

FIVE-YEAR AGENCY PLAN AND ANNUAL UPDATE

5 YEAR PLAN FOR FISCAL
YEARS 2015 - 2019

ANNUAL PLAN FOR FISCAL
YEAR 2015

YOLO COUNTY HOUSING

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Yolo County Housing

COMBINED NOTICE OF PUBLIC COMMENT PERIOD AND PUBLIC HEARING

To all citizens, residents and interested parties, Yolo County Housing will conduct a PUBLIC COMMENT PERIOD and PUBLIC HEARING regarding the following:

- Approval of the Five Year Plan for Fiscal Years 2015-2019
- Approval of the 2015 Annual Agency Plan

The **Agency Plan** outlines our strategic operational goals and objectives of Yolo County Housing with regard to its Housing Choice Voucher and Public Housing programs. A public hearing is tentatively scheduled to be held **on March 19, 2015 at the Board of Supervisors Chambers, 625 Court Street, Woodland, California at 2:00 p.m.** Interested residents are invited to attend. The Supervisors Chambers are accessible to the disabled.

The public comment period begins on January 28, 2015 and will end on March 18, 2015. Comments may be made in writing or may be presented orally at the public hearing. Any persons or organizations desiring to be heard on this topic will be afforded an opportunity to speak at the public hearing. Interested persons may also provide written comments during the public comment period. **Written comments and/or questions should be addressed to: Janis Holt, General Managing Director, 147 W. Main Street, Woodland, CA 95695.** Oral comments and/or questions may also be made to Ms. Holt at 530-662-5428.

If you would like to review the Agency Plan, it is available at the locations listed below or on the Yolo County Housing website at www.ych.ca.gov:

Winters Office
62 Shams Way
Winters, CA 95694
Monday and Wednesday
9:00 a.m. to 4:00 p.m.
Closed 12-1 for Lunch

West Sacramento Office
685 Lighthouse Drive
West Sacramento, CA 95605
Monday – Thursday
9:00 a.m. to 12:00 p.m.
1:00 p.m. to 5:00 p.m.

Yolo County Housing Main Office
147 West Main Street
Woodland, CA 95695
Monday – Thursday
8:00 a.m. to 5:00 p.m.

NONDISCRIMINATION

Yolo County Housing prohibits discrimination in employment, services, and activities on the basis of race, color, creed, religion, sex, ancestry, familial status, marital status, national origin, sexual orientation, age, disability, source of income or other legally protected status. YCH affirms its commitment to equal opportunity and equal access to services. For additional information, contact the 504 Coordinator, Janis Holt at 530-662-5428; TDD 1-800-545-1833, ext. 626.

LANGUAGE SERVICES

YCH offers free language services. If you need this document translated, please contact us at 530-662-5428; TDD 1-800-545-1833, ext. 626.

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YOLO COUNTY HOUSING

FY2015-FY2019 FIVE-YEAR AGENCY PLAN AND FY2015 ANNUAL UPDATE

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5.0 Five-Year Plan

Yolo County Housing is dedicated to providing quality affordable housing and community development services to all persons within its service area. Yolo County Housing was first created in 1950. Its primary programs are funded by the United States Department of Housing and Urban Development (HUD) and through the State of California (OMS and HCD). The Housing Authority and its allied organizations provide assistance to approximately 2,076 households. Housing assistance is provided throughout the region and can be found in Woodland, West Sacramento, Davis, Winters, Esparto, Yolo, Knight's Landing, Dunnigan, Madison and in Dixon (Solano County).

YCH provides year-round rental assistance through low cost housing that it owns and manages, as well as through housing that it owns in partnership. It also provides assistance through its Section 8 Housing Choice Voucher program, its Project-Based Voucher program and through its Section 8 Homeownership program. Additional units are available as well as through housing programs provided by its non-profit subsidiary, New Hope Community Development Corporation.

YCH also provides decent and safe temporary housing to migrant farmworker families during the County's growing season. The City operates two centers in Yolo County. In addition, the YCH also provides staff and services to the Dixon Housing Authority and manages its Dixon Migrant Center.

YCH provides space that is used by a number of local City, County, University and non-profit organizations to provide after-school and educational programs for youth, as well as senior meal programs and classes to City and County residents regardless of whether or not they receive other services through YCH.

Bridge to Housing Project

YCH, along with the City of West Sacramento and the County of Yolo, is currently engaged in the Bridge to Housing Pilot Project in West Sacramento. This project is a time and population limited pilot designed to test a Housing First model for chronically homeless individuals living on the Sacramento River in West Sacramento.

The most recent homeless census (conducted in January 2013) identified 474 people experiencing homelessness in Yolo on a single night. At the time of the census, the City of West Sacramento had the second highest homeless population, with 165 homeless individuals identified as living in West Sacramento. The 2013 Homeless Census also found that the majority of Yolo's unsheltered homeless population is located in West Sacramento. At the time of the Count, 126 of the 191 people who were identified as being unsheltered lived in West Sacramento.

The riverbank has long been a popular area for people experiencing homelessness, especially along what is referred to as the North Levee (which includes publicly and privately owned parcels north of the Broderick Boat Ramp). The North Levee area had an established community of approximately 71 people experiencing homelessness, along with 47 dogs and 22 cats. Members of this homeless community have lived there, without trash service or running water, for an average of 4.5 years, with some members homeless there for 20 years or more.

The City of West Sacramento had worked previously to clear the area of homeless encampments on several occasions; however, without other alternatives, the homeless continued to return to the site after each instance.

It was time for something different. The West Sacramento Police Department reached out to representatives of public, private and faith-based agencies to think about a different and more effective way to work with the North Levee homeless encampment. The result is the Bridge to Housing Pilot Project, a time- and population-limited project designed to test a “Housing First” model for Yolo County. It consists of the following components:

- **Initial Outreach:** In September and October, United Christian Centers took the lead on outreach with residents and have completed three assessments to identify participants in the program.
- **Neighborhood Clean Up Day** (November 8, 2014) – Requested by the homeless residents as a way to give back to the community for its assistance. The cleanup effort was organized by United Christian Centers, and has received donations from Waste Management, Ethan Conrad Properties and Home Depot. YCH staff participated as volunteers along with many others. Fifteen tons of trash was collected.
- **Moving Day!** (November 12, 2014) – Participating members moved to temporary housing at the Old Town Inn in West Sacramento. Prior to the move, there were opportunities for pet washing and health care, public health and mental health assessments, laundry, food and legal assistance, as well as transportation to the motel. The motel is master leased and managed by YCH.
- **Triage, Assessment and Application** – During the 90 to 120 day stay at the motel, residents have been receiving assistance in applying for any benefits for which they may be eligible, including job training and assistance, chemical dependency, health insurance, disability benefits, counseling and other services. In addition, they will apply for any available permanent housing programs for which they may be eligible.
- **Placement in Permanent Housing** – Includes ongoing and, in some cases, intensive case management to help them succeed in their new housing.

- **Current Outcomes** The program ends at the close of February 2015. As of January 22, 2015,
 - 100% of participants had been assessed and assigned case management,
 - 69% had either secured identification or had pending applications,
 - 81% had secured health insurance, while 10% had pending applications,
 - 57% are now enrolled in CalFresh,
 - 100% had applied for housing assistance and 2 persons received Housing Vouchers by the 3rd week of January,
 - 20 persons are currently interested in enrolling in construction apprenticeship programs,
 - 6 have received SSI and another 14 having pending applications. If all applications are approved, 34% of the participants will have secured SSA/SSI.

5.1 Mission Statement

“Working together to provide quality affordable housing and community development services for all.”

5.2 Goals and Objectives

- Continue to analyze opportunities for operational cost savings as funding levels remain below normal.
- Complete renovations to public housing properties to meet accessibility requirements.
- Continue to increase the sustainability of the Agency’s portfolio by reducing energy usage using both simple and complex strategies.
- Maintain leasing rates, on-time collections and other benchmarks for on-going programs at a rate equal to or above generally accepted standards.
- Regain High Performer status under the Public Housing Assessment System (PHAS).
- Continue to train staff on Asset Management to ensure compliance with all new HUD regulations.

