			\$7,288,190				\$8,902,272		\$8,902,272
162 Buildings	\$28,053,021			\$18,834,912				\$46,887,933		\$46,887,933
163 Furniture, Equipment & Machinery - Dwellings	\$6,120,693			\$691,364	\$42,130		\$32,454	\$6,886,641		\$6,886,641
164 Furniture, Equipment & Machinery - Administration				\$89,612	\$31,913			\$121,525		\$121,525
165 Leasehold Improvements										
166 Accumulated Depreciation	-\$28,252,415			-\$11,230,836	-\$64,752		-\$32,421	-\$39,580,424		-\$39,580,424
167 Construction in Progress										
168 Infrastructure										
160 Total Capital Assets, Net of Accumulated Depreciation	\$7,535,381	\$0	\$0	\$15,673,242	\$9,291	\$0	\$33	\$23,217,947		\$23,217,947
171 Notes, Loans and Mortgages Receivable - Non-Current				\$7,163,286				\$7,163,286		\$7,163,286
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due										
173 Grants Receivable - Non Current										
174 Other Assets				\$2,940,909				\$2,940,909		\$2,940,909
176 Investments in Joint Ventures				\$343,500				\$343,500		\$343,500
180 Total Non-Current Assets	\$7,535,381	\$0	\$0	\$26,120,937	\$9,291	\$0	\$33	\$33,665,642		\$33,665,642

200	Deferred Outflow of Resources									
290	Total Assets and Deferred Outflow of Resources	\$10,733,901	\$255,156	\$3,504	\$40,698,301	\$4,842,020	\$179,016	\$136,988	\$56,848,886	\$56,848,886
311	Bank Overdraft									
312	Accounts Payable <= 90 Days	\$71,912		\$3,504	\$299,457	\$129,210	\$2,452	\$25,194	\$531,729	\$531,729
313	Accounts Payable >90 Days Past Due									
321	Accrued Wage/Payroll Taxes Payable									
322	Accrued Compensated Absences - Current Portion	\$15,088			\$124,380	\$221,634	\$4,495	\$42,106	\$407,703	\$407,703
324	Accrued Contingency Liability									
325	Accrued Interest Payable				\$117,730				\$117,730	\$117,730
331	Accounts Payable - HUD PHA Programs					\$139	\$139		\$278	\$278
332	Account Payable - PHA Projects									
333	Accounts Payable - Other Government									
341	Tenant Security Deposits	\$200,197			\$249,812				\$450,009	\$450,009
342	Unearned Revenue									
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$732,405				\$732,405	\$732,405
344	Current Portion of Long-term Debt - Operating Borrowings									
345	Other Current Liabilities	\$1,415			\$1,126	\$11,950	\$106,551		\$121,042	\$121,042
346	Accrued Liabilities - Other									
347	Inter Program - Due To									
348	Loan Liability - Current									
310	Total Current Liabilities	\$288,612	\$0	\$3,504	\$1,524,910	\$362,933	\$113,637	\$67,300	\$2,360,896	\$2,360,896
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$12,522,266				\$12,522,266	\$12,522,266
352	Long-term Debt, Net of Current - Operating Borrowings				\$100,000				\$100,000	\$100,000
353	Non-current Liabilities - Other				\$0	\$172,030			\$172,030	\$172,030
354	Accrued Compensated Absences - Non Current	\$33,924			\$279,660	\$498,329	\$10,106	\$94,673	\$916,692	\$916,692
355	Loan Liability - Non Current									
356	FASB 5 Liabilities									
357	Accrued Pension and OPEB Liabilities									
350	Total Non-Current Liabilities	\$33,924	\$0	\$0	\$12,901,926	\$670,359	\$10,106	\$94,673	\$13,710,988	\$13,710,988
300	Total Liabilities	\$322,536	\$0	\$3,504	\$14,426,836	\$1,033,292	\$123,743	\$161,973	\$16,071,884	\$16,071,884
400	Deferred Inflow of Resources									
508.4	Net Investment in Capital Assets	\$7,535,382			\$2,418,571	\$9,291		\$33	\$9,963,277	\$9,963,277
511.4	Restricted Net Position		\$255,156			\$45,530	\$13,378		\$314,064	\$314,064
512.4	Unrestricted Net Position	\$2,875,983	\$0	\$0	\$23,852,894	\$3,753,907	\$41,895	-\$25,018	\$30,499,661	\$30,499,661
513	Total Equity - Net Assets / Position	\$10,411,365	\$255,156	\$0	\$26,271,465	\$3,808,728	\$55,273	-\$24,985	\$40,777,002	\$40,777,002
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$10,733,901	\$255,156	\$3,504	\$40,698,301	\$4,842,020	\$179,016	\$136,988	\$56,848,886	\$56,848,886

