

# City of Hesperia

## STAFF REPORT



**DATE:** January 18, 2022

**TO:** Mayor and Council Members  
Chair and Board Members, Hesperia Housing Authority

**FROM:** Nils Bentsen, City Manager

**BY:** Casey Brooksher, Director of Administrative Services  
Anne M. Duke, Deputy Finance Director  
Victor Knight, Economic Development Manager

**SUBJECT:** Audited Hesperia Housing Authority Financial Statements for Fiscal Year Ended June 30, 2021 and Housing Successor SB 341 Report

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### RECOMMENDED ACTION

It is recommended that the City Council and the Hesperia Housing Authority (HHA) Board receive and file the audited Hesperia Housing Authority - Component Unit Financial Statements for the Fiscal Year Ended June 30, 2021 and Housing Successor SB 341 Report.

### BACKGROUND

State law requires city governments to be audited each fiscal year by an independent auditor. City governments that receive Federal funding in excess of \$750,000 in a fiscal year are also required by Federal law to be audited.

The State of California Health and Safety Code §34176.1(f) requires that the housing successor (HHA) shall conduct, and provide to its governing body, an independent financial audit of the Low and Moderate Income Housing Asset fund within six months after the end of each fiscal year. In addition, the housing successor shall provide to its governing body the SB 341 report, as a component of the HHA audit.

### ISSUES/ANALYSIS

The Agency's independent auditor, CliftonLarsonAllen LLP (CLA) performed an audit of the HHA for Fiscal Year 2020-21. The document that comprises the Financial Statements, commonly referred to as the Audit for the Authority, is the Hesperia Housing Authority - Component Unit Financial Statements – June 30, 2021.

Additionally, on December 31, 2021, the HHA provided the Board with the audited financial statements and SB 341 Report, which satisfies the legal requirement set forth by the State, refer to Attachment 3.

As in previous years, the Annual Comprehensive Financial Report, which reflects the Citywide Financial Statements, Component Unit Financial Statements for the Fire Protection District, Community Development Commission, HHA, and Water District, as well as the Single Audit, will be formally presented to the City Council in April of 2022.

**FISCAL IMPACT**

None.

**ALTERNATIVE(S)**

1. Provide alternative direction to staff.

**ATTACHMENT(S)**

1. June 30, 2021 Component Unit Financial Statements for the Hesperia Housing Authority
2. SB 341 Housing Successor Report
3. December 31, 2021 memo to the Board of Directors