- Achieve and maintain a 98% lease-up in the budget year (combined between tenant-based Housing Choice Voucher (HCV) and project-based vouchers and includes either units or budget authority).
- Close an additional three (3) homes through the HCV Home Ownership Program in the coming year.
- Continue to achieve High Performer status on Section 8 Management Assessment (SEMAP) score.
- Maintain full enrollment in the Family Self-Sufficiency Program (FSS) to comply with HUD requirements.
- Continue to upgrade computer systems including servers, software, and memory capacity.
- Continue with customer satisfaction surveys; gather and interpret results; identify strengths and areas of needed improvement in YCH services. Move surveys to electronic systems.
- Install individual meters at apartments where there is currently no meter; sub-meter at apartments with master meters.
- Develop eco-friendly landscaping plan to reduce water usage as funds are available.
- Install and/or improve broadband access capability to reach all sites and offer inexpensive in-home broadband access to residents.
- Continue to deploy Facebook page to help distribute information to residents and applicants.
- Continue to enrich content on website to include better information, easier navigation and install access portals for customers – landlords, tenants, and participants.
- Move forward with additional elements of YCH’s “Welcome Home” strategy that are already outlined in the Plan, including development of a welcome packet for residents, participants, and landlords.
- Apply for additional funding including the Capital Fund Education and Training Community Facilities (CFCF) Program and Resident Opportunity

and Self-Sufficiency (ROSS) Service Coordinators Program as they become available.

- Complete software conversion to Tenmast's Winten 2+ system to enhance productivity and streamline operations.
- Expand CAST (Community Awareness and Safety Team) within the El Rio Villas community and expand to the Las Casitas/Riverbend public housing developments.
- Increase the speed with which past due accounts are collected.
- Continue to look at shared service arrangements, including offering grants management and other services to PHAs and other entities.

Added for 2015

- Install 900+ kilowatts of solar capacity by 2016.
- Continue with water restrictions as drought continues into fourth year.
- Work to remain compliant with ground water regulations and monitor water rights, as well as to implement new rules on Chromium 6 and replace outdated wells, principally at El Rio Villas public housing development.
- Construct Community Center at the Lemen Avenue property.
- Construct housing on land already owned by YCH in Esparto.
- Continue to work with New Hope CDC and Mercy in the development of 180 W. Beamer Street.
- Complete predevelopment and financing for the rehabilitation of Pacifico as "Symphony" in Davis.
- Focus on providing housing options to underserved markets including students, adult foster youth, homeless and veteran populations.

6.0 PHA Plan Update

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.**

Yolo County Housing has revised the following elements:

Goals and Objectives

Goals and Objectives have been updated by removing completed Goals and adding new Goals for the upcoming years.

Operations

While 2014 was slightly better than 2013 as far as funding was concerned, 2014 funding levels were still lower than normal. As part of YCH's ongoing effort to create the highest level of efficiency and effectiveness in service delivery and to maintain a balanced operational budget during these times of reduced revenues, the agency has restructured into two business divisions which include the General Services Division and the Financial Services Division.

The General Services Division consists of the Facilities Department, Housing Department, Client Services, Human resources and ADA/504 Coordination. The Financial Services Division consists of the Finance Department, Information Technology Department, Grants Management and Compliance, Emergency Services, Procurement and Contracts.

Financial Resources

The Financial Resources section has been revised to include the projected revenues for the Public Housing and Housing Choice Voucher Programs in FY2015.

Resident Services

The Resident Services section has been updated to include current information regarding resident programs.

Flat Rents

PIH Notice 2014-10 required PHAs across the nation to set their flat rents at a level of at least 80% of the local Fair Market Rent as published by HUD. Some PHAs were forced to raise their flat rents dramatically because they had not completed a market rental analysis in recent years. YCH was not affected by this requirement because the agency completes a market rental analysis on an annual basis and the flat rents were above the 80% threshold.

Policies

The following updates were made to the Administrative Plan during 2014:

Biennial Inspections – Allows the agency to complete inspections on high performing properties on a biennial basis instead of once a year.

Utility Allowance – States that the utility allowance received will be based on the lower of the voucher size or size of the unit actually rented.

Site-based Waiting List – Allows applicants the opportunity to be placed on a site specific wait list.

Opened Wait List – Although the HCV wait list is currently closed, displaced families with a direct referral from a local government or code enforcement entity which can verify displacement can now be placed on the list.

Preferences – The above described preference will receive two points.

In addition, both the Administrative Plan and ACOP will be updated to meet the requirements of HUD's Equal Access Rule regarding program eligibility regardless of sexual orientation, gender identity or marital status. The definition of an "extremely low-income" family was updated in both plans.

Fiscal Year Audit

The Audit for the Fiscal Year ending 6/30/2013 has been completed and is included with the Agency Plan. The Audit for the Fiscal Year ending 6/30/2014 is in the process of being completed and will be included in the Plan once it has been finalized.

Capital Improvements

The Agency Plan includes a copy of the FY2015 Capital Fund Annual Statement and Five-Year Plan. Performance and Evaluation Reports for the FY2012, FY2013 and FY2014 Capital Funds are also included. The projections for the FY2015 CFP are based on the actual 2014 amount.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public.

The FY2015-FY2019 Five-Year Agency Plan will be available for review during the 45-day Public Hearing Notice period at Yolo County Housing's Main Office which is located at 147 West Main Street in Woodland, California.

1. Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures

YCH's policies governing resident eligibility, selection, and admission including admissions preferences for both the Public Housing and Housing Choice Voucher Programs are described in this section. Unit assignment policies for public housing and wait list procedures for both programs are also described.

The Admissions and Continued Occupancy Policy (ACOP) covers the specific requirements for admission to the Public Housing Program. These requirements for the HCV Program are stated in the Administrative Plan. The information listed below highlights some of the main factors used in determining eligibility and admission to both programs and is not meant to be exhaustive. Both documents are on file at YCH's main office and on YCH's website and should be consulted for specific questions.

Public Housing – Admissions and Continued Occupancy Policy (ACOP)

Eligibility

To be eligible for the Public Housing Program an applicant family must:

- Qualify as a family as defined by HUD and YCH. A family, regardless of actual or perceived sexual orientation, gender identity, or marital status, may be a single person or group of persons. Family as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. YCH has expanded this definition to include two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family. **The definition of a family has been updated to meet the definition established at 24 CFR 5.403.**

- Have income at or below HUD-specified income limits. To be income-eligible, a family must be a low-income family. A low-income family is a family whose annual income does not exceed 80 percent of the median income for Yolo County, adjusted for family size.
- Qualify on the basis of citizenship or the eligible immigrant status of family members. Housing assistance is only available to individuals who are U.S. citizens, U.S. nationals, or noncitizens that have eligible immigration status. At least one family member must be a citizen, national or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.
- Provide social security number information for family members as required. Every family member must provide documentation of a valid Social Security Number (SSN) or a certification stating that no SSN has been issued.
- Consent to the YCH's collection and use of family information as provided in YCH-provided consent forms. HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age to sign form HUD-9886, Authorization for the Release of information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

Denial of Admission

Even though a family may meet the eligibility requirements for the Public Housing Program, it does not mean that they will be housed. HUD requires YCH to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last three (3) years for drug-related criminal activity.
- YCH determines that any household member is currently engaged in the use of illegal drugs.
- YCH has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current

abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member that is subject to a lifetime registration requirement under a state sex offender registration program.

Selection

Any family that wishes to reside in public housing must apply for admission to the program. HUD permits YCH to determine the format and content of its applications, as well how such applications will be made available to interested families and how applications will be accepted by YCH.

YCH’s application process will involve two phases:

The first is the “initial” application for admission (referred to as a preapplication). This phase is to determine the family’s eligibility for public housing and placement on the waiting list.

The second phase is the “final determination of eligibility for admission” (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At that time YCH ensures that verification of all HUD and YCH eligibility factors is current in order to determine the family’s eligibility for an offer of a suitable unit. Applicants are required to attend an application interview to discuss the family’s circumstance in greater detail.

