

**REDWOOD COMMUNITY ACTION AGENCY, INC.
FINANCIAL STATEMENTS, SINGLE AUDIT REPORT
AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024**



**redwood
communityaction
agency**

REDWOOD COMMUNITY ACTION AGENCY, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Redwood Community Action Agency, Inc.

Opinion

We have audited the accompanying financial statements of Redwood Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Redwood Community Action Agency, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Redwood Community Action Agency, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditing conducted in accordance with generally accepted auditing standards 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 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 generally accepted auditing standards 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 Redwood Community Action Agency, Inc.'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 Redwood Community Action Agency, Inc.'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information shown on pages 25 - 47 is presented for purposes of additional analysis 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 26, 2026, on our consideration of Redwood Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the effectiveness of Redwood Community Action Agency, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Redwood Community Action Agency, Inc.'s internal control over financial reporting and compliance.

Aprivo, LLP

San Francisco, CA

March 26, 2026

**REDWOOD COMMUNITY ACTION AGENCY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

ASSETS

Current assets:	
Cash	\$ 3,886,190
Grants and contracts receivable	2,747,461
Rent receivable	36,366
Prepaid expenses	126,869
Inventory	<u>50,378</u>
Total current assets	<u>6,847,264</u>
Property and equipment, net	<u>2,093,434</u>
Other assets:	
Revolving loans receivable	710,176
Restricted cash	<u>926,722</u>
Total other assets	<u>1,636,898</u>
Total assets	<u>\$10,577,596</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 812,500
Accrued payroll and related expenses	570,910
Accrued expenses	6,039
Deferred revenue	2,781,031
Current portion of notes payable	<u>28,036</u>
Total current liabilities	<u>4,198,516</u>
Long-term liabilities:	
Security deposits	170,788
Deferred revolving loan	710,176
Notes payable, net of current portion	2,554,440
Deferred interest - notes payable	<u>1,446,451</u>
Total long-term liabilities	<u>4,881,855</u>
Total liabilities	<u>9,080,371</u>
Net assets:	
Without donor restrictions	1,462,504
With donor restrictions	<u>34,721</u>
Total net assets	<u>1,497,225</u>
Total liabilities and net assets	<u>\$10,577,596</u>

See independent auditors' report and accompanying notes

REDWOOD COMMUNITY ACTION AGENCY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support:			
Grants and contracts	\$ 12,250,648	\$ -	\$12,250,648
Contributions	26,832	-	26,832
Rental income	685,414	-	685,414
Miscellaneous income	<u>10,518</u>	<u>-</u>	<u>10,518</u>
Total revenues and other support	<u>12,973,412</u>	<u>-</u>	<u>12,973,412</u>
Expenses:			
Program services	11,428,984	-	11,428,984
Management and general	1,485,124	-	1,485,124
Fundraising	<u>521</u>	<u>-</u>	<u>521</u>
Total expenses	<u>12,914,629</u>	<u>-</u>	<u>12,914,629</u>
Change in net assets	58,783	-	58,783
Net assets, beginning of year	<u>1,403,721</u>	<u>34,721</u>	<u>1,438,442</u>
Net assets, end of year	<u>\$ 1,462,504</u>	<u>\$ 34,721</u>	<u>\$ 1,497,225</u>

See independent auditors' report and accompanying notes

REDWOOD COMMUNITY ACTION AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services						
	YSB	Community Programs	Energy	NRS	Property Management	Home Properties	Total
Payroll and related expenses:							
Salaries and wages	\$ 976,094	\$ 902,731	\$ 814,061	\$ 1,700,880	\$ 57	\$ 76,372	\$ 4,470,195
Employee benefits	100,551	115,069	113,781	200,274	6	22,985	552,666
Payroll taxes	<u>90,000</u>	<u>84,557</u>	<u>89,827</u>	<u>102,017</u>	<u>5</u>	<u>5,786</u>	<u>372,192</u>
Total payroll and related expenses	<u>1,166,645</u>	<u>1,102,357</u>	<u>1,017,669</u>	<u>2,003,171</u>	<u>68</u>	<u>105,143</u>	<u>5,395,053</u>
Non-personnel costs:							
Professional fees	12,108	172,936	81,769	2,744,928	72	27,731	3,039,544
Client support	151,601	207,242	263,162	232,896	371	-	855,272
Supplies	137,225	169,755	207,056	178,789	271	952	694,048
Workers compensation	66,240	39,362	42,418	133,983	4	4,662	286,669
Repairs and maintenance	22,984	34,729	31,049	12,168	-	142,815	243,745
Utilities	29,943	44,872	33,751	11,302	-	93,308	213,176
Telephone and internet	49,404	21,826	65,276	9,173	1,035	2,904	149,618
Insurance	27,060	22,336	36,364	32,450	-	32,296	150,506
Depreciation	-	-	-	-	-	6,674	6,674
Travel	8,699	15,473	65,228	16,974	-	591	106,965
Contract services	13,483	18,432	23,405	20,713	33	2,650	78,716
Interest expense	-	-	-	-	25	71,173	71,198
Professional development	730	7,036	1,314	49,079	-	-	58,159
Rent	5,863	8,787	6,609	2,213	-	-	23,472
Licenses and fees	871	1,518	4,735	4,810	-	2,436	14,370
Information technology	26	247	46	652	-	20,662	21,633
Dues and memberships	608	703	3,468	575	-	-	5,354
Postage	2,795	1,235	3,694	519	59	1,111	9,413
Bank fees	338	391	1,928	320	-	1,736	4,713
Bad debt	-	-	-	-	-	-	-
Printing	-	-	-	-	-	686	686
Advertising	-	-	-	-	-	-	-
Total non-personnel costs	<u>529,978</u>	<u>766,880</u>	<u>871,272</u>	<u>3,451,544</u>	<u>1,870</u>	<u>412,387</u>	<u>6,033,931</u>
Total expenses	<u>\$ 1,696,623</u>	<u>\$ 1,869,237</u>	<u>\$ 1,888,941</u>	<u>\$ 5,454,715</u>	<u>\$ 1,938</u>	<u>\$ 517,530</u>	<u>\$11,428,984</u>

See independent auditors' report and accompanying notes

REDWOOD COMMUNITY ACTION AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Supporting Services</u>		
	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and related expenses:			
Salaries and wages	\$ 689,732	\$ -	\$ 5,159,927
Employee benefits	101,680	-	654,346
Payroll taxes	<u>65,395</u>	<u>-</u>	<u>437,587</u>
Total payroll and related expenses	<u>856,807</u>	<u>-</u>	<u>6,251,860</u>
Non-personnel costs:			
Professional fees	218,570	-	3,258,114
Client support	21,951	-	877,223
Supplies	38,144	-	732,192
Workers compensation	26,465	-	313,134
Repairs and maintenance	32,614	-	276,359
Utilities	28,796	-	241,972
Telephone and internet	42,547	-	192,165
Insurance	20,006	-	170,512
Depreciation	148,144	-	154,818
Travel	9,941	-	116,906
Contract services	1,953	-	80,669
Interest expense	5,256	-	76,454
Professional development	-	-	58,159
Rent	5,639	-	29,111
Licenses and fees	9,207	-	23,577
Information technology	1,072	-	22,705
Dues and memberships	6,899	-	12,253
Postage	2,407	-	11,820
Bank fees	3,835	-	8,548
Bad debt	4,871	-	4,871
Printing	-	-	686
Advertising	<u>-</u>	<u>521</u>	<u>521</u>
Total non-personnel costs	<u>628,317</u>	<u>521</u>	<u>6,662,769</u>
Total expenses	<u>\$ 1,485,124</u>	<u>\$ 521</u>	<u>\$ 12,914,629</u>

See independent auditors' report and accompanying notes

REDWOOD COMMUNITY ACTION AGENCY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

