

**CITY OF ORANGE HOUSING SUCCESSOR
CITY OF ORANGE, CALIFORNIA**

FUND FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2014

PREPARED BY: FINANCE DEPARTMENT

CITY OF ORANGE HOUSING SUCCESSOR
CITY OF ORANGE, CALIFORNIA

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ORANGE HOUSING AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
Orange Housing Authority
City of Orange, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and the Successor Housing Agency Fund, (the "Housing Successor"), a major special revenue fund of the City of Orange, California, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Successor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Honorable Mayor and Members of the City Council
Orange Housing Authority
City of Orange, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the Housing Successor Fund, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 budgetary comparison 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 obtain 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Successor Fund's basic financial statements. The excess/surplus calculation is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The excess/surplus calculation has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Housing Successor Fund and do not purport to, and do not, present fairly the financial position of the City of Orange, California, as of June 30, 2014, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



To the Honorable Mayor and Members of the City Council
Orange Housing Authority
City of Orange, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014 on our consideration of the City'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 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 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 City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
December 18, 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENT AND ON INTERNAL CONTROL OVER COMPLIANCE

To the Honorable Mayor and Members of the City Council
City of Orange, California

Report on Compliance for the Housing Successor

We have audited the City of Orange Housing Successor's (the Housing Successor) compliance with the California Health and Safety Code sections applicable to California Housing Successor Agencies for the year ending June 30, 2014.

Management's Responsibility

Management is responsible for compliance with the California Health and Safety Code sections applicable to California Housing Successor Agencies.

Auditor's Responsibility

Our responsibility is to express an opinion on the Housing Successor's compliance with the California Health and Safety Code sections applicable to California Housing Successor Agencies. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred above that could have a direct and material effect on Housing Successor occurred. An audit includes examining, on a test basis, evidence about the Housing Successor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Housing Successor. However, our audit does not provide a legal determination of the Housing Successor's compliance with those requirements.

Opinion

In our opinion, the Housing Successor complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Housing Successor for the year ending June 30, 2014.

Report on Internal Control over Compliance

Management of the Housing Successor is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Successor's internal control over compliance with the types of requirements that could have a direct and material effect on the Housing Successor to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal controls over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.



To the Honorable Mayor and Members of the City Council
City of Orange, California

Accordingly, we do not express an opinion on the effectiveness of the Housing Successor's 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 of California Health and Safety Code sections applicable to California Housing Successor Agencies 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 a material noncompliance with a type of compliance requirement of California Health and Safety Code sections applicable to California Housing Successor Agencies 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 California Health and Safety Code sections applicable to California Housing Successor Agencies. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lingham, LLP

Brea, California
December 18, 2014

CITY OF ORANGE HOUSING SUCCESSOR

STATEMENT OF NET POSITION
JUNE 30, 2014

	<u>Primary Government Governmental Activities</u>
Assets:	
Cash and investments	\$ 6,324,136
Receivables:	
Accounts	300,379
Notes and loans	21,824,577
Accrued interest	8,931
Due from other governments	<u>1,636,829</u>
Total Assets	<u>30,094,852</u>
Net Position:	
Restricted for:	
Housing projects	<u>30,094,852</u>
Total Net Position	<u>\$ 30,094,852</u>

CITY OF ORANGE HOUSING SUCCESSOR

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	Expenses	Program Revenues		Governmental Activities	Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants		
Functions/Programs					
Governmental Activities:					
General government	\$ 21,821	\$ -	\$ -	\$ -	\$ (21,821)
Community development	41,140	-	-	-	(41,140)
Economic development	70,342	-	-	-	(70,342)
Total Governmental Activities	\$ 133,303	-	\$ -	-	(133,303)
General Revenues:					
Use of money and property					100,523
Total General Revenues					100,523
Change in Net Position					(32,780)
Net Position at Beginning of Year					30,127,632
Net Position at End of Year					\$ 30,094,852