YCH maintains a site-based waiting list system with separate waiting lists for each of the following sites within the public housing inventory:

City of Woodland	CA044001 and 007
City of West Sacramento	CA044015, 017 and 028
City of Winters	CA044002, 008, 018 and 024
City of Yolo	CA044006
City of Knight’s Landing	CA044005
City of Esparto	CA044004

Applicants will be placed on the appropriate site-based wait list(s) according to the size of unit required and by preference (see below). Date and time of application will be used to determine the sequence of the list among applicants requiring the same size unit and qualifying for the same preferences.

Preferences

YCH has the authority to establish local preferences and to give priority to serving families that meet those criteria. YCH has adopted the following local preferences:

Residency Preference: For families who live, work or have been hired to work in Yolo County.

Veteran Preference: Any citizen of the United States who served in the active military, naval or air services of the United States who received an honorable discharge or released from active duty under honorable conditions.

Working Preference: This preference is available for families with at least one member who is employed (or who are elderly/disabled).

Involuntary Displacement: Families who claim they are being or have been displaced due either to a natural disaster declared by the President of the United States; or displaced through no fault of their own, by governmental action.

Unit Offers

YCH must assign eligible applicants to dwelling units in accordance with a plan that is consistent with civil rights and nondiscrimination. YCH will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for rejection.

YCH has adopted a “one offer plan” for offering units to applicants. Under this plan, the first qualified applicant in sequence on the waiting list will be made one offer of a unit of the appropriate size. If more than one unit of appropriate type and size is available, the first unit offered will be the first unit ready for occupancy.

Applicants must accept or refuse a unit offer within five business days of the date of the unit offer. When an applicant rejects a unit offer without good cause, the applicant’s name will be removed from the waiting list.

Housing Choice Voucher Program – Administrative Plan

YCH is responsible for ensuring that each individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by YCH to confirm eligibility and determine the level of assistance.

To be eligible for the HCV program, each applicant family must:

- Qualify as a family as defined by HUD and YCH. A family, regardless of actual or perceived sexual orientation, gender identity, or marital status, may be a single person or group of persons. Family as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. YCH has the discretion to determine if any other group of persons qualifies as a family. **The definition of a family has been updated to meet the definition established at 24 CFR 5.403.**
- Have income at or below HUD specified income limits. To be income-eligible, a family must be a very low-income family or a low-income family which has been “continuously assisted” under the 1937 Housing Act. A very low-income family is a family whose annual income does not exceed 50 percent of the median income for Yolo County, adjusted for family size. A low-income family is a family whose annual income does not exceed 80 percent of the median income for Yolo County, adjusted for family size.
- Qualify on the basis of citizenship or the eligible immigrant status of family members. Housing assistance is only available to individuals who are U.S. citizens, U.S. nationals, or noncitizens that have eligible immigration status. At least one family member must be a citizen, national or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.
- Provide social security number information for all family members as required. Every family member must provide documentation of a valid Social Security Number (SSN) or a certification stating that no SSN has been issued.

- Consent to YCH's collection and use of family information as provided for in YCH-provided consent forms. HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age to sign form HUD-9886, Authorization for the Release of information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.
- YCH must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or YCH.

Although an applicant may be eligible for the Housing Choice Voucher Program, it does not mean that they will be provided assistance. HUD requires YCH to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last three (3) years for drug-related criminal activity.
- YCH determines that any household member is currently engaged in the use of illegal drugs.
- YCH has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member that is subject to a lifetime registration requirement under a state sex offender registration program.

If any household member is currently engaged in, or has engaged in any drug-related or violent criminal activity, within the last three years, the family will be denied admission.

HUD authorizes YCH to deny assistance based upon the family's previous behavior in assisted housing. YCH will deny assistance to an applicant family if:

- The family does not provide information that HUD or YCH determines is necessary to the administration of the program.
- The family does not provide complete and true information to YCH.

- Any public housing agency has terminated assistance under the program for any family member within the last three (3) years.
- Any family member has been evicted from federally assisted housing in the last three (3) years.
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any other federal housing program.
- The family owes rent or other amounts to any public housing agency in connection with the HCV, Certificate, Moderate Rehabilitation, or public housing programs, unless the family repays the full amount of the debt prior to being selected from the waiting list.
- The family has breached the terms of a repayment agreement entered into with YCH, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.
- A family member has engaged in or threatened violent or abusive behavior towards YCH personnel.

YCH is authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists YCH in complying with HUD requirements and in-house policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to access these records, YCH requires each applicant household to submit a consent form signed by each adult household member.

When a family wishes to receive HCV assistance, the family must submit an application that provides YCH with the information needed to determine the family's eligibility. The application process involves two phases. The first phase involves placing the family on the waiting list. This process requires the family to declare any preferences to which they may be entitled and the family's income.

In the event two or more applicants with identical preferences are eligible for placement on the waiting list, their order of placement will be determined by the date and time of the application or by the order in which the family was randomly selected in the lottery process.

The second phase is the final determination of eligibility, which takes place when the family nears the top of the waiting list.

YCH is permitted to close the waiting list if it has an adequate pool of families to use its available HCV resources. YCH will close the waiting list when the estimated waiting period for housing assistance for the most current applicants on the list reaches 12 months. Before reopening the waiting list, YCH must publish a public notice stating that it will be reopened.

YCH has established the following preferences for admission to the HCV program:

- Applicants with special provisions, which includes tenants residing in units owned and or managed by YCH required to move due to special circumstances, and approved by the Chief Executive Officer.
- Yolo County residents. Applicants who live or work in Yolo County.
- Any citizen of the United States, who served in the military, naval, or air service of the United States who received an honorable discharge or was released from active duty under honorable conditions. This preference applies to the surviving spouses of veterans.
- HCV participants who have been terminated due to over-leasing or lack of federal funding.
- Families who have at least one adult employed and has been employed for at least six (6) months. Definition of employment includes receipt of unemployment benefits. This preference is automatically extended to elderly families and a family whose head of household or spouse is receiving income based on their permanent disability.
- Involuntarily displacement with a direct referral from a local government or code enforcement entity which can verify displacement.

All preferences, with the exception of involuntary displacement, are given a point value of one. Involuntary displacement receives two points. Points are cumulative and applicants with the highest point total are ranked highest on the list.

Once an applicant family has been selected from the waiting list, YCH will notify the family by first class mail. The family will be sent a packet of forms to be completed and returned by a specified date.

2. Financial Resources

The table below lists Yolo County Housing’s anticipated financial resources, such as PHA Operating, Capital and other anticipated Federal resources available to the Agency, as well as tenant rents and other income available to support the Public Housing and Housing Choice Voucher Programs in Fiscal Year 2015.

Funding Source	Amount	Use
FY2015 PH Operating Fund	\$1,048,829	PH Operations
FY2015 Capital Fund Program	\$737,736	PH Modernization
FY2014 Capital Fund Program	\$719,423	PH Modernization
FY2013 Capital Fund Program	\$115,741	PH Modernization
Housing Choice Voucher Program	\$11,534,460	HCV Operations
HCV Administrative Fees	\$1,036,096	HCV Operations
Public Housing Dwelling Rent	\$1,690,550	PH Operations
Interest	\$1,725	PH/HCV Operations
Other Income	\$53,065	PH Operations
Total	\$16,937,625	

Note: The Capital Fund amounts for FY2013 and FY2014 are the unobligated amounts as of 12/31/2014. The FY2015 CFP amount is based on the actual FY2014 amount and may vary.

3. Rent Determination

Public Housing

A family’s income determines eligibility for assistance and is also used to calculate the family’s rent payment. The first step in calculating income-based rent is to determine each family’s total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called a utility reimbursement, which may be paid to the family or directly to the utility company by YCH.

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts rounded to the nearest dollar.

- 30% of the family’s monthly adjusted income

- 10% of the family's monthly gross income
- A minimum rent of \$25 which was established by approval of the FY2013 Agency Plan Annual Update.