Cash flows from operating activities	\$ 58,783
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	154,818
Deferred interest - notes payable	70,542
(Increase) decrease in assets:	
Grants and contracts receivable	(393,021)
Rental receivable	(3,266)
Prepaid expenses	(96,073)
Inventory	(9,676)
Increase (decrease) in liabilities:	
Accounts payable	614,626
Accrued payroll and related expenses	192,729
Accrued expenses	(961)
Deferred revenue	2,450,180
Security deposits	<u>82,947</u>
Net cash provided by operating activities	<u>3,121,628</u>
 Cash flows from investing activities	
Purchase of property and equipment	<u>(130,342)</u>
Net cash used in investing activities	<u>(130,342)</u>
 Cash flows from financing activities	
Principal payments on notes payable	<u>(30,121)</u>
Net cash used in financing activities	<u>(30,121)</u>
 Increase in cash during the year	2,961,165
Cash and restricted cash, beginning of year	<u>1,851,747</u>
Cash and restricted cash, end of year	<u>\$ 4,812,912</u>
 Supplemental disclosure of cash flow information:	
Interest paid	<u>\$ 76,454</u>
 Cash and restricted cash consisted of the following:	
Cash	\$ 3,886,190
Restricted cash	<u>926,722</u>
Total cash and restricted cash at year end	<u>\$ 4,812,912</u>

See independent auditors' report and accompanying notes

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization

Redwood Community Action Agency, Inc. (the Organization) was designated the Community Action Agency for Humboldt County in 1980. The Organization was formed to mobilize and coordinate anti-poverty resources within Humboldt County and to preserve land for scenic, scientific, educational and open space opportunities. The Organization is primarily supported through federal and state grants.

The Organization's programs and projects consist of the following:

Youth Service Bureau (YSB):

YSB's mission is, "To inspire youth and families to recognize their strengths and power to live, learn, socialize and work in their community." Youth who access YSB services are homeless, fleeing abusive or dangerous situations, or experiencing severe family conflict. YSB provides a variety of services to support youth with addressing the challenges in their lives. YSB services include a 24-hour youth referral line, street outreach and drop-in services, temporary emergency shelter, and long term transitional housing. The Youth Service Bureau is the only program in Humboldt County, and one of the few in the nation, providing housing to runaway and homeless young people.

- Our House Shelter - Our House Crisis Shelter was established in 1991 as our community recognized a need to offer services to prevent youth from entering the Juvenile Justice and Child Welfare Systems. Youth who call Our House for shelter services may be experiencing homelessness, severe family conflict or fleeing from an unhealthy living situation. Our House Shelter is a temporary housing program (maximum stay of 21 days) with the goal of family reunification. The majority of all sheltered youth return to their parent or guardian's home after a brief intervention by YSB. If re-entering the home is not a possibility, then we help explore the next best option.
- Launch Pad - Transitional Living - The Launch Pad is a long term (maximum stay of 21-months) transitional living program for homeless youth or youth who are fleeing unhealthy living situations between the ages of 18 to 22. The goal of the program is to assist youth and young adults in making the transition to self-sufficiency. Youth reside in a shared two bedroom or three bedroom apartment, 5 bedroom house, or YSB subsidized apartments. Apartments for youth under 18 are located in our main building, which has a staff person on duty 24-hours a day.
- Transitional Housing - Transitional housing for youth emancipated from foster care or juvenile probation, ages 18 - 24 years old. Youth learn important life skills to prepare them for independence.
- The Turner House - The Turner House was purchased in part by a generous donation from a community member in the amount of \$100,000, which kick started a fundraising campaign called, "On Solid Ground". When the Organization finally raised a little over \$300,000, we bought a beautiful 4-plex apartment building right next door to YSB. The building was named "The Turner House" in honor of our original investor, Sara Turner. This new youth housing program started in 2017. The main goal is to offer safe housing for foster youth who have turned 18 but can still benefit from services designed to help them reach their full potential. The Turner House is similar to our other Housing Programs where youth learn life skills.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization (Continued)

- The RAVEN Project - The Youth Service Bureau recognized the need for peer-based services within the youth and young adult community. Therefore, the Youth Service Bureau created a youth-led street outreach program called The RAVEN Project.
 - Drop-in Center - Drop-in provides youth an opportunity to check in with themselves regarding the status of their lives and current issues concerning their personal well-being. During drop-in youth may access our services and receive referrals for alternate assistance. The atmosphere in RAVEN is very neutral and enforces a “hate free zone.” RAVEN supports all lifestyles and positive means of expression. Art supplies and opportunities for publication in RAVEN's youth-magazines are available.
 - Street Outreach - Traveling in teams of two or three, youth educators and street outreach workers take to the streets with resource materials, safer sex supplies, first-aid supplies, toiletries, socks, and snacks. This is the RAVEN Project's method of bringing the program to the youth in their environment.
 - Youth Groups - RAVEN normally holds various weekly groups with specific activities geared toward certain populations. However, the only group the Organization has currently is the Queer Coffee House. This is a fun and safe space for gay, lesbian, bisexual, transgender, and questioning youth. This group provides an environment in which youth can begin to become comfortable with their sexuality, practice initiating conversations about safer sex, receive health education information, and begin to love and respect themselves. These issues are addressed through movies, art, games, and participating in community events.

Community Programs:

The Community Services Division is responsible for service projects and programs which help to build the assets of individuals and organizations, maintain and increase community's assets, and establish household or individual self-sufficiency. Community Services works to build the assets of our community's citizens by identifying needs or problems and working toward resolving issues effectively.

- Adult and Family Services (AFS) - The Adult and Family Services programs are part of the Organization's Community Services Division. The AFS programs provide diverse and comprehensive services to community members who hold lived experiences and/or who are surviving the high risk challenges of: houselessness, poverty, intergenerational and complex traumas, disabilities, health risks, behavioral health and substance use disorder challenges, disabilities, lack of resources and natural supports, abuse, neglect, family separation, foster care, and/or out of home placements.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization (Continued)

- Parents and Children in Transition (PACT) - The PACT program is a unique transitional living, hybrid harm reduction, program in Eureka that serves families with minor children that are surviving with lived experiences and current challenges of family separation, homelessness, intergenerational traumas, behavioral and physical health and substance use disorder challenges. The families the Organization has the privilege of joining with and serving, are currently working with, and are directly referred by Humboldt County's Child Welfare Services (CWS). In addition to CWS, Humboldt County's Healthy Mom's program has a long-term relationship with the PACT Program and they are a consistent provider group that collaborates regularly with the PACT and CWS team. Each family referred to the PACT program are currently working towards family reunification and family bonding, stabilization, vocational and/or educational opportunities, school and childcare placements for children, obtaining and maintaining benefits and housing. Additionally, many families are working on their initial early recovery stages and healing processes. The Organization serves families how they identify their households; examples of this are:: a single parent/caregiver with 9 children, a 3-parent household with a pregnant parent, a multigenerational household with an aunt, uncle, grandparent and 5 children, or a blended family of adult caregivers and many minor children that are previous neighbors that have chosen to live and identify together as a family.
- Homeless housing, assistance and prevention (HHAP-APS) - The HHAP-APS program is a community-based program that serves adults 18+, that are considered high-risk, vulnerable, and homeless and/or soon to be homeless, and their households. All clients are referred directly through Humboldt County's Adult Protective Services (APS) and must meet the eligibility criteria of current homelessness and/or at risk of homelessness within 14 days. The HHAP Case Workers team together to provide intensive case management services with a harm reduction focus and assess the client's individual needs and the needs of their family that they will obtain permanent housing with. The Case Workers begin working with the client almost immediately on housing-related services, with the ultimate goal being that of obtaining and sustaining permanent housing in Humboldt County. Through the process of obtaining housing, Case Workers are also striving to holistically support their clients in stabilizing, whether it be through obtaining a Primary Care Physician, attending a Psychiatry or Behavioral Health appointment, starting their application process for disability benefits, building a natural support, looking at their finances, acclimating to the idea and reality of becoming housed indoors and the changes that will come with this huge shift in their daily reality. The HHAP-APS program is also able to provide temporary rental assistance and subsidies for housing, and on-going supportive services to assist in sustaining their housing, while increasing their wellness, safety and stability.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization (Continued)