Housing Authority of the County of Ventura (CA092)

NEWBURY PARK, CA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 06/30/2025

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$2,490,148			\$4,212,780				\$6,702,928		\$6,702,928
70400 Tenant Revenue - Other	\$44,789			\$27,474				\$72,263		\$72,263
70500 Total Tenant Revenue	\$2,534,937	\$0	\$0	\$4,240,254	\$0	\$0	\$0	\$6,775,191	\$0	\$6,775,191
70600 HUD PHA Operating Grants	\$1,096,769		\$82,502		\$47,886,741	\$1,341,952	\$86,029	\$50,493,993		\$50,493,993
70610 Capital Grants	\$941,630							\$941,630		\$941,630
70710 Management Fee							\$445,694	\$445,694	-\$445,694	\$0
70720 Asset Management Fee							\$42,360	\$42,360	-\$42,360	\$0
70730 Book Keeping Fee							\$31,088	\$31,088	-\$31,088	\$0
70740 Front Line Service Fee										
70750 Other Fees										
70700 Total Fee Revenue							\$519,142	\$519,142	-\$519,142	\$0
70800 Other Government Grants										
71100 Investment Income - Unrestricted	\$47,285			\$647,802	\$79,832	\$0	\$8,355	\$783,274		\$783,274
71200 Mortgage Interest Income										
71300 Proceeds from Disposition of Assets Held for Sale										
71310 Cost of Sale of Assets										
71400 Fraud Recovery					\$38,292	\$2,318		\$40,610		\$40,610
71500 Other Revenue	\$16,890	\$20,102		\$1,815,280	\$1,032,323	\$22	\$3	\$2,884,620		\$2,884,620
71600 Gain or Loss on Sale of Capital Assets	-\$1,446							-\$1,446		-\$1,446
72000 Investment Income - Restricted		\$507		\$892	\$0	\$0		\$1,399		\$1,399
70000 Total Revenue	\$4,636,065	\$20,609	\$82,502	\$6,704,228	\$49,037,188	\$1,344,292	\$613,529	\$62,438,413	-\$519,142	\$61,919,271
91100 Administrative Salaries	\$294,247		\$56,187	\$1,059,399	\$2,535,726	\$48,543	\$482,871	\$4,476,973		\$4,476,973
91200 Auditing Fees	\$13,200			\$4,932	\$37,314	\$762		\$56,208		\$56,208
91300 Management Fee	\$445,694							\$445,694	-\$445,694	\$0
91310 Book-keeping Fee	\$31,088							\$31,088	-\$31,088	\$0
91400 Advertising and Marketing	\$160			\$431	\$2,052	\$39		\$2,682		\$2,682
91500 Employee Benefit contributions - Administrative	\$92,946		\$18,820	\$355,927	\$779,838	\$14,744	\$148,583	\$1,410,858		\$1,410,858
91600 Office Expenses	\$48,295			\$414,166	\$287,121	\$5,762	\$28,335	\$781,679		\$781,679
91700 Legal Expense	\$35,272			\$87,832	\$28,672	\$572	\$3,901	\$156,249		\$156,249
91800 Travel	\$6,721			\$11,783	\$30,310	\$567	\$3,781	\$53,162		\$53,162
91810 Allocated Overhead										
91900 Other	\$18,506			\$49,056	\$192,332	\$3,564	\$10,236	\$273,694		\$273,694
91000 Total Operating - Administrative	\$986,129	\$0	\$75,007	\$1,983,526	\$3,893,365	\$74,553	\$675,707	\$7,688,287	-\$476,782	\$7,211,505