As required, YCH also offers a Flat Rent which is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient. The flat rents are tied to the market rent and are updated on an annual basis. The flat rent schedule is available for review at YCH's main office.

Housing Choice Voucher

HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30% of the family's monthly adjusted income
- 10% of the family's monthly gross income
- A minimum rent of \$25 which was established with the approval of the FY2013 Agency Plan Annual Update.

4. Operation and Management

YCH employs a staff of maintenance mechanics who provide general maintenance services at each YCH-owned and/or managed property to help ensure the units are well-maintained. If a resident needs an item repaired, they are asked to call the management office and place a work order. Once the work order is received, a maintenance mechanic will go to the unit to repair the item. If the need for repair was not caused by the resident, then YCH does not charge the resident. If the resident caused the repair, then they are charged according to the Maintenance Charge List on file at the office.

The Authority also has a preventative maintenance schedule in which items such as filters for the HVAC systems are changed out on a regular basis. The Authority also has an Integrated Pest control plan in which each unit is treated once a month to help control pest infestation.

YCH also has many policies which management uses to operate the Agency on a daily basis. These polices are listed below:

- Personnel
- Procurement
- Vehicle Guidelines
- Distracted Driver
- Information Technology Policy
- Uniform Policy
- Capitalization
- Accounts Receivable Write-off
- Surplus Property
- Signature Authority
- Records Retention
- Credit and Investment
- Section 3
- Applicant Screening
- Eviction
- Tracking Crime
- Reasonable Accommodation
- Facility Use
- Pet
- Admissions and Continued Occupancy (LIPH)
- Administrative Plan (HCV)
- Grievance
- Domestic Violence

5. Grievance Procedures

Public Housing

Informal Hearing

When YCH makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. Applicants are not entitled to the same hearing process afforded tenants in the Grievance Procedure.

A request for an informal hearing must be made in writing and delivered to YCH either in person or by first class mail, by the close of business, no later than ten business days from the YCH's notification of denial of admission.

YCH must schedule and send written notice of the informal hearing within ten business days of the applicant's request.

Grievance Procedure

YCH must have a grievance procedure in place through which residents are provided an opportunity file a grievance concerning any YCH action or failure to act involving the lease or YCH policies which adversely affect their rights, duties, welfare or status.

YCH has adopted a Grievance Procedure which is part of the ACOP and is incorporated by reference in the dwelling lease. The full Grievance Procedure can be viewed at YCH's main administrative office.

Housing Choice Voucher

When YCH makes a decision that has a negative impact on a family, the family is generally entitled to appeal the decision. For applicants, the appeal takes the form of an informal review; for participants, or for applicants denied admission based on citizenship issues, the appeal takes the form of an informal hearing.

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program.

6. Designated Housing for Elderly and Disabled Families

Currently, Yolo County Housing has two (2) public housing developments which are designated for occupancy by elderly and disabled residents. These developments are Riverbend Senior Manor I and II and are located in West Sacramento. Because these developments were constructed solely for the purpose of housing elderly tenants, YCH does not have to reapply for the elderly designation.

YCH does not plan to apply for approval to designate more developments as elderly-only occupancy in FY2015.

7. Community Service and Self-Sufficiency

Yolo County Housing maintains over 60 partner service agreements with local city, county, state and non-profit agencies to provide services and education for residents of our Low Income Public Housing and Agricultural Services Programs.

The services vary at each location depending on availability and the needs of the community residing at that site. At the public housing sites located at Winters,

Woodland, and West Sacramento, resident and community services include:

- monthly Emergency Food Assistance Program (EFAP) provided by the Yolo County Food Bank (Winters and West Sacramento only),
- quarterly resident meetings held by YCH to assist residents with access to services,
- presentations of information and identifying resources available to our residents in the community ,
- on-site computer learning centers are open daily for adults to access the internet, conduct job search activities, and enhance their computer skills,
- our youth (ages 5-18) are supported by YCH staff, providing homework assistance and computer tutorial support (Woodland and Winters only),
- annual Spring Fling and Health Fairs are held at all locations during the spring break,
- Community Awareness and Support Teams (CAST) comprised of resident volunteers provide community preparedness information to their communities, assist with on-site disaster response in the event of an emergency and community security. CAST members are provided training in CPR/First Aid, community preparedness and work closely with property management and local law enforcement on community security issues. This program also serves as a resident training program to build skills and experience towards self-sufficiency goals.
- as well as a many other recreational and educational activities.

Day care centers at the Winters and Woodland sites are operated by the YMCA and provide access to quality day care and preschool services to resident families. All residents receive an annual YCH calendar which highlights meetings, resident services, emergency planning information, ADA/504 information, fair housing, and other pertinent information related to their quality, safe and affordable housing community.

The YCH Client Services Coordinator (CSC) provides individual—assistance to families as needed; referring and connecting families to community resources. The CSC engages with partners, developing youth programs (educational, stay in school; as well as soccer program, poster and essay contests); adult programs (workshops in financial literacy, nutrition, and health), and coordinates quarterly resident meetings at each location. The CSC works in cooperation with the site Community Awareness and Support Team (CAST). The CSC provides case management for our elder population, bringing services to meet their needs such as Meals on Wheels, in-home support services, information on Medicare, and

coordinates with agencies who provide annual holiday baskets.

In 2013, YCH successfully obtained a ROSS Grant providing self-sufficiency services to public housing residents. The Program Coordinating Committee (PCC) meets on a quarterly basis to collaborate on programs for the delivery of case management services to public housing residents. This includes the WIB, Yolo Youth Council, private and public sector partners that assist in identifying and expanding employment and educational opportunities for residents. The CSC services as the ROSS Coordinator in developing self-sufficiency programs and case managing clients through the process.

Future Plans All Properties: Develop a “Welcome Home” program which includes information that welcomes the resident to their new home and provides a coupon packet from local businesses as a way to introduce residents to their community. Develop new resident training programs to enhance their success in self-sufficiency.

At the Winters AMP (which includes Esparto residents), YCH has a partnership with the University of California at Davis Cooperative Extension 4-H that provides education in nature and ecology (this property borders Putah Creek), participation in the YCH Summer Soccer League program, and after-school homework assistance during the school year. Rural Innovations Social Economics, Inc (RISE, Inc) provides weekly classes and activities to parents and children. Alcoholics Anonymous and Narcotics Anonymous hold weekly meetings on-site. The Yolo County Health Department (YCHD) provides literacy and nutrition program for children up to the age of five years old called the GET READY Program. Additionally, YCHD and Cal-Fresh has provided education in nutrition, exercise and car seat safety. Winters Health Care provides an annual health fair, dental screenings, nutrition, and other educational resources to Winters families. In 2013, the on-site 4-H program established a youth community garden.

Future Plans (Winters): The development of an expanded Community Garden project on-site for adults and youth. Through additional community partnerships, YCH will be expanding the provision of health, parent, and educational services to residents.

At the Woodland AMP (which includes Yolo and Knights Landing residents), the UC Davis TANA Center (a community art center) will continue to offer education opportunities dedicated to inspiring local youth and reinforcing culture through silk-screening, mural painting and other classes. Woodland youth have the opportunity to participate in programming at no cost. In partnership with the Yolo Family Resource Center, YIIN, and 4-H, Woodland youth participate in the YCH Summer Soccer League. Residents have access and priority to the Yolo

County Office of Education Early Head Start Program located on-site as well.

YCH successfully obtained a Community Development Block Grant (CDBG) for the demolition and architectural and engineering fees around the development of a new community facility on YCH land adjacent to public housing. This facility will provide adult education, job training and recreational opportunities to youth and adults in the area. This will enhance service delivery in the areas of youth and adult education (ESL, HS Diploma/GED) as well as post-secondary education and/or training opportunities tied to the future economy.

Future Plans (Woodland): YCH staff continues to explore grant opportunities, donations and other funding initiatives to build the new community center described in the preceding paragraph. Staff will expand partnerships with UC Davis TANA, The Center of Families, 4-H, and other partners to enhance Woodland youth leadership opportunities.