- Homeless housing, assistance and prevention (HHAP-WVS) - The HHAP-WVS program is an on-site, permanent supportive housing program that is located at the Danco-Group's new HOMEKEY project called West Village Studios, located in Arcata's Valley West neighborhood. The West Village Studios is a newly renovated permanent supportive housing project consisting of 78 studio units. Each resident has been referred for tenancy through the Humboldt County Coordinated Entry System, and community members must be houseless and/or chronically houseless to be considered for tenancy. The Organization provides the on-site supportive services at West Village Studios, and these services are available to each tenant that chooses to access the support. The supportive services staff at WVS will also coordinate on-site and community-based activities and events, work with clients through a holistic case management lens, support tenants with tenant/landlord advocacy, assist with daily needs, provide life skills education, access vocational/educational and employment services, coordination of medical/dental/behavioral health and substance use disorder care and treatment, referrals, linkages, supporting the tenants with the on-site garden maintenance and harvesting of produce, accessing community resources, building natural supports and peer integration supports, also supporting all tenants through a harm reduction focus. The HHAP-WVS program also provides rental assistance and subsidies to support WVS tenants with sustaining their housing.
- Blue Vic permanent supportive housing project (Blue Vic) - The Blue Vic is a large Victorian home located in the City of Eureka that provides Permanent Supportive Housing for youth and adults 18+ that hold lived experience with medical, mental health, and/or SUD challenges and have a history of houselessness. This is a multigenerational, congregate, and shared living housing project, as tenants share the common spaces in the home including the kitchen, living rooms, sunroom, yards, laundry rooms, and the general spaces in the home. All utilities are included, and the units and common spaces are furnished. Additionally, there are kitchen appliances, and washers/dryers on site and are free for tenants to use. There are on-site supportive services available to each tenant, with a focus on maintaining benefits, landlord/tenant advocacy, and stabilization of medical, dental, behavioral health and substance use disorder treatment and care. The Blue Vic project is a collaboration with the Organization, Arcata House Partnership, and Providence Health Care. The referral system for the Blue Vic is not open to the public.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization (Continued)

- Onyx permanent supportive family housing project (Onyx) - The Onyx was created and developed by a partnership and collaborative process between Strombeck Properties, Providence-St. Joes Health Care, Arcata House Partnership, Dr. Evan Bauxbaum, and the Organization. The Onyx is a 10-unit housing project for families with minor children that hold lived experiences of homelessness, poverty, lack of resources, and may be surviving with medical and behavioral health challenges, substance use disorders and recovery, generational trauma, and lack of natural supports. The Organization provides the on-site supportive services for tenants of the Onyx with a focus on tenant/landlord advocacy, sustaining housing and benefits, financial budgeting, and providing on-site and community-based activities and events for children and their parents/caregivers. The Onyx project has a beautiful and spacious community room that tenants can access to work and play with the on-site support staff. Referrals and housing applications for the ONYX are not open to the public at this time, yet may be appropriate if the family is a participant of Arcata House Partnership, the Organization, Betty Chinn, and/or Bringing Families Home with Humboldt County's Child Welfare Services.
- SOARing to stability (SOAR) - This is a new pilot project that is currently limited to internal agency referrals only and is not open to the public. SSI/SSDI Outreach, Access, and Recovery is a model that was developed by the Social Security Administration (SSA) and the Substance Abuse and Mental Health Administration (SAMHA), that assists individuals experiencing or at risk of homelessness who have a serious mental illness, medical impairment, and/or a co-occurring substance use disorder, apply for Social Security disability benefits. The Case Worker II in this project will provide: technical case management services, client advocacy, assess client's eligibility for disability benefits, hold the responsibility and title of "Authorized Representative" for the individual's process with SSA, and submit their complete and quality disability application for benefits through the SSA.

Energy:

The Energy and Environmental Services Division is committed to assisting low to moderate income households reduce their energy burden, improve the health and safety conditions of occupied housing and to foster client self-sufficiency. In support of these goals, we provide the following services in Humboldt County: energy efficiency retrofits, health and safety repairs, utility and energy assistance, lead-based paint abatement, client education & advocacy, and other services to people in need.

We also serve Modoc County eligible residents once per year for weatherization services only.

- Utility assistance programs - The Organization provides help with heating bills through a program called Low-income Home Energy Assistance Program (HEAP or LIHEAP). The Organization provides assistance with gas and electric bills, wood, propane, and heating oil.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 1

Nature of Organization (Continued)

- Weatherization - The Organization provides weatherization services to income-eligible households. The Weatherization Program provides high-quality energy efficiency and weatherization services for income-qualified low to moderate households. The services are available for qualified renters and homeowners.

The Organization's crews employ the latest technology to identify the most energy saving methods for reducing energy waste, air pollution and related energy costs for the client. Crews also test appropriate appliances for health and safety issues.

Natural Resources Services (NRS):

Natural Resources Services (NRS) is committed to working with private landowners, government agencies, timber and fisheries industries, tribes, and community-based groups to promote healthy communities and healthy watersheds.

- Watershed services - works with diverse landowners to restore local watersheds, protect water quality, and promote informed communities. In the last three decades, NRS' Watershed Program has designed and implemented several hundred fisheries enhancement, water quality improvement, riparian and wetland restoration, erosion and sediment control, urban stream, and educational projects on the north coast to improve conditions for fish, wildlife, and people.
- Active living - fosters local and regional partnerships to cultivate a stronger focus for healthy community design, local food security and community empowerment. NRS' Active Living Program plans and implements projects to support local jurisdictions, residents and grassroots organizations in efforts around the built environment, trails, community gardens, and outreach and education.

Property Management:

The Organization offers affordable housing for qualified low to moderate income individuals and families, including ADA units. The Organization is working together with Rural Community Homes, which enables the Organization to offer a larger variety of properties and locations. Rural Community Homes has properties in Arcata, McKinleyville, Eureka and Fortuna. Cats and small dogs may be considered according to the specific pet policy of each location.

Home Properties:

Murray Road (20 units in McKinley, CA), Ninth Street (16 units in Fortuna, CA), Lon Drive (12 units in Fortuna, CA), Third Street (6 units in Eureka, CA), and AC Street (8 units in Eureka, CA) (collectively the HOME Properties) are low-income housing projects that were developed and owned by the Organization.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 2

Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements of the Organization are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation:

Financial statement presentation is in accordance with accounting standards regarding the reporting of net assets. The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.
- Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash:

For the purpose of the statement of cash flows, the Organization considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Restricted Cash:

Restricted cash represents cash that is restricted for specific purposes. The HOME properties are required by the debt agreements to establish and maintain certain reserves including replacement and operating reserves in separate federally insured bank accounts.

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits:

The Organization maintains cash balances at four commercial banks, these balances can exceed the FDIC insured deposit limit of \$250,000 per financial institution. At December 31, 2024, the Organization's cash balances held at the commercial banks exceeded the FDIC limit by approximately \$4,162,876. The Organization has not experienced any losses through the date when the financial statements were available to be issued.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 2

Summary of Significant Accounting Policies (Continued)

Concentrations of Credit Risk:

The Organization's major sources of revenue are grants. During the year ended December 31, 2024, the Organization received revenue totaling 5,507,250 from three individual grantors. The total amounts received represent approximately 42% of all revenue and support for the year ended December 31, 2024.

During the year ended December 31, 2024, the Organization's receivables consisted of 46% from three grantors. The total amounts due from the grantors total \$1,258,180 for the year ended December 31, 2024.

Revenue Recognition:

Contributions and Other Revenue Not Subject to ASC 606.

Contributions: The Organization recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions that are met in the year of receipt are recorded as revenues without donor restrictions. When a restriction expires or is met in a subsequent year, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts on multi-year pledges is recorded as additional contribution revenue and as either with or without donor restrictions based on any donor-imposed restrictions, if any, on the related contributions.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Consequently, at December 31, 2024, contributions approximating \$1,971,023 have not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met.