92000 Asset Management Fee	\$42,360							\$42,360	-\$42,360	\$0
92100 Tenant Services - Salaries	\$10,250							\$10,250		\$10,250
92200 Relocation Costs	\$21,701			\$7,985				\$29,686		\$29,686
92300 Employee Benefit Contributions - Tenant Services	\$784							\$784		\$784
92400 Tenant Services - Other	\$198,100			\$2,573				\$200,673		\$200,673
92500 Total Tenant Services	\$230,835	\$0	\$0	\$10,558	\$0	\$0	\$0	\$241,393	\$0	\$241,393
93100 Water	\$192,366			\$154,667	\$2,277	\$44	\$551	\$349,905		\$349,905
93200 Electricity	\$25,736			\$62,398	\$32,095	\$628	\$7,282	\$128,139		\$128,139
93300 Gas	\$23,487			\$46,520	\$4,420	\$88	\$977	\$75,492		\$75,492
93400 Fuel										
93500 Labor										
93600 Sewer	\$202,436			\$116,875	\$858	\$17	\$197	\$320,383		\$320,383
93700 Employee Benefit Contributions - Utilities										
93800 Other Utilities Expense	\$169,720			\$90,128	\$1,061	\$21	\$257	\$261,187		\$261,187
93000 Total Utilities	\$613,745	\$0	\$0	\$470,588	\$40,711	\$798	\$9,264	\$1,135,106	\$0	\$1,135,106
94100 Ordinary Maintenance and Operations - Labor	\$177,677			\$239,651				\$417,328		\$417,328
94200 Ordinary Maintenance and Operations - Materials and Other	\$198,210			\$86,946	\$8,319	\$165	\$10,302	\$303,942		\$303,942
94300 Ordinary Maintenance and Operations Contracts	\$573,954			\$434,991	\$178,032	\$3,610	\$29,227	\$1,219,814		\$1,219,814
94500 Employee Benefit Contributions - Ordinary Maintenance	\$60,305			\$83,259				\$143,564		\$143,564
94000 Total Maintenance	\$1,010,146	\$0	\$0	\$844,847	\$186,351	\$3,775	\$39,529	\$2,084,648	\$0	\$2,084,648
95100 Protective Services - Labor										
95200 Protective Services - Other Contract Costs										
95300 Protective Services - Other										
95500 Employee Benefit Contributions - Protective Services										
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