CITY OF ORANGE HOUSING SUCCESSOR

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Housing Successor
Assets:	
Pooled cash and investments	\$ 6,324,136
Receivables:	
Accounts	300,379
Notes and loans	21,824,577
Accrued interest	8,931
Due from other governments	1,636,829
	<u>1,636,829</u>
Total Assets	<u>\$ 30,094,852</u>
Deferred Inflows of Resources and Fund Balances	
Deferred Inflows of Resources:	
Unavailable revenues	\$ 1,284,000
	<u>1,284,000</u>
Total Deferred inflows of Resources	<u>1,284,000</u>
Fund Balances:	
Nonspendable:	
Notes and loans	20,540,577
Restricted for:	
Housing projects	8,270,275
	<u>8,270,275</u>
Total Fund Balances	<u>28,810,852</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 30,094,852</u>

CITY OF ORANGE HOUSING SUCCESSOR

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014**

Fund balances of governmental funds \$ 28,810,852

Amounts reported for governmental activities in the statement of net position are different because:

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities.

1,284,000

Net Position of governmental activities

\$ 30,094,852

CITY OF ORANGE HOUSING SUCCESSOR

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	<u>Successor Housing Agency</u>
Revenues:	
Use of money and property	\$ 142,249
Miscellaneous	55,274
	<hr/>
Total Revenues	197,523
	<hr/>
Expenditures:	
Current:	
General government	21,821
Community development	41,140
Economic development	70,342
	<hr/>
Total Expenditures	133,303
	<hr/>
Net Change in Fund Balances	64,220
Fund Balances, Beginning of Year	<hr/> 28,746,632
Fund Balances, End of Year	<u><u>\$ 28,810,852</u></u>

CITY OF ORANGE HOUSING SUCCESSOR

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

Net change in fund balances - total governmental funds \$ 64,220

Amounts reported for governmental activities in the statement of activities are different because:

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities.

(97,000)

Change in net position of governmental activities

\$ (32,780)

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

a. Financial Reporting Entity

The Orange Successor Housing Agency (Housing Successor) was established on February 1, 2012, pursuant to the dissolution of the former Redevelopment Agency. Prior to that, the activities were accounted for in the Redevelopment Agency Housing Fund. The City Council became the governing board commissioners of the Housing Successor. The Housing Successor was formed for purposes of construction and management of quality affordable housing within the City.

The Housing Successor is controlled by the City of Orange (City) and, accordingly, the accompanying fund financial statements are included as a special revenue fund of the basic financial statements prepared by the City. The accompanying financial statements are intended to reflect the financial position of operations for the Housing Successor Fund only and do not purport to, and do not, present the financial position of the City of Orange, California. Separate financial statements are prepared for the City of Orange, and may be obtained from the City.

b. Basis of Presentation

The Housing Successor's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the fund. Eliminations have been made to minimize the double counting of internal activities. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

While separate government-wide and fund financial statements are presented, they are interrelated.

Note 1: Summary of Significant Accounting Policies (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues relating to grants to be available if they are collected within 120 days of the end of the current fiscal period, and within 60 days for all other revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

d. Assets, Liabilities and Net Position or Equity

Cash and Investments

The Housing Successor's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both unrestricted and restricted cash and investments.

Investments are reported at fair value, the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The Housing Successor's investment activity is included under the City's investment policy. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

CITY OF ORANGE HOUSING SUCCESSOR

NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Housing Successor does not carry an item that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Housing Successor has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources: taxes, long-term loans, and grant monies. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Equity

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

CITY OF ORANGE HOUSING SUCCESSOR

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution. The Housing Successor did not have any committed fund balance as of June 30, 2014.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Housing Successor did not have any assigned fund balance as of June 30, 2014.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

II. DETAILED NOTES

Note 2: Cash and Cash Equivalents

As of June 30, 2014, cash and investments were reported in the accompanying financial statements as follows:

Deposits with financial institutions	<u>\$ 6,324,136</u>
Total cash and cash equivalents	<u><u>\$ 6,324,136</u></u>

The Housing Successor's fund is pooled with the City of Orange's cash and investments in order to generate optimum interest income. The information required by GASB Statement No. 40 related to authorized investments, credit risk, etc. is available in the comprehensive annual financial report of the City.