Leases:

The Organization accounts for leases pursuant to ASU No. 2016-23, *Leases* (ASC 842). The Organization's leasing activity with tenants are typically one year or less and are considered short-term operating leases.

Rental Income:

Rental income is recognized as rents become due. Rental payments received in advance are deferred until earned.

Receivables:

Grants and Contracts Receivable:

Grants and contracts receivable consist of amounts billed for grants and contracts as services are performed. It is the Organization's policy to charge off uncollectible receivables when management determines the receivable will not be collected. Management believes all grants receivables are fully collectible; therefore, no allowance for doubtful accounts has been included in the financial statements.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 2

Summary of Significant Accounting Policies (Continued)

Rental Receivable:

Rental receivables are stated at the amount management expects to collect from outstanding balances. The Organization monitors receivable balances and records an allowance for future expected credit losses when a receivable is determined to be uncollectible. Credit losses are based on historical collection experience and other factors, including current market and forecasted economic conditions. Based on a review of the outstanding balances, management has determined that an allowance for credit losses, if needed, would not be material.

	2024	2023	2022
Rental receivable	\$ 36,366	\$ 33,100	\$ 60,953

Contributions Receivable:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities and changes in net assets. The allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. There was no allowance for uncollectable promises to give at December 31, 2024.

Revolving Loans:

The Organization received a Housing Preservation Grant (HPG) to provide funds for rehabilitation of residences of qualifying low-income owner/occupants. Provisions of the rehabilitation contracts resulted in loans to home owners in the amount of the cost to rehabilitate the properties benefiting from the HPG programs. All loans are recorded as deferred revolving loans in the same amount as the revolving loans receivable. The Organization follows default and foreclosure policies as contained in the HPG Housing Rehabilitation Guidelines. Loan payments are recorded as program income and are restricted for use in connection with HPG program eligible activities.

Donated Services:

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and are performed by people with those skills and would otherwise be purchased by the Organization.

Volunteers donate a significant amount of time to the Organization's programs. The fair value of these donated services are not recognized in the statement of activities since they do not meet the criteria for recognition under generally accepted accounting principles.

Inventory:

Inventory consists of weatherization products. The inventory is stated at cost determined on the FIFO method.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 2

Summary of Significant Accounting Policies (Continued)

Property and Equipment:

Property and equipment is recorded at cost if purchased and at fair market value on the date of donation if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets for periods of 3 to 30 years. The Organization capitalizes individual assets with cost of \$5,000 or greater.

Building and Improvements - The Organization owns its main office building and the buildings of the HOME projects. Actual building costs are allocated to grants based on square footage occupied by each program. Both the main office building and HOME buildings are pledged as collateral to secure notes payable.

Equipment and Vehicles - Equipment and vehicles purchased are stated at cost. Donated assets are recorded at their estimated fair market values at the date of contribution. Maintenance, repairs and minor improvements are charged to operating expense as incurred. Major improvements are capitalized.

Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, as follows:

Buildings	2 - 30 years
Improvements	7 - 15 years
Equipment	3 - 5 years
Vehicles	3 - 5 years

Impairment of Long-Lived Assets:

Long-lived assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to their fair value, which is normally determined through analysis of the future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount that the carrying amount of the assets exceeds the fair value of the assets. No impairment loss has been recognized during the year ended December 31, 2024.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 2

Summary of Significant Accounting Policies (Continued)

Functional Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Program service expenses are tracked on a project-by-project basis, and those costs not directly associated with a project are allocated to administration and general expenses. Indirect costs allocated amount program and supporting services are allocated based on personnel time spent, usage and other factors.

Leases:

Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. ROU assets also include adjustments related to lease payments made and lease incentives received at or before the commencement date. The ROU assets resulting from operating leases are disclosed as right-of-use assets – operating leases and the related liabilities are included in lease liability – operating leases in the Statement of Financial Position. At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using the risk-free rate. Operating lease cost is recognized on a straight-line basis over the lease term as occupancy in the accompanying Statement of Functional Expenses. Lease and non-lease components of lease agreements are accounted for as a single component. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The Organization determines if an arrangement is a lease at inception. All leases are recorded on the Statement of Financial Position except for leases with an initial term of 12 months or less for which the Organization made the short-term lease election.

Tax Exempt Status:

The Organization is exempt from Federal and State Income taxes under Internal Revenue Code Section 501(c)(3). Therefore, no provision for income taxes has been made in the accompanying financial statements. In addition, the Internal Revenue Service has determined The Organization is not a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code.

Management of the Organization considers the likelihood of changes by taxing authorities in its filed tax returns and recognizes a liability for or discloses potential significant changes if management believes it is more likely than not for a change to occur, including changes to the Organization’s status as a not-for-profit entity. Management believes the Organization met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax. The Organization’s tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 3

Liquidity and Availability of Resources

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of December 31, 2024:

Financial assets available for general expenditure within one year:

Cash and cash equivalents	\$	3,886,190
Grants and contracts receivable		2,747,461
Rent receivable		<u>36,366</u>
 Total financial assets		 6,670,017
Less: donor-restricted		<u>(34,721)</u>
 Total financial assets available for general expenditure within one year	 \$	 <u><u>6,635,296</u></u>

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments. In addition to financial assets available for general expenditure within one year, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Because the donor restrictions require resources to be used in a particular manner or in future periods, the Organization maintains sufficient resources to meet the responsibility to its donors. Thus, financial assets as they relate to donor restrictions may not be available for general expenditure within one year.

Note 4

Property and Equipment

The following is a summary of property and equipment at cost at December 31, 2024:

Land	\$	1,123,255
Buildings and improvements		5,631,961
Equipment		678,802
Vehicles		<u>1,212,259</u>
		8,646,277
Less: accumulated depreciation		<u>(6,552,843)</u>
 Property and equipment, net	 \$	 <u><u>2,093,434</u></u>

Depreciation expense for the year ended December 31, 2024 totaled \$154,818.

Note 5

Notes Payable

Notes payable are as follows as of December 31, 2024:

<u>HUD properties</u>		<u>Principal</u>
Murray Road - The property received financing with a promissory note with the California Department of Housing and Community Development ("HCD") for new construction and rehabilitation projects under the HOME Investment Partnership (HOME) Program. The note bears simple interest at the rate of 3% per annum and matures in December 2033. The promissory note is secured by the Trust Deed covering the real and personal property.	\$	850,000

**REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

Note 5

Notes Payable (Continued)

Ninth Street - The property received financing with a promissory note with HCD for new construction and rehabilitation projects under the HOME Program. The note bears simple interest at the rate of 3% per annum and matures in September 2034. The promissory note is secured by the Trust Deed covering the real and personal property.	515,000
Lon Drive - The property received financing with a promissory note with HCD for new construction and rehabilitation projects under the HOME Program. The note bears simple interest at the rate of 3% per annum and matures in March 2035. The promissory note is secured by the Trust Deed covering the real and personal property.	410,000
AC Street - The property received financing with a promissory note with HCD for new construction and rehabilitation projects under the HOME Program. The note bears simple interest at the rate of 3% per annum and matures in January 2036. The promissory note is secured by the Trust Deed covering the real and personal property.	317,432
AC Street - The property received financing with a promissory note with the City of Eureka in the original amount of \$50,000. The note bears simple interest at the rate of 3% per annum and matures in February 2049. The promissory note is secured by the Trust Deed covering the real and personal property.	50,000
Third Street - The property received financing with a promissory note with HCD for new construction and rehabilitation projects under the HOME Program. The note bears simple interest at the rate of 3% per annum and matures in August 2027. The promissory note is secured by the Trust Deed covering the real and personal property.	230,000
Redwood Capital Bank - 539 T Street - The Organization received financing with a promissory note in the original amount of \$178,000. The note bears simple interest at the rate of 6.5% per annum and matures in February 2027. The promissory note is secured by the Trust Deed covering the real and personal property.	35,282
Redwood Capital Bank - 523 T Street - The Organization received financing with a promissory note in the original amount of \$176,000. The note bears simple interest at the rate of 6.5% per annum and matures in February 2027. The promissory note is secured by the Trust Deed covering the real and personal property.	34,762
County of Humboldt - The Organization received financing with a promissory note in the original amount of \$140,000. The note bears simple interest at the rate of 1% per annum. The promissory note is secured by the Trust Deed covering the real and personal property.	<u>140,000</u>

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 5

Notes Payable (Continued)

Total long term debt	2,582,476
Less: current maturities	<u>(28,036)</u>
Total	<u>\$ 2,554,440</u>

If the Organization is in full compliance with the conditions set forth in the HUD HOME loan agreements, the remaining principal balance and accrued interest will be forgiven and the loan and accrued interest shall become grant income. It is management's intent to comply with the loan restrictions throughout the terms of the loans.