96110 Property Insurance	\$88,673			\$61,882				\$150,555		\$150,555
96120 Liability Insurance	\$31,592			\$23,736	\$3,918	\$81		\$59,327		\$59,327
96130 Workmen's Compensation	\$10,742		\$1,861	\$34,744	\$62,608	\$1,181	\$15,705	\$126,841		\$126,841
96140 All Other Insurance	\$3,813			\$6,474	\$1,774	\$36	\$3,153	\$15,250		\$15,250
96100 Total Insurance Premiums	\$134,820	\$0	\$1,861	\$126,836	\$68,300	\$1,298	\$18,858	\$351,973	\$0	\$351,973
96200 Other General Expenses	\$555			\$1,033	\$43,182	\$4,495		\$49,265		\$49,265
96210 Compensated Absences	\$84,265		\$5,634	\$420,511	\$731,937	\$14,754	\$111,147	\$1,368,308		\$1,368,308
96300 Payments in Lieu of Taxes										
96400 Bad debt - Tenant Rents	\$14,110			\$5,147	\$6,405			\$25,662		\$25,662
96500 Bad debt - Mortgages										
96600 Bad debt - Other										
96800 Severance Expense										
96000 Total Other General Expenses	\$98,930	\$0	\$5,634	\$426,691	\$781,584	\$19,249	\$111,147	\$1,443,235	\$0	\$1,443,235
96710 Interest of Mortgage (or Bonds) Payable										\$606,279
96720 Interest on Notes Payable (Short and Long Term)										\$606,279
96730 Amortization of Bond Issue Costs										\$606,279
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$606,279	\$0	\$0	\$0	\$606,279	\$0	\$606,279
96900 Total Operating Expenses	\$3,116,965	\$0	\$82,502	\$4,469,325	\$4,970,311	\$99,673	\$854,505	\$13,593,281	-\$519,142	\$13,074,139
97000 Excess of Operating Revenue over Operating Expenses	\$1,519,100	\$20,609	\$0	\$2,234,903	\$44,066,877	\$1,244,619	-\$240,976	\$48,845,132	\$0	\$48,845,132
97100 Extraordinary Maintenance	\$194,225			\$66,137				\$260,362		\$260,362
97200 Casualty Losses - Non-capitalized										
97300 Housing Assistance Payments					\$44,176,593	\$1,231,469		\$45,408,062		\$45,408,062
97350 HAP Portability-In					\$985,240			\$985,240		\$985,240
97400 Depreciation Expense	\$367,290			\$634,636	\$3,768		\$68	\$1,005,762		\$1,005,762
97500 Fraud Losses										
97600 Capital Outlays - Governmental Funds										
97700 Debt Principal Payment - Governmental Funds										
97800 Dwelling Units Rent Expense										
90000 Total Expenses	\$3,678,480	\$0	\$82,502	\$5,170,098	\$50,135,912	\$1,331,142	\$854,573	\$61,252,707	-\$519,142	\$60,733,565

10010 Operating Transfer In	\$117,152							\$117,152	-\$117,152	\$0
10020 Operating transfer Out	-\$117,152							-\$117,152	\$117,152	\$0
10030 Operating Transfers from/to Primary Government										
10040 Operating Transfers from/to Component Unit										
10050 Proceeds from Notes, Loans and Bonds										
10060 Proceeds from Property Sales										
10070 Extraordinary Items, Net Gain/Loss										
10080 Special Items (Net Gain/Loss)										
10091 Inter Project Excess Cash Transfer In										
10092 Inter Project Excess Cash Transfer Out										
10093 Transfers between Program and Project - In				\$844,239	\$26,895			\$871,134	-\$871,134	\$0
10094 Transfers between Project and Program - Out				-\$844,239	-\$26,895			-\$871,134	\$871,134	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$957,585	\$20,609	\$0	\$1,534,130	-\$1,098,724	\$13,150	-\$241,044	\$1,185,706	\$0	\$1,185,706
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$1,005,288	\$0	\$0	\$0	\$1,005,288		\$1,005,288
11030 Beginning Equity	\$9,453,780	\$234,547	\$0	\$24,737,335	\$4,907,452	\$42,123	\$216,059	\$39,591,296		\$39,591,296
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors										
11050 Changes in Compensated Absence Balance										
11060 Changes in Contingent Liability Balance										
11070 Changes in Unrecognized Pension Transition Liability										
11080 Changes in Special Term/Severance Benefits Liability										
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents										
11100 Changes in Allowance for Doubtful Accounts - Other										
11170 Administrative Fee Equity					\$3,763,198			\$3,763,198		\$3,763,198
11180 Housing Assistance Payments Equity					\$45,530			\$45,530		\$45,530
11190 Unit Months Available	4200			2424	30828	756		38208		38208
11210 Number of Unit Months Leased	4153			2390	27415	629		34587		34587
11270 Excess Cash	\$2,604,119							\$2,604,119		\$2,604,119
11610 Land Purchases	\$0						\$0	\$0		\$0
11620 Building Purchases	\$9,940						\$0	\$9,940		\$9,940
11630 Furniture & Equipment - Dwelling Purchases	\$885,681						\$0	\$885,681		\$885,681
11640 Furniture & Equipment - Administrative Purchases	\$0						\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0						\$0	\$0		\$0
11660 Infrastructure Purchases	\$12,690						\$0	\$12,690		\$12,690
13510 CFFP Debt Service Payments	\$0						\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0						\$0	\$0		\$0