The Bryte Broderick Community Action Network (BBCAN), the West Sacramento Historical Society and the Veterans Service Officer is on-site at the Riverbend Manor sharing office space as community partners with YCH to provide services and volunteer opportunities to the community. The Elderly Nutrition Program (ENP) operates out of the community room providing a hot lunch meal to resident seniors at a reduced rate. Our partnership with the City of West Sacramento has resulted in the installation of a computer learning center within the Riverbend Manor Community Room. Oversight of the computer learning center is provided by staff and volunteers with the Elderly Nutrition Program. The City of West Sacramento Senior Center maintains operations of some programs at the Riverbend Community Room. Seniors from both YCH and the community at large have access to a variety of education and recreation opportunities.

Tax services are provided on-site at Las Casitas by the VITA program and at Riverbend Manor by AARP from January through April. These services are accessible by residents and the surrounding community.

Future Plans (West Sacramento): There is a plan with the City of West Sacramento to provide a community garden at the corner of Cummins and Douglas in West Sacramento which is in close proximity to the Las Casitas campus. YCH will continue to explore opportunities to expand programs, services, and volunteer opportunities to all residents through future partnerships.

8. Safety and Crime Prevention

Fortunately, the Agency does not have a major crime problem at any of its sites. Even though crime is not a major problem, YCH still works hard to ensure that all residents feel safe in their homes. Each site manager has a good relationship with local law enforcement. Officers stop by the site offices on a periodic basis to discuss crime issues with the site managers. Local law enforcement agencies also send reports to management detailing any crimes committed on each site.

9. Pets

Yolo County Housing has adopted a Pet Policy covering the ownership of pets in its' public housing developments. The policy explains the YCH's policy on the keeping of pets and any criteria or standards pertaining to the policies. The rules adopted are reasonably related to the legitimate interest of the PHA to provide a decent, safe and sanitary living environment for all tenants, and to protect and preserve the physical condition of the property, as well as the financial interest of the Agency. The full Pet Policy is on file at the main office and can be reviewed during normal operating hours.

10. Civil Rights

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

11. Fiscal Audit

The Fiscal Audit for the Year ended June 30, 2013, is attached to the Agency Plan as attachment ca044g01. The Audit for the Fiscal Year ended June 30, 2014, is in the final stages of completion and will be included with the Plan as it becomes available.

12. Asset Management

The Agency's management staff is continually assessing areas where cost reductions can take place without affecting the level of service to current and potential public housing residents and HCV Program participants.

Management has also reviewed the Agency's housing inventory to determine the existing and future capital improvements needs which will need to be

addressed at each property in order to maintain long-term viability. Unfortunately, the assessment found a significant amount of backlogged needs which, at current funding levels, would take approximately 10 years of funding to complete.

Going forward, the Agency may decide on various options including limited rehabilitation, complete modernization, demolition, or disposition of properties. Before any option is undertaken, it will be presented in the Agency Plan for review by the public. At this time, there are no plans for demolition of any properties. Management is analyzing the possibility of disposing of some vacant land which has been acquired over the years. This land would be used for future development of additional affordable housing units. It is the intent of the Agency to retain as much housing for the low-income residents of Yolo County as possible. This, of course, is dependent on a reasonable continued funding level by the federal, state, and local governments.

13. Violence Against Women Act

The Agency has adopted a Domestic Violence Policy consistent with the Violence Against Women Act (VAWA). The Domestic Violence Policy covers residents and applicants for both the Public Housing and the Housing Choice Voucher Program. The policy states that no person who has been a victim of domestic violence will be denied or removed from housing based solely on the domestic violence act. The full policy is available at the office and can be reviewed during normal operating hours.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-Based Vouchers

(a) Hope VI or Mixed Finance Modernization or Development

Yolo County Housing will not be pursuing any Hope VI or Mixed Finance Modernization or Development in FY2015. YCH reserves the right to pursue the use of these programs in the future, if warranted.

(b) Demolition and/or Disposition

YCH will not pursue any demolition activities of the public housing properties under its ownership in FY2015.

(c) Conversion of Public Housing

YCH does not expect to convert any public housing to tenant-based assistance in FY2015.

(d) Homeownership

YCH does not presently have or does not plan to apply for approval for a public housing homeownership program in FY2015.

(e) Project-Based Vouchers

To expand the availability of affordable housing in Yolo County, YCH uses project-based vouchers. The current Annual Contributions Contract with HUD allows YCH to use up to 20% of its voucher program budget authority to attach funding to specific units rather than using it for tenant-based assistance. Based on current projections, YCH will be using approximately 5.7% (98 units) of the budget authority for project-based vouchers in the upcoming year.

Complex	Units	Effective Date	City
Fair Plaza Senior Apts.	27	10/1/2008	Woodland
Homestead Apts.	4	2/1/2009	Davis
Eleanor Roosevelt Circle	15	4/1/2009	Davis
Terracina at Springlake	15	8/15/2012	Woodland
New Harmony	17	2/1/2013	Davis
Esparto Family Apts.	10	6/24/2013	Esparto
Cesar Chavez Plaza	10	11/8/2013	Davis

All contracts are for a period of 10 years. The implementation of project-based vouchers is consistent with the Agency Plan because it will help to increase the quality of affordable housing and expand housing opportunities to low-income families in Yolo County.

8.0 Capital Improvements

8.1 Capital Fund Annual Statement/Performance and Evaluation Report

See attachments:

- ca044b01 – FY2015 CFP Annual Statement
- ca044d01 – FY2014 CFP Performance and Evaluation Report
- ca044e01 – FY2013 CFP Performance and Evaluation Report

8.2 Capital Fund Program Five-Year Plan

See attachment:

ca044c01 – FY2015-2019 CFP Five-Year Plan

8.3 Capital Fund Financing Program (CFFP)

Yolo County Housing has been approved to use the Capital Fund Financing Program. The amount of the debt repayment is included in the Capital Fund Annual Statements and Five-Year Plan. (see above)

9.0 Housing Needs

Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the “Overall” Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being “no impact” and 5 being “severe impact.” Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	6,239	5	5	5	3	4	4
Income >30% but <=50% of AMI	4,677	4	4	4	3	3	3
Income >50% but <80% of AMI	3,715	3	3	3	3	2	3
Elderly	1,446	3	3	3	4	2	3
Families with Disabilities	2,512	3	4	4	5	4	4
White	8,061	3	3	3	3	3	3
Black	465	3	3	3	3	3	3
Hispanic	4,219	3	3	3	3	3	3
Native American	159	3	3	3	3	3	3
Asian	2,484	3	3	3	3	3	3
Pacific Islander	94	3	3	3	3	3	3

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year:
- U.S. Census data: the Comprehensive Housing Affordability Strategy (“CHAS”) dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

9.1 Strategy for Addressing Housing Needs

Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1: Maximize the number of affordable units available to the PHA within its current resources by:

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Maintain or increase Voucher lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction, while preserving the maximum number of families able to be assisted
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase Voucher lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration

Strategy 2: Increase the number of affordable housing units by:

- Apply for additional Section 8 and/or Voucher units should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing, Voucher, or Section 8 project-based assistance.

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work but, that are mindful of current unemployment rates

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

- Maintain housing that is designated for elderly occupants.

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Affirmatively market to local non-profit agencies that assist families with disabilities

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs

Strategy 2: Conduct activities to affirmatively further fair housing

- Counsel Voucher tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units

Reasons for Selecting Strategies

- Funding constraints
- Staffing constraints
- Influence of the housing market on PHA programs

10.0 Additional Information

(a) Progress in Meeting Goals and Objectives

- Analyze opportunities for operational cost savings that will be necessary due to cuts in funding.

Progress: The YCH restructured its' operations during 2014 in order to maintain a balanced operational budget.

- Complete renovations to public housing properties to meet accessibility requirements.

Progress: Due to funding cuts, the Agency has not been able to make as much progress as would have been liked toward completing this goal.

Funds from the 2011, 2012, and 2013 Capital Fund Programs were used to address site accessibility deficiencies at the public housing developments located in Winters(El Rio Villa I and II).