Payments of principal and interest on the notes with HCD and the City of Eureka are determined annually from cash available from operations. Future maturities of these notes are subject to the financial performance of the apartment communities. Therefore, estimated maturities are not provided in these financial statements as they could be misleading.

Aggregate future principal payments are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 28,036
2026	29,914
2027	242,094
2028	-
2029	-
Thereafter	<u>2,282,432</u>
	<u>\$ 2,582,476</u>

Note 6

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2024:

	<u>Beginning Balance</u>	<u>Contributions and Income</u>	<u>Released from Restrictions</u>	<u>Ending Balance</u>
Emergency food and shelter	\$ 12,026	\$ -	\$ -	\$ 12,026
Henderson Garden	1,898	-	-	1,898
Bike Kitchen	<u>20,797</u>	<u>-</u>	<u>-</u>	<u>20,797</u>
	<u>\$ 34,721</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,721</u>

Note 7

Line of Credit

The Organization holds a line of credit line totaling \$750,000 with an interest rate of 4.25%. It draws funds on the line of credit to pay program expenditures in cases where payments from funding sources have not been received in a timely manner. The line of credit balance is repaid when program funds are received from funding sources. Outstanding balances are secured by real property. There was no outstanding balance on the line of credit at December 31, 2024. The line of credit matures in April 2043.

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note 8

Retirement Plan

The Organization has a simplified employee benefit plan (the "Plan") qualified under the Internal Revenue Code Section 403(b). The Plan is available to all employees over the age of 21 that have at least one year of service. Under the Plan, the participant contributions are permitted and subject to Internal Revenue Service limitations. The Organization also contributes an automatic contribution of 2% of each participant's annual wages and a 100% match of each participant's contribution up to 3% of their annual wages. Retirement expenses for the year ended December 31, 2024 totaled \$79,592.

Note 9

Commitments and Contingencies

In the normal course of business, there are outstanding various commitments and contingent liabilities, such as commitments to enter into and/or renew contracts related to ongoing operations, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) contractual restrictions and donor conditions which obligate the Organization to fulfill certain requirements as set forth in legal instruments, (b) funding levels which vary based on factors beyond the Organization's control, such as general economic conditions, (c) employment and service agreements with key management personnel, and (d) financial risks associated with funds on deposited in accounts at financial institutions.

Management believes that such commitments or contingencies have been properly addressed, appropriate amounts have been accrued (where necessary), and there will not be any resolution with a material adverse effect on the financial statements. Certain grants and contracts are subject to audit and final acceptance by granting agencies.

The Organization identified an error in the calculation of certain leave-related pay for employees in prior periods. Management is in the process of correcting the matter and has recorded an accrual for amounts estimated to be owed as of year-end. The Organization does not believe the matter will result in material penalties or litigation. Resolution is expected to occur in the ordinary course of business.

Note 10

Subsequent Events

Management considered all events through March 26, 2026, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. The Organization is not aware of any other significant events that occurred subsequent to December 31, 2024, but prior to the issuance of this report, that would have a material impact on the financial statements.

SUPPLEMENTARY INFORMATION

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**20C-6019
HUMBOLDT AND MODOC DOE WEATHERIZATION
RSCs 2115316**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 68,179	\$ 68,179	\$ 123,197
Total revenue	<u>68,179</u>	<u>68,179</u>	<u>123,197</u>
10-ADMINISTRATIVE COSTS			
Administrative costs	<u>6,406</u>	<u>6,406</u>	<u>10,524</u>
Total Administrative Costs	<u>6,406</u>	<u>6,406</u>	<u>10,524</u>
20-TRAINING AND TECHNICAL ASSISTANCE			
Training and technical assistance	<u>10,559</u>	<u>10,559</u>	<u>16,011</u>
Total training and technical assistance	<u>10,559</u>	<u>10,559</u>	<u>16,011</u>
PROGRAM COSTS SECTION 1			
Liability insurance	-	-	1,500
Health and safety activities (from section 165)	<u>6,249</u>	<u>6,249</u>	<u>10,000</u>
TOTAL PROGRAM COSTS SECTION 1	<u>6,249</u>	<u>6,249</u>	<u>11,500</u>
PROGRAM COSTS SECTION 2			
Intake	373	373	6,500
Outreach	184	184	3,500
Direct program activities	27,723	27,723	57,000
Minor vehicle and field equipment (less than \$5,000)		-	1,328
General overhead costs	85	85	3,500
Other program costs (from section 250)	13,031	13,031	2,000
Client education	-	-	2,500
WX READINESS FUND		-	8,834
Adjustments	<u>3,569</u>	<u>-</u>	<u>-</u>
TOTAL PROGRAM COSTS SECTION 2	<u>44,965</u>	<u>41,396</u>	<u>85,162</u>
Total costs submitted to EARS	<u>68,179</u>	<u>64,610</u>	<u>123,197</u>
Total recorded cost	\$ <u>68,179</u>	\$ <u>64,610</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**20C-6019
HUMBOLDT AND MODOC DOE WEATHERIZATION
RSCs 21154318 & 21154319**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 137,361	\$ 137,361	\$ 393,358
Total revenue	<u>137,361</u>	<u>137,361</u>	<u>393,358</u>
10-ADMINISTRATIVE COSTS			
Administrative costs	<u>13,697</u>	<u>13,697</u>	<u>33,808</u>
Total Administrative Costs	<u>13,697</u>	<u>13,697</u>	<u>33,808</u>
20-TRAINING AND TECHNICAL ASSISTANCE			
Training and technical assistance	13,091	13,091	46,094
Client education	-	-	6,000
Out-of-state travel	<u>-</u>	<u>-</u>	<u>3,000</u>
Total training and technical assistance	<u>13,091</u>	<u>13,091</u>	<u>55,094</u>
PROGRAM COSTS SECTION 1			
Liability insurance	-	-	7,500
Health and safety activities (from section 165)	<u>5,433</u>	<u>5,433</u>	<u>60,181</u>
TOTAL PROGRAM COSTS SECTION 1	<u>5,433</u>	<u>5,433</u>	<u>67,681</u>
PROGRAM COSTS SECTION 2			
Intake	16,427	16,427	33,336
Outreach	16,025	16,025	34,337
Direct program activities	41,538	41,538	95,548
Minor vehicle and field equipment (less than \$5,000)	-	-	3,000
General overhead costs	2,329	2,329	21,299
Other program costs (from section 250)	22,648	22,648	36,755
Automation supplemental	-	-	12,500
Adjustments	<u>6,173</u>	<u>6,173</u>	<u>-</u>
TOTAL PROGRAM COSTS SECTION 2	<u>105,140</u>	<u>105,140</u>	<u>236,775</u>
Total costs submitted to EARS	<u>137,361</u>	<u>137,361</u>	<u>393,358</u>
Total recorded cost	\$ <u>137,361</u>	\$ <u>137,361</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**23B-5009
415 HUMBOLDT AND MODOC LIHEAP EHA
420 HUMBOLDT AND MODOC LIHEAP ASSURANCE 16
RSCs 22002313 & 22002314**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 50,364	\$ 57,086	\$ 872,579
Total revenue	<u>50,364</u>	<u>57,086</u>	<u>872,579</u>
ASSURANCE 16 COSTS			
Assurance 16 Activities	12,985	12,985	153,166
ADMINISTRATIVE COSTS			
Administrative cost total	<u>7,744</u>	<u>7,744</u>	<u>147,659</u>
Total A-16 /Administrative Costs	<u>20,729</u>	<u>20,729</u>	<u>300,825</u>
PROGRAM COSTS (ECIP AND HEAP)			
Intake	14,285	14,285	122,239
Outreach	8,928	8,928	76,399
Training and technical assistance	<u>-</u>	<u>-</u>	<u>30,560</u>
TOTAL PROGRAM COSTS	<u>23,213</u>	<u>23,213</u>	<u>229,198</u>
40-PROGRAM SERVICES & PROGRAM COSTS			
Program services and program costs total	<u>7,060</u>	<u>7,060</u>	<u>342,556</u>
TOTAL COSTS	<u>51,002</u>	<u>51,002</u>	<u>872,579</u>
Total costs submitted to EARS	<u>51,002</u>	<u>51,002</u>	
Recorded cost to be submitted in 2023	<u>(638)</u>	<u>6,084</u>	
Total recorded cost	<u>\$ 50,364</u>	<u>\$ 57,086</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**24B-5009
415 HUMBOLDT AND MODOC LIHEAP EHA
420 HUMBOLDT AND MODOC LIHEAP A00SURANCE 16
RSCs 23002413 & 23002414**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	<u>\$ 1,376,192</u>	<u>\$ 1,376,192</u>	<u>\$ 1,376,192</u>
Total revenue	<u>1,376,192</u>	<u>1,376,192</u>	<u>1,376,192</u>
ASSURANCE 16 COSTS			
Assurance 16 activities	100,110	100,110	104,651
ADMINISTRATIVE COSTS			
Administrative cost total	<u>104,835</u>	<u>104,835</u>	<u>100,046</u>
Total A-16 / Administrative Costs	<u>204,945</u>	<u>204,945</u>	<u>204,697</u>
PROGRAM COSTS (ECIP AND HEAP)			
Intake	102,513	102,513	89,097
Outreach	64,066	64,066	55,685
Training and technical assistance	<u>10,443</u>	<u>10,443</u>	<u>22,274</u>
TOTAL PROGRAM COSTS	<u>177,022</u>	<u>177,022</u>	<u>167,056</u>
40-PROGRAM SERVICES & PROGRAM COSTS			
Program services and program costs total	<u>404,653</u>	<u>404,653</u>	<u>1,004,439</u>
TOTAL COSTS	<u>786,620</u>	<u>786,620</u>	<u>1,376,192</u>
Total costs submitted to EARS	<u>786,620</u>	<u>786,620</u>	
Recorded cost to be submitted in 2024	<u>1</u>	<u>1</u>	
Total recorded cost	<u>\$ 786,621</u>	<u>\$ 786,621</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
 SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
 DECEMBER 31, 2024**