ACTUAL MODERNIZATION COST CERTIFICATES

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA
Conventional program SF-568

Schedule of Actual Modernization Cost Certificates - Uncompleted
Year ended June 30, 2025

	<u>CA16-P092-501-23</u>	<u>CA16-P092-501-24</u>	<u>CA16-E092-501-24</u>
Funds approved	478,751	766,254	15,190
Funds expended	<u>478,751</u>	<u>766,254</u>	<u>15,190</u>
Excess of funds approved	<u>-</u>	<u>-</u>	<u>-</u>
Funds advanced - cumulative	478,751	766,254	15,190
Funds expended - cumulative	<u>478,751</u>	<u>766,254</u>	<u>15,190</u>
Excess of funds advanced	<u>-</u>	<u>-</u>	<u>-</u>

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SINGLE AUDIT REPORTS AND RELATED SCHEDULES

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

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Area Housing Authority of the County of Ventura
Newbury Park, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Area Housing Authority of the County of Ventura (Authority), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 21, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Farr LLP

Irvine, California
January 21, 2026

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

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Area Housing Authority of the County of Ventura
Newbury Park, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Area Housing Authority of the County of Ventura's (Authority's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal

control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Davis Farr LLP

Irvine, California
January 21, 2026

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Schedule of Expenditures of Federal Awards

Year ended June 30, 2025

Federal Grantor/ Pass-through Grantor/Program Title	Federal Domestic Assistance Number	Project Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Direct Assistance:			
Conventional Programs:			
Public and Indian Housing	14.850	CA09200308D	\$ 864,233
Family Self-Sufficiency Program	14.896	FSS23CA5095-01-00	33,431
Family Self-Sufficiency Program	14.896	FSS25CA5095-01-00	49,071
Subtotal			<u>82,502</u>
Public Housing Capital Fund 2023	14.872	CA16-P092-501-23	478,751
Public Housing Capital Fund 2024	14.872	CA16-P092-501-24	766,254
Public Housing Capital Fund 2024-Emergency	14.872	CA16-E092-501-24	15,190
Subtotal			<u>1,260,195</u>
Total Conventional Programs			<u>2,206,930</u>
Section 8 Housing Assistance Program:			
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	CA092VO	47,886,741
Section 8 Emergency Housing Choice Vouchers	14.EHV	CA092VO	1,341,952
Total Section 8 Housing Assistance Program			<u>49,228,693</u>
Total Federal Financial Assistance Expenditures			<u>\$ 51,435,623</u>

See accompanying notes to schedule of expenditures of federal awards.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2025

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

(a) Scope of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes only the federal grant activity by the Area Housing Authority of the County of Ventura (Authority) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the *U.S. Code of Federal Regulations, Title 2, Grants and Agreements, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Authority. The Authority did not use the 10% de minimis indirect cost rate as covered in section 200.414 of the Uniform Guidance.

(b) Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures for part of the year are recognized following the cost principles contained in Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(c) Subrecipients

During the fiscal year ended June 30, 2025, the Authority disbursed no federal funds to subrecipients.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Schedule of Findings and Questioned Costs

Year ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|---|---------------|
| 1. Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified? | None Reported |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|--|---|
| 1. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified? | None Reported |
| 2. Type of auditors' report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? | No |
| 4. Identification of major programs: | |
| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
| 14.871 | Section 8 Housing Choice Voucher Cluster |
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$1,543,069 |
| 6. Auditee qualified as a low-risk auditee? | Yes |

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Schedule of Findings and Questioned Costs

Year ended June 30, 2025

Section II - Financial Statement Findings

There were no financial statement findings noted during the year under audit.

Section III - Federal Award Findings and Questioned Costs

There were no federal award findings or questioned costs noted during the year under audit.

AREA HOUSING AUTHORITY OF THE COUNTY OF VENTURA

Summary Schedule of Prior Audit Findings

Year ended June 30, 2025

Status of Prior year Audit Findings:

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