Funding from the 2014 and 2015 CFPs will be used to replace the two water well systems in Winters. Once that is completed, the remaining site and unit accessibility issues at the other public housing developments will be addressed. 2017 - 2019 funds have been earmarked to complete interior and exterior renovations to various properties.

- Continue to increase the sustainability of the Agency's portfolio by reducing energy usage using both simple and complex strategies.

Progress: YCH has submitted applications for five Multi-family Affordable Solar Housing (MASH) grants. This program provides incentives in the form of upfront rebates to offset the installation of solar photovoltaic systems.

- Maintain leasing rates, on-time collections and other benchmarks for on-going programs at a rate equal to or above generally accepted standards.

Progress: HUD honored YCH as Consistently High Occupancy for achieving a 98.36% annual occupancy rate. On-time rent collections are at 97%.

- Continue to improve the Public Housing Assessment System (PHAS) score.

Progress: YCH received a score of 88 on the most recent Public Housing Assessment System (PHAS) and is considered a Standard Performing agency. Staff will attempt to regain High Performing Status in 2015.

- Continue to train staff on Asset Management to ensure compliance with all new HUD regulations.

Progress: Employees continue to attend training on an as needed basis.

- Achieve and maintain a 98% lease-up in the budget year (combined between tenant-based Housing Choice Voucher (HCV) and project-based vouchers and includes either units or budget authority).

Progress: While the current allotment of vouchers in the HCV Program is 1,727, funding is not sufficient to cover this level of vouchers. Presently, the Program can fund approximately 1,600 vouchers. Of that number, 1,551 are leased which is 97%.

- Close an additional three (3) homes through the HCV Home Ownership Program in the coming year.

Progress: No homes purchases were closed in 2014. YCH staff is currently in the process of attempting to establish one (1) new homeownership family. Staff is refocusing its efforts since the economy is getting better and more opportunities should be available.

- Continue to achieve High Performer status on Section 8 Management Assessment (SEMAP) score.

Progress: YCH was notified that it received a score of 100% on the SEMAP for the fiscal year ending June 30, 2014. This is the 5th consecutive year that the Housing Choice Voucher Program is a High Performer.

- Implement new owner outreach materials to attract potential new owners to participate in the HCV Program.

Progress: Staff continues with outreach to private landlords by providing education materials explaining the benefits of participating in the HCV Program. YCH also conducts a Fair Housing Conference annually.

- Complete full enrollment in the Family Self-Sufficiency Program (FSS) to comply with the HUD requirement.

Progress: The Agency has reached and continues to maintain full enrollment in the FSS Program. The Program is expanding to provide more services to participants.

- Continue to upgrade computer systems including servers, software, and memory capacity.

Progress: During the year, YCH converted to digital cable services which increased the speed of the computer system and also is less costly than the existing service.

On an on-going basis, older computers are replaced with updated models.

- Continue with customer satisfaction surveys; gather and interpret results; identify strengths and areas of needed improvement in YCH services.

Progress: Due to fiscal constraints, YCH was unable to complete this item in 2014.

- Install individual meters at apartments where there is currently no meter.

Progress: Currently, the CEO and Facilities Manager are analyzing various types of meters to determine which meter will be the most cost effective to install.

- Develop eco-friendly landscaping plan to reduce water usage.

Progress: Eco-friendly landscaping was installed at Riverbend Manor in 2011. YCH also completed a demonstration landscape at El Rio Villa in 2013. YCH was also able to install drought tolerant landscaping at its Winters office and community center in 2014. Due to a lack of funding, YCH has been unable to pursue the installation of any additional eco-friendly landscapes.

- Install broadband access capability to reach all sites and offer inexpensive in-home broadband access to residents.

Progress: Staff is currently exploring the possibility of applying for a grant through Broadband USA or through CETF for publicly supported communities to install the infrastructure needed to deliver broadband access to residents.

- Continue to deploy Facebook page to help distribute information to residents and applicants.

Progress: On-going.

- Upgrade website to include better information, easier navigation and install access portals for customers – landlords, tenants, and participants.

Progress: Content continues to be added to the redeveloped website on a regular basis.

- Move forward with additional elements of YCH’s “Welcome Home” strategy that are already outlined in the Plan, including development of a welcome packet for residents, participants, and landlords.

Progress: YCH established CAST (Community Awareness and Safety Team) at three sites (El Rio Villas, Yolano Village and Donnelly Circle) which is a key component of the Welcome Home Plan. The Welcome Home packets provide information to residents, voucher holders, and landlords and remains a goal.

- Apply for additional funding including the Capital Fund Education and Training Community Facilities (CFCF) Program and Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinators Program.

Progress: A successful ROSS Grant application was submitted. The Grant covers a three-year period. Previously, this position was funded through the Capital Fund Program. By receiving this grant, those funds can now be used to complete some of the overdue work items which have been delayed due to the lack of funding.

- Complete software conversion to Tenmast’s Winten 2+ system to enhance productivity and streamline operations.

Progress: The conversion to Tenmast’s Winten 2+ system is in process and is approximately 75% complete.

- Expand CAST (Community Awareness and Safety Team) to the El Rio Villa public housing developments.

Progress: The CAST Program has been established at the El Rio Villa communities with five (5) members receiving CPR/First Aid Training, Community Preparedness Training, and meetings with local law enforcement for coordinated security efforts.

- Speed up the collection of past due accounts.

Progress: The contract with Rash Curtis and Associates has been renewed and the collection process has resumed.

- Provide services to other Public Housing Authorities or similar entities as a means to increase revenue.

Progress: YCH continues to provide grant management services related to the Community Block Grant and Home Grant for Yolo County.

The CEO continues to provide staffing to the Ten Year Plan Commission.

YCH continues to be a member of the Continuum of Care.

YCH will continue to assess opportunities like the above on an on-going basis and undertake the ones which make financial sense while also helping the entire community.

(b) Significant Amendment and Substantial Deviation/Modification

Substantial Deviation from the 5-year Plan:

A “Substantial Deviation” from the 5-Year Plan is an overall change in the direction of the Authority pertaining to the Authority’s Goals and Objectives. This includes changing the Authority’s Goals and Objectives.

Significant Amendment or Modification to the Annual Plan:

A “Significant Amendment or Modification” to the Annual Plan is a change in a policy or policies pertaining to the operation of the Authority. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list.
- Additions of non-emergency work items in excess of 10% of total Capital Fund Program budget(items not included in the current Annual Statement or 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund.
- Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

(c) Memorandum of Agreement

YCH is considered a Standard Performing PHA and as a result no Memorandum of Agreement is needed. The Agency barely missed becoming a High Performer on the latest PHAS score.

(d) Resident Advisory Board Comments

Resident Advisory Board Comments

To be added after meetings.

(e) Challenged Elements

No element of the FY2015-FY2019 Five-Year Agency Plan has been challenged.

(f) Off-Line Units

Currently, Yolo County Housing is not using any public housing units for non-housing purposes.