IV. OTHER INFORMATION

Note 3: Loans and Deferred Loans Receivable

a. Loans Receivable

With the dissolution of the Redevelopment Agency effective January 31, 2012, the City Council adopted a resolution authorizing the City of Orange to become the Housing Successor and enabling the City to retain housing assets and functions of the Redevelopment Agency. The Housing Successor provides housing loans for the rehabilitation and expansion of housing for low and moderate-income families in the City. First-time homebuyer loans assist new homebuyers with 10% of the purchase price, up to a maximum of \$22,500. Repayment is deferred for five years at 0% interest, and then is payable in monthly installments in years 6 through 15 at 5% per annum. State law now requires longer affordability covenant terms. Housing rehabilitation loans are for the purpose of rehabilitation and upgrading existing housing due to structural deficiencies. Housing loans also assist in the construction of new multi-family housing projects or rehabilitation of existing multi-family units. At June 30, 2014, the outstanding balance of these loans was \$20,540,577.

b. Deferred Loans Receivable

Additionally, the former Redevelopment Agency issued several promissory notes, pursuant to and in implementation of the "Affordable Housing Resale Restrictions Option to Designate Eligible Purchaser with Alternative Option to Purchase and Option to Purchase Upon Default." These notes do not actually represent cash paid to the borrowers, but represent the subsidy constructively received by the borrower as a result of borrowers' purchase of the property at a price below its fair market value. No repayment of these notes is due by the borrower until the Affordable Term of the loan date (45 years commencing from the loan date), or upon default, as described in the note. Because of the length of the deferral on these loans, the Housing Successor has recorded a "deferred inflow of resources" in the full amount of the loans outstanding. At June 30, 2014, the outstanding balance of these loans was \$1,284,000.

CITY OF ORANGE HOUSING SUCCESSOR

BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2014

	<u>Budgetary Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ 29,102	\$ 29,102	\$ 142,249	\$ 113,147
Miscellaneous	65,429	65,429	55,274	(10,155)
Total Revenues	94,531	94,531	197,523	102,992
Expenditures:				
Current:				
General government				
City manager	-	7,262	13,982	(6,720)
Finance	-	8,993	7,839	1,154
Community development	23,693	45,923	41,140	4,783
Economic development	91,460	1,530,384	70,342	1,460,042
Total Expenditures	115,153	1,592,562	133,303	1,459,259
Net Change in Fund Balances	(20,622)	(1,498,031)	64,220	1,562,251
	28,746,632	28,746,632	28,746,632	-
Fund Balances, End of Year	\$ 28,726,010	\$ 27,248,601	\$ 28,810,852	\$ 1,562,251

CITY OF ORANGE HOUSING SUCCESSOR

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2014

Budgetary Accounting

Annual budgets are adopted by July 1 of each year on a basis consistent with generally accepted accounting principles for the City of Orange. The Housing Successor Fund is included in the budget for the City. The budget is monitored to ensure compliance with legal provisions embodied in the appropriated budget as approved or amended by the City Council. Department heads are responsible for monitoring their department's appropriated budget. The legal level of budgetary control is at the department and fund levels. The City's management may transfer resources between operating line items with a department in the same fund as they see appropriate. Unencumbered appropriations of the Housing Successor automatically lapse at the end of the fiscal year. Ongoing, unfulfilled encumbrances and their appropriations automatically carry over and will be honored during the subsequent year.

CITY OF ORANGE HOUSING SUCCESSOR

**COMPUTATION OF LOW AND MODERATE
INCOME HOUSING FUND
EXCESS/SURPLUS**

	<u>July 1, 2013</u>	<u>July 1, 2014</u>
Opening Fund Balance	\$ 28,746,632	\$ 28,810,852
Less Unavailable Amounts:		
Loans receivable	\$ (27,783,453)	\$ (20,540,577)
	<u>(27,783,453)</u>	<u>(20,540,577)</u>
Available Low and Moderate Income Housing Funds	963,179	8,270,275
Limitation (greater of \$1,000,000 or four years set-aside)		
Set-Aside for last four years:		
2013 - 2014	\$ -	\$ 197,523
2012 - 2013	536,786	536,786
2011 - 2012	24,308	24,308
2010 - 2011	- *	- *
2009 - 2010	- *	- *
	<u>561,094</u>	<u>758,617</u>
Total	<u>\$ 561,094</u>	<u>\$ 758,617</u>
Base Limitation	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Greater amount	<u>1,000,000</u>	<u>\$ 1,000,000</u>
Computed Excess/Surplus	<u>None</u>	<u>\$ 7,270,275</u>

*: The Housing Successor Agency was created in February 2012 and therefore there were no deposits made prior to its existence.