**24F-3012 CAA
 CSBG SALARIES ONLY
 RSC 2200837**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 328,663	\$ 328,663	\$ 328,663
Total revenue	<u>328,663</u>	<u>328,663</u>	<u>328,663</u>
10-ADMINISTRATIVE COSTS			
Salaries and wages	234,253	234,253	229,644
Fringe benefits	<u>94,410</u>	<u>94,410</u>	<u>99,019</u>
Total Administrative Costs	<u>328,663</u>	<u>328,663</u>	<u>328,663</u>
20-PROGRAM COSTS			
TOTAL PROGRAM COSTS	<u>-</u>	<u>-</u>	<u>-</u>
Total costs submitted to EARS	<u>328,663</u>	<u>328,663</u>	<u>328,663</u>
Total recorded cost	<u>\$ 328,663</u>	<u>\$ 328,663</u>	<u>\$ 328,663</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
 SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
 DECEMBER 31, 2024**

**24F-3012 DISCRETIONARY
 CSBG ADMIN
 RSC 2200838**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 4,965	\$ 4,965	\$ 26,000
Total revenue	<u>4,965</u>	<u>4,965</u>	<u>26,000</u>
20-PROGRAM COSTS			
Salaries and wages	3,453	3,453	18,000
Fringe benefits	<u>1,512</u>	<u>1,512</u>	<u>8,000</u>
TOTAL PROGRAM COSTS	<u>4,965</u>	<u>4,965</u>	<u>26,000</u>
 Total costs submitted to EARS	 <u>4,965</u>	 <u>4,965</u>	 <u>26,000</u>
Total recorded cost	<u>\$ 4,965</u>	<u>\$ 4,965</u>	<u>\$ 26,000</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**23Q-5558
SLHIP WX
RSC 2200318**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 10,137	\$ 10,137	\$ 17,662
Total revenue	<u>10,137</u>	<u>10,137</u>	<u>17,662</u>
ASSURANCE 16 COSTS			
Assurance 16 activities	2,297	2,297	3,758
ADMINISTRATIVE COSTS			
Administrative cost total	<u>1,828</u>	<u>1,828</u>	<u>3,758</u>
Total A-16 / Administrative Costs	<u>4,125</u>	<u>4,125</u>	<u>7,516</u>
PROGRAM COSTS (ECIP AND HEAP)			
Intake	1,432	1,432	5,411
Outreach	878	878	3,382
Training and technical assistance	<u>-</u>	<u>-</u>	<u>1,353</u>
TOTAL PROGRAM COSTS	<u>2,310</u>	<u>2,310</u>	<u>10,146</u>
40-PROGRAM SERVICES & PROGRAM COSTS			
Program services and program costs total	<u>3,702</u>	<u>3,702</u>	<u>-</u>
TOTAL COSTS	<u>10,137</u>	<u>10,137</u>	<u>17,662</u>
Total costs submitted to EARS	<u>10,137</u>	<u>10,137</u>	<u>17,662</u>
Total recorded cost	<u>\$ 10,137</u>	<u>\$ 10,137</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**23J-5713
ESLHIP EHA
RSC 22003016/17**

	1/1/2024 - 12/31/2024	Total Reported Audited Expenses	CSD Budget
Grant revenue	\$ 67,946	\$ 67,946	\$ 379,408
Total revenue	<u>67,946</u>	<u>67,946</u>	<u>379,408</u>
ASSURANCE 16 COSTS			
Assurance 16 activities	7,828	7,828	69,601
ADMINISTRATIVE COSTS			
Administrative cost total	<u>15,212</u>	<u>15,212</u>	<u>68,233</u>
Total A-16 / Administrative Costs	<u>23,040</u>	<u>23,040</u>	<u>137,834</u>
PROGRAM COSTS (ECIP AND HEAP)			
Intake	3,282	3,282	68,936
Outreach	2,051	2,051	43,085
Training and technical assistance	<u>5,223</u>	<u>5,223</u>	<u>17,234</u>
TOTAL PROGRAM COSTS	<u>10,556</u>	<u>10,556</u>	<u>129,255</u>
40-PROGRAM SERVICES & PROGRAM COSTS			
Program services and program costs total	<u>34,350</u>	<u>34,350</u>	<u>112,319</u>
TOTAL COSTS	<u>67,946</u>	<u>67,946</u>	<u>379,408</u>
Total costs submitted to EARS	<u>67,946</u>	<u>67,946</u>	<u>379,408</u>
Total recorded cost	\$ <u>67,946</u>	\$ <u>67,946</u>	