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450115 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2015 FFY of Grant Approval: 2015
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	\$147,472.00			
3	1408 Management Improvements	\$71,000.00			
4	1410 Administration (may not exceed 10% of line 21)	\$73,736.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$30,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	\$237,254.00			
10	1460 Dwelling Structures	\$0.00			
11	1465.1 Dwelling Equipment - Nonexpendable	\$10,000.00			
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				
18a	1501 Collateralization or Debt Service paid by the PHA	\$167,898.00			
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of line 2- 19)	\$737,360.00			
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450115 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2015 FFY of Grant Approval: 2015
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
	Signature of Executive Director	Date		Signature of Public Housing Director	Date

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450115 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2015		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	Operations							
PHA-Wide	Operations	1406	LS	\$147,472.00				
	Subtotal 1406			\$147,472.00				
	Management Improvements							
PHA-Wide	Resident Services Coordinator	1408	1	\$0.00				
PHA-Wide	Resident Services Coordinator Assistants	1408	1	\$45,000.00				
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$7,500.00				
PHA-Wide	Resident Training	1408	LS	\$500.00				
PHA-Wide	Develop 5-Year Agency Plan/Update Policies	1408	LS	\$5,000.00				
PHA-Wide	Update Utility Allowances	1408	LS	\$0.00				
PHA-Wide	Update computer software system and provide training	1408	LS	\$13,000.00				
	Subtotal 1408			\$71,000.00				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450115 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2015		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Administration</u>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$73,736.00				
	Subtotal 1410			\$73,736.00				
	<u>Fees and Costs</u>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00				
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00				
	Subtotal 1430			\$30,000.00				
	<u>Site Improvements</u>							
AMP044000002	Replace water well systems at El Rio Villa properties (Phase 2)	1450	2	\$140,854.00				
AMP044000001	ADA site improvements at Knight's Landing	1450	LS	\$10,000.00				
AMP044000001	ADA site improvements at Yolito	1450	LS	\$10,000.00				
AMP044000003	ADA site improvements at Riverbend Manor I and II	1450	LS	\$53,800.00				
AMP044000003	ADA site improvements at Las Casitas	1450	LS	\$22,600.00				
	Subtotal 1450			\$237,254.00				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450115 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2015		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Dwelling Equipment</u>							
PHA-Wide	Replace ranges	1465.1	10	\$5,000.00				
PHA-Wide	Replace refrigerators	1465.1	10	\$5,000.00				
	Subtotal 1465.1			\$10,000.00				
	<u>Collateralization or Debt Service</u>							
PHA-Wide	Debt Service for CFFP	1501	LS	\$167,898.00				
	Subtotal 1501			\$167,898.00				
	Total CFP			\$737,360.00				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Capital Fund Program—Five-Year Action Plan

Part I: Summary						
PHA Name/Number: Yolo County Housing/CA044		Locality (Woodland/Yolo Co., California)			<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016	Work Statement for Year 3 FFY 2017	Work Statement for Year 4 FFY 2018	Work Statement for Year 5 FFY 2019
B.	Physical Improvements Subtotal	Annual Statement	\$249,154.00	\$229,254.00	\$255,254.00	\$255,254.00
C.	Management Improvements		\$63,000.00	\$63,000.00	\$63,000.00	\$63,000.00
D.	PHA-Wide Non-dwelling Structures and Equipment		\$6,100.00	\$26,000.00	\$0.00	\$0.00
E.	Administration		\$73,736.00	\$73,736.00	\$73,736.00	\$73,736.00
F.	Other		\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
G.	Operations		\$147,472.00	\$147,472.00	\$147,472.00	\$147,472.00
H.	Demolition		\$0.00	\$0.00	\$0.00	\$0.00
I.	Development		\$0.00	\$0.00	\$0.00	\$0.00
J.	Capital Fund Financing – Debt Service		\$167,898.00	\$167,898.00	\$167,898.00	\$167,898.00
K.	Total CFP Funds		\$737,360.00	\$737,360.00	\$737,360.00	\$737,360.00
L.	Total Non-CFP Funds		\$0.00	\$0.00	\$0.00	\$0.00
M.	Grand Total		\$737,360.00	\$737,360.00	\$737,360.00	\$737,360.00

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 6/30/2017

Part I: Summary (Continuation)						
PHA Name/Number: Yolo County Housing/CA044		Locality (Woodland/Yolo Co., California)			<input checked="" type="checkbox"/> Original 5-Year Plan	<input type="checkbox"/> Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016	Work Statement for Year 3 FFY 2017	Work Statement for Year 4 FFY 2018	Work Statement for Year 5 FFY 2019
	PHA-Wide	Annual Statement	\$482,106.00	\$482,106.00	\$482,106.00	\$482,106.00
	CA044001 Yolano Homes		\$8,100.00	\$0.00	\$0.00	\$32,000.00
	CA044002 El Rio Villa I		\$25,000.00	\$0.00	\$0.00	\$0.00
	CA044004 Vista Montecito		\$3,600.00	\$0.00	\$0.00	\$63,254.00
	CA044005 Ridge Cut Homes		\$61,531.00	\$0.00	\$0.00	\$0.00
	CA044006 Yolito		\$43,700.00	\$0.00	\$65,815.00	\$0.00
	CA044007 Donnelly Circle		\$14,200.00	\$0.00	\$0.00	\$32,000.00
	CA044008 El Rio Villa II		\$25,000.00	\$0.00	\$0.00	\$0.00
	CA044015 Riverbend Sr. Manor I		\$9,100.00	\$255,254.00	\$57,439.00	\$64,000.00
	CA044017 Riverbend Sr. Manor II		\$2,300.00	\$0.00	\$132,000.00	\$64,000.00
	CA044018 El Rio Villa III		\$25,000.00	\$0.00	\$0.00	\$0.00
	CA044025 El Rio Villa IV		\$36,523.00	\$0.00	\$0.00	\$0.00
	CA044028 Las Casitas		\$1,200.00	\$0.00	\$0.00	\$0.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016			Work Statement for Year 3 FFY 2017		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>Operations/PHA-Wide</u>			<u>Operations/PHA-Wide</u>		
	Operations	LS	\$147,472.00	Operations	LS	\$147,472.00
	Subtotal 1406			Subtotal 1406		
	<u>Management Improvements/PHA-Wide</u>			<u>Management Improvements/PHA-Wide</u>		
	Resident Services Coordinator	1	\$0.00	Resident Services Coordinator	1	\$0.00
	Resident Services Assistants	1	\$45,000.00	Resident Services Assistants	1	\$45,000.00
	PHA Staff/Commissioner Training	LS	\$7,500.00	PHA Staff/Commissioner Training	LS	\$7,500.00
	Resident Training	LS	\$500.00	Resident Training	LS	\$500.00
	Five Year Agency Plan Development	LS	\$5,000.00	Five Year Agency Plan Development	LS	\$5,000.00
	Update Utility Allowances	LS	\$0.00	Update Utility Allowances	LS	\$0.00
	Update Computer Software and Training	LS	\$5,000.00	Update Computer Software and Training	LS	\$5,000.00
	Subtotal 1408			Subtotal 1408		
	<u>Administration/PHA-Wide</u>			<u>Administration/PHA-Wide</u>		
	Administrative costs related to the CFP	LS	\$73,736.00	Administrative costs related to the CFP	LS	\$73,736.00
	Subtotal 1410			Subtotal 1410		
	<u>Fees and Costs/PHA-Wide</u>			<u>Fees and Costs/PHA-Wide</u>		
	A and E Fees	LS	\$25,000.00	A and E Fees	LS	\$25,000.00
	Capital Fund Program Update Fee	LS	\$5,000.00	Capital Fund Program Update Fee	LS	\$5,000.00
	Subtotal 1430			Subtotal 1430		
	Subtotal of Estimated Cost			See Next Page	Subtotal of Estimated Cost	
Subtotal of Estimated Cost			See Next Page	Subtotal of Estimated Cost		

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016			Work Statement for Year 3 FFY 2017		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	Non-Dwelling Structures					
	ADA improvements at Donnelly Circle	LS	\$3,800.00			
	ADA improvements at Riverbend Sr. Manor I and II	LS	\$2,300.00			
	Subtotal 1470		\$6,100.00			
	Collateralization of Debt Service/PHA-Wide					
	Repayment of CFFP	LS	\$167,898.00			
	Subtotal 1501		\$167,898.00			
	Subtotal of Estimated Cost		\$737,360.00	Subtotal of Estimated Cost		See Previous