**REDWOOD COMMUNITY ACTION AGENCY, INC.
 SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
 DECEMBER 31, 2024**

**FEMA / Emergency Food & Shelter
 RSC 1150216**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ <u>9,714</u>	\$ <u>9,714</u>
Total revenue	<u>9,714</u>	<u>9,714</u>
Personnel Expenses		
Salaries and wages	1,138	1,138
Fringe benefits	<u>378</u>	<u>378</u>
Total personnel expenses	<u>1,516</u>	<u>1,516</u>
Operating Expenses		
Contractor fees	312	312
Supplies	150	150
Communications	18	18
Utilities	2,365	2,365
Training & education	<u>750</u>	<u>750</u>
Total operating costs	<u>3,595</u>	<u>3,595</u>
Total recorded cost	\$ <u>5,111</u>	\$ <u>5,111</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
 SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
 DECEMBER 31, 2024**

**FEMA / Emergency Food & Shelter
 RSC 1150516**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ <u>2,850</u>	\$ <u>2,850</u>
Total revenue	<u>2,850</u>	<u>2,850</u>
Operating Expenses		
Utilities	88	88
Occupancy / repairs & maintenance	<u>3,697</u>	<u>3,697</u>
Total operating costs	<u>3,785</u>	<u>3,785</u>
Total recorded cost	<u>\$ 3,785</u>	<u>\$ 3,785</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**US Forest Service
RSC 1400522**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 53,136	\$ 53,136
Total revenue	<u>53,136</u>	<u>53,136</u>
Personnel Expenses		
Salaries and wages	25,597	25,597
Fringe benefits	<u>10,766</u>	<u>10,766</u>
Total personnel expenses	<u>36,363</u>	<u>36,363</u>
Operating Expenses		
Supplies	2,087	2,087
Communications	89	89
Professional fees (legal & accounting)	544	544
Vehicle & equipment	5,000	5,000
Vehicle use	<u>2,984</u>	<u>2,984</u>
Total operating costs	<u>10,704</u>	<u>10,704</u>
Agency admin	<u>2,718</u>	<u>2,718</u>
Total recorded cost	<u>\$ 49,785</u>	<u>\$ 49,785</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**US Forest Service
RSC 1400523**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 51,482	\$ 51,482
Total revenue	<u>51,482</u>	<u>51,482</u>
Personnel Expenses		
Salaries and wages	15,446	15,446
Fringe benefits	<u>6,345</u>	<u>6,345</u>
Total personnel expenses	<u>21,791</u>	<u>21,791</u>
Operating Expenses		
Supplies	2,393	2,393
Communications	14	14
Vehicle use	1,215	1,215
Vehicle repair	363	363
Travel	<u>1,646</u>	<u>1,646</u>
Total operating costs	<u>5,631</u>	<u>5,631</u>
Agency admin	<u>2,687</u>	<u>2,687</u>
Total recorded cost	<u>\$ 30,109</u>	<u>\$ 30,109</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**DHHS Basic Center
RSC 1200317**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 168,522	\$ 168,522
Total revenue	<u>168,522</u>	<u>168,522</u>
Personnel Expenses		
Salaries and wages	106,220	106,220
Fringe benefits	<u>39,235</u>	<u>39,235</u>
Total personnel expenses	<u>145,455</u>	<u>145,455</u>
Operating Expenses		
Supplies	1,844	1,844
Communications	233	233
Utilities	1,264	1,264
Vehicle use	513	513
Travel	46	46
Fingerprinting & employee physicals	253	253
Software	44	44
Repairs & maintenance	1,565	1,565
Professional development	677	677
Client support	501	501
Misc fees	<u>216</u>	<u>216</u>
Total operating costs	<u>7,156</u>	<u>7,156</u>
Agency admin	<u>15,320</u>	<u>15,320</u>
Total recorded cost	<u>\$ 167,931</u>	<u>\$ 167,931</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
 SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
 DECEMBER 31, 2024**

**DHHS Basic Center
 RSC 1200319**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 4,088	\$ 4,088
Total revenue	<u>4,088</u>	<u>4,088</u>
Personnel Expenses		
Salaries and wages	486	486
Fringe benefits	<u>128</u>	<u>128</u>
Total personnel expenses	<u>614</u>	<u>614</u>
Operating Expenses		
Supplies	524	524
Utilities	484	484
Travel	2,540	2,540
Fingerprinting & employee physicals	30	30
Repairs & maintenance	307	307
Professional development	100	100
Client support	<u>40</u>	<u>40</u>
Total operating costs	<u>4,025</u>	<u>4,025</u>
Agency admin	<u>292</u>	<u>292</u>
Total recorded cost	<u>\$ 4,931</u>	<u>\$ 4,931</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**DHHS Launch Pad
RSC 1200400**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 166,577	\$ 166,577
Total revenue	<u>166,577</u>	<u>166,577</u>
Personnel Expenses		
Salaries and wages	106,372	106,372
Fringe benefits	<u>37,033</u>	<u>37,033</u>
Total personnel expenses	<u>143,405</u>	<u>143,405</u>
Operating Expenses		
Supplies	614	614
Communications	216	216
Utilities	4,605	4,605
Travel	28	28
Fingerprinting & employee physicals	196	196
Software	40	40
Repairs & maintenance	872	872
Professional development	144	144
Client support	<u>37</u>	<u>37</u>
Total operating costs	<u>6,752</u>	<u>6,752</u>
Agency admin	<u>17,848</u>	<u>17,848</u>
Total recorded cost	<u>\$ 168,005</u>	<u>\$ 168,005</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**DHHS Launch Pad
RSC 1200402**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ <u>77,667</u>	\$ <u>77,667</u>
Total revenue	<u>77,667</u>	<u>77,667</u>
Personnel Expenses		
Salaries and wages	46,632	46,632
Fringe benefits	<u>17,505</u>	<u>17,505</u>
Total personnel expenses	<u>64,137</u>	<u>64,137</u>
Operating Expenses		
Supplies	520	520
Communications	91	91
Utilities	2,544	2,544
Travel	2,320	2,320
Fingerprinting & employee physicals	111	111
Software	24	24
Repairs & maintenance	500	500
Professional development	487	487
Client support	<u>861</u>	<u>861</u>
Total operating costs	<u>7,458</u>	<u>7,458</u>
Agency admin	<u>4,731</u>	<u>4,731</u>
Total recorded cost	\$ <u>76,326</u>	\$ <u>76,326</u>

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUPPLEMENTAL CONTRACT INFORMATION FOR CSD
DECEMBER 31, 2024**

**DHHS Office of Child Abuse Prevention - OCAP
RSC 2200404**

	1/1/2024 - 12/31/2024	Reported Audited Expenses
Grant revenue	\$ 93,209	\$ 93,209
Total revenue	<u>93,209</u>	<u>93,209</u>
Personnel Expenses		
Salaries and wages	40,428	40,428
Fringe benefits	<u>16,990</u>	<u>16,990</u>
Total personnel expenses	<u>57,418</u>	<u>57,418</u>
Operating Expenses		
Supplies	442	442
Communications	99	99
Utilities	753	753
Occupancy / space rent	1,000	1,000
Travel	478	478
Fingerprinting & employee physicals	396	396
Professional development	140	140
Liability insurance	<u>208</u>	<u>208</u>
Total operating costs	<u>3,516</u>	<u>3,516</u>
Agency admin	<u>5,436</u>	<u>5,436</u>
Total recorded cost	<u>\$ 66,370</u>	<u>\$ 66,370</u>

REDWOOD COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Contract Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture:				
Emergency Food and Shelter	N/A	97.024	N/A	\$ 5,111
Emergency Food and Shelter	N/A	97.024	N/A	3,785
Forest Service	N/A	97.024	N/A	49,786
Forest Service	N/A	97.024	N/A	30,109
Total 97.024				<u>88,791</u>
Total U.S. Department of Agriculture				<u>88,791</u>
U.S. Department of Health & Human Services:				
Basic Center	90CY7473-02-00	93.623	N/A	167,931
Basic Center 24-25	90CY747303	93.623	N/A	4,931
Launch Pad	90CX7371-01-00	93.623	N/A	168,005
Launch Pad	90CX7541-01-00	93.623	N/A	76,325
Total 93.623				<u>417,192</u>
Passed through the State of California				
Low Income Home Energy Assistance Program		93.568		-
Low Income Home Energy Assistance Program	N/A	93.568	23B-5009	50,364
Low Income Home Energy Assistance Program ESLIHEAP	N/A	93.568	22J-5713	186,787
Low Income Home Energy Assistance Program SLIHEAP	N/A	93.568	24Q-5558	10,138
Low Income Home Energy Assistance Program	N/A	93.568	24B-5009	1,177,788
Low Income Home Energy Assistance Program	N/A	93.568	24B-5009	198,403
Low Income Home Energy Assistance Program	N/A	93.568	25B-3009	223
Office Child Abuse Prevention	N/A	93.568		66,370
Total 93.568				<u>1,690,073</u>
Community Services Block Grants	N/A	93.569	24F-3012 CAA	328,663
Community Services Block Grants	N/A	93.569	24F-3012 CAA	4,965
Total 93.569				<u>333,628</u>
Total U.S. Department of Health & Human Services				<u>2,440,893</u>

See independent auditors' report and notes to schedule of expenditures of federal awards

REDWOOD COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Contract Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Energy:				
Passed through the State of California				
Weatherization Assistance Program	N/A	81.042	22C-6019	68,179
Bipartisan Infrastructure Law Weatherization Assistance Program	N/A	81.042	22P-7008	132,254
Bipartisan Infrastructure Law Weatherization Assistance Program	N/A	81.042	22P-7008	<u>5,107</u>
Total 81.042				<u>205,540</u>
Total U.S. Department of Energy				<u>205,540</u>
U.S. Department of Housing & Urban Development:				
California Department of Housing and Urban Development				
HOME Program Loans:				
Ninth Street, Fortuna	N/A	14.239	Loan	515,000
Murray Road, McKinleyville	N/A	14.239	Loan	850,000
Loni Drive, Fortuna	N/A	14.239	Loan	410,000
829 C Street, Eureka	N/A	14.239	Loan	317,432
1528 Third Street, Eureka	N/A	14.239	Loan	<u>230,000</u>
Total 14.239				<u>2,322,432</u>
Total U.S. Department of Housing & Urban Development				<u>2,322,432</u>
Total Expenditures of Federal Awards				<u>\$ 5,057,656</u>

See independent auditors' report and notes to schedule of expenditures of federal awards

REDWOOD COMMUNITY ACTION AGENCY, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal activity of Redwood Community Action Agency, Inc. (the Organization) for the year ended December 31, 2024, and is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. The Organization received federal awards that were passed through from various governmental agencies, which are included on the Schedule of Federal Awards.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported using the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Subpart E - Cost Principles of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization's significant accounting policies are presented in Note B in the Organization's basic financial statements.

Note 3: Relationship to Financial Statements

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with the amounts reported within the financial statements.

Note 4: Indirect Cost Rate

The Organization has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 5: Loan and Loan Balances

The outstanding balance of loan and loan guarantee programs at December 31, 2024, with continuing compliance requirements which are reported as federal expenditures on the accompanying schedule of expenditures of federal awards was \$2,322,432.

Note 6: Subrecipients

There were no awards passed through to subrecipients during the year ended December 31, 2024.

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section I-Summary of Auditors' Results

Financial Statements

Report on the Financial Statements and on the Supplementary Schedule of Federal Awards:

Opinion on audited financial statements:	Unmodified
Going concern issue	No

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with Government Auditing Standards:

Instances of fraud, non-compliance, or abuse of law, regulations, contracts or grants that have a material effect on the financial statements	No
Significant deficiencies or material weaknesses indicator	Yes

Federal Awards

Report on Compliance and Internal Control over Compliance Applicable to Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance:

Opinion on compliance with laws, regulations, and contracts applicable to each major program	Unmodified
Significant deficiencies or material weaknesses in internal controls over compliance indicator	No

Schedule of Findings and Questioned Costs

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of OMB Uniform Guidance	No
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Low-risk auditee indicator	No

Identification of Major Programs

Grantor/Program or Cluster Title	Federal Assistance Listing Number
U.S. Department of Housing and Urban Development	14.239

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section II - Findings - Financial Statements Audit

Finding 2024-001: Financial Statement Closing Process - Material Weakness

Condition - During our audit of the financial statements for the year ended December 31, 2024, we identified multiple adjusting journal entries that were necessary to fairly present the financial statements. These adjustments related primarily to accruals, capitalization of assets, and balance sheet classifications that were not identified or recorded as part of management's initial closing process.

Criteria - Sound financial management practices require that the year-end closing process include timely identification, evaluation, and recording of all material transactions and estimates to ensure the financial statements are complete and accurate prior to audit. Management is responsible for maintaining effective internal control over financial reporting, including controls over the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). These controls are intended to reduce the risk of material misstatement and the need for significant audit adjustments.

Cause - The issues noted appear to be due to insufficient review and analysis during the year-end closing process, including limited documented review of significant account balances and estimates prior to issuance of the trial balance for audit. In addition, the number of post-audit adjustments suggests that closing procedures may not be sufficiently detailed or consistently applied.

Effect or Potential Effect - When the closing process does not identify all necessary adjustments prior to audit, there is an increased risk that: Material misstatements could exist in interim or draft financial statements, financial reporting deadlines could be delayed due to the volume of audit adjustments, Management's ability to rely on internal financial reports for decision-making is reduced, and internal control over financial reporting may not operate as intended.

Recommendation - We recommend that management strengthen the year-end closing process by: Implementing a formalized closing checklist that includes required accruals, review of expenditures for capitalization, and balance sheet reconciliations; performing and documenting management-level reviews of significant accounts and estimates prior to audit fieldwork; ensuring that prior-year audit adjustments are evaluated and incorporated into current-year closing procedures, as applicable; and providing ongoing training to accounting personnel on GAAP requirements relevant to the Organization's activities. Improving these procedures should reduce the number of audit adjustments required in future periods and enhance the reliability and timeliness of financial reporting.

View of Responsible Officials - See corrective action plan.

Section III - Findings and Questioned Costs - Major Federal Award Programs Audit

None.

**REDWOOD COMMUNITY ACTION AGENCY, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

There were no findings from the prior audit report.



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

To the Board of Directors
Redwood Community Action Agency, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Redwood Community Action Agency, Inc., which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Redwood Community Action Agency, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Redwood Community Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Redwood Community Action Agency, Inc.'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

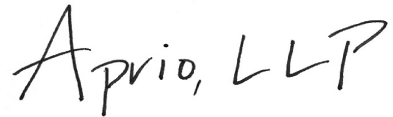
As part of obtaining reasonable assurance about whether the Redwood Community Action Agency, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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*.

Redwood Community Action Agency, Inc.'s Response to Findings

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in black ink that reads "Aprivo, LLP". The signature is written in a cursive, flowing style.

San Francisco, CA

March 26, 2026



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Redwood Community Action Agency, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Redwood Community Action Agency, Inc.'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 Redwood Community Action Agency, Inc.'s major federal programs for the year ended December 31, 2024. Redwood Community Action Agency, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Redwood Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Redwood Community Action Agency, Inc. 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 Redwood Community Action Agency, Inc.'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 Redwood Community Action Agency, Inc.'s federal programs.

Auditors' 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 Redwood Community Action Agency, Inc.'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 generally accepted auditing standards, *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 Redwood Community Action Agency, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Redwood Community Action Agency, Inc.'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 Redwood Community Action Agency, Inc.'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 Redwood Community Action Agency, Inc.'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.

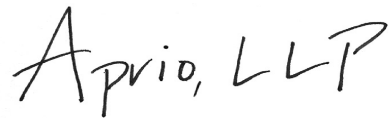
Report on Internal Control over Compliance

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 Auditors' 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.

A handwritten signature in black ink that reads "Aprivo, LLP". The letters are cursive and somewhat stylized, with the "A" being particularly large and the "P"s having long, sweeping tails.

San Francisco, CA

March 26, 2026