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2015	Work Statement for Year 4 FFY 2018			Work Statement for Year 5 FFY 2019		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>Operations/PHA-Wide</u>			<u>Operations/PHA-Wide</u>		
	Operations	LS	\$147,472.00	Operations	LS	\$147,472.00
	Subtotal 1406		\$147,472.00	Subtotal 1406		\$147,472.00
	<u>Management Improvements/PHA-Wide</u>			<u>Management Improvements/PHA-Wide</u>		
	Resident Services Coordinator	1	\$0.00	Resident Services Coordinator	1	\$0.00
	Resident Services Assistants	1	\$45,000.00	Resident Services Assistants	1	\$45,000.00
	PHA Staff/Commissioner Training	LS	\$7,500.00	PHA Staff/Commissioner Training	LS	\$7,500.00
	Resident Training	LS	\$500.00	Resident Training	LS	\$500.00
	Five Year Agency Plan Development	LS	\$5,000.00	Five Year Agency Plan Development	LS	\$5,000.00
	Update Utility Allowances	LS	\$0.00	Update Utility Allowances	LS	\$0.00
	Update Computer Software and Training	LS	\$5,000.00	Update Computer Software and Training	LS	\$5,000.00
	Subtotal 1408		\$63,000.00	Subtotal 1408		\$63,000.00
	<u>Administration/PHA-Wide</u>			<u>Administration/PHA-Wide</u>		
	Administrative costs related to the CFP	LS	\$73,736.00	Administrative costs related to the CFP	LS	\$73,736.00
	Subtotal 1410		\$73,736.00	Subtotal 1410		\$73,736.00
	<u>Fees and Costs/PHA-Wide</u>			<u>Fees and Costs/PHA-Wide</u>		
	A and E Fees	LS	\$25,000.00	A and E Fees	LS	\$25,000.00
	Capital Fund Program Update Fee	LS	\$5,000.00	Capital Fund Program Update Fee	LS	\$5,000.00
	Subtotal 1430		\$30,000.00	Subtotal 1430		\$30,000.00
	Subtotal of Estimated Cost			See Next Page	Subtotal of Estimated Cost	
See Next Page				See Next Page		

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450114 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2014 FFY of Grant Approval: 2014
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	\$147,472.00	\$147,472.00	\$0.00	\$0.00
3	1408 Management Improvements	\$49,500.00	\$49,500.00	\$0.00	\$0.00
4	1410 Administration (may not exceed 10% of line 21)	\$71,060.00	\$71,060.00	\$0.00	\$0.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$30,000.00	\$30,000.00	\$0.00	\$0.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$250,673.00	\$250,673.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$13,257.00	\$13,257.00	\$0.00	\$0.00
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$7,500.00	\$7,500.00	\$471.00	\$471.00
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				
18a	1501 Collateralization or Debt Service paid by the PHA	\$167,898.00	\$167,898.00	\$17,465.65	\$17,465.65
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of line 2- 19)	\$737,360.00	\$737,360.00	\$17,936.65	\$17,936.65
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450114 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2014 FFY of Grant Approval: 2014
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
	Signature of Executive Director	Date		Signature of Public Housing Director	Date

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450114 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2014		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	Operations							
PHA-Wide	Operations	1406	LS	\$142,120.00	\$142,120.00	\$0.00	\$0.00	
	Subtotal 1406			\$142,120.00	\$142,120.00	\$0.00	\$0.00	
	Management Improvements							
PHA-Wide	Resident Services Coordinator	1408	1	\$0.00	\$0.00	\$0.00	\$0.00	
PHA-Wide	Resident Services Coordinator Assistants	1408	1	\$0.00	\$0.00	\$0.00	\$0.00	
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$17,500.00	\$17,500.00	\$0.00	\$0.00	
PHA-Wide	Resident Training	1408	LS	\$500.00	\$500.00	\$0.00	\$0.00	
PHA-Wide	Develop 5-Year Agency Plan/Update Policies	1408	LS	\$5,000.00	\$5,000.00	\$0.00	\$0.00	
PHA-Wide	Update Utility Allowances	1408	LS	\$3,500.00	\$3,500.00	\$0.00	\$0.00	
PHA-Wide	Update computer software system and provide training	1408	LS	\$23,000.00	\$23,000.00	\$0.00	\$0.00	
	Subtotal 1408			\$49,500.00	\$49,500.00	\$0.00	\$0.00	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450114 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2014		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Administration</u>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00	
	Subtotal 1410			\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00	
	<u>Fees and Costs</u>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	
	Subtotal 1430			\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	
	<u>Site Improvements</u>							
AMP044000001	ADA site improvements at Knight's Landing	1450	LS	\$10,000.00	\$0.00	\$0.00	\$0.00	
AMP044000001	ADA site improvements at Yolito	1450	LS	\$10,000.00	\$0.00	\$0.00	\$0.00	
AMP044000003	ADA site improvements at El Rio Villa III	1450	LS	\$30,000.00	\$0.00	\$0.00	\$0.00	
AMP044000003	Parking and road improvements at El Rio Villa III	1450	LS	\$83,012.00	\$0.00	\$0.00	\$0.00	
AMP044000003	ADA site improvements at El Rio Villa III	1450	LS	\$34,000.00	\$0.00	\$0.00	\$0.00	
	(continued on next page)							

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450114 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2014		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Site Improvements (cont.)</u>							
AMP044000003	Parking and road improvements at El Rio Villa IV	1450	LS	\$83,011.00	\$0.00	\$0.00	\$0.00	
AMP044000003	Replace water well systems at El Rio Villa properties (Phase 1)	1450	2	\$0.00	\$250,000.00	\$0.00	\$0.00	
	Subtotal 1430			\$250,623.00	\$250,623.00	\$0.00	\$0.00	
	<u>Dwelling Equipment</u>							
PHA-Wide	Replace ranges	1465.1	30	\$13,257.00	\$13,257.00	\$491.00	\$491.00	
	Subtotal 1465.1			\$13,257.00	\$13,257.00	\$491.00	\$491.00	
	<u>Non-Dwelling Equipment</u>							
PHA-Wide	Computer and equipment upgrades	1475	LS	\$7,500.00	\$7,500.00	\$0.00	\$0.00	
	Subtotal 1501			\$7,500.00	\$7,500.00	\$0.00	\$0.00	
	<u>Collateralization or Debt Service</u>							
PHA-Wide	Debt Service for CFFP	1501	LS	\$167,898.00	\$167,898.00	\$17,465.65	\$17,465.65	
	Subtotal 1501			\$167,898.00	\$167,898.00	\$17,465.65	\$17,465.65	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450113 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2013 FFY of Grant Approval: 2013
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	\$142,120.00	\$142,120.00	\$142,120.00	\$142,120.00
3	1408 Management Improvements	\$68,500.00	\$68,500.00	\$5,554.89	\$5,554.89
4	1410 Administration (may not exceed 10% of line 21)	\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$52,000.00	\$52,000.00	\$24,979.01	\$24,979.01
8	1440 Site Acquisition				
9	1450 Site Improvement	\$191,491.00	\$166,640.83	\$166,640.83	\$166,640.83
10	1460 Dwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$7,500.00	\$32,350.17	\$6,574.93	\$6,574.93
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				
18a	1501 Collateralization or Debt Service paid by the PHA	\$177,930.00	\$177,930.00	\$177,930.00	\$177,930.00
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of line 2- 19)	\$710,601.00	\$710,601.00	\$594,859.66	\$594,859.66
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450113 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2013 FFY of Grant Approval: 2013
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
					=-
	Signature of Executive Director	Date		Signature of Public Housing Director	Date

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450113 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2013		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Operations</u>							
PHA-Wide	Operations	1406	LS	\$142,120.00	\$142,120.00	\$142,120.00	\$142,120.00	
	Subtotal 1406			\$142,120.00	\$142,120.00	\$142,120.00	\$142,120.00	
	<u>Management Improvements</u>							
PHA-Wide	Resident Services Coordinator	1408	1	\$0.00	\$0.00	\$0.00	\$0.00	
PHA-Wide	Resident Services Coordinator Assistants	1408	1	\$43,000.00	\$43,000.00	\$0.00	\$0.00	
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$5,000.00	\$5,000.00	\$0.00	\$0.00	
PHA-Wide	Resident Training	1408	LS	\$500.00	\$500.00	\$0.00	\$0.00	
PHA-Wide	Develop 5-Year Agency Plan/Update Policies	1408	LS	\$5,000.00	\$5,000.00	\$4,650.00	\$4,650.00	
PHA-Wide	Update Utility Allowances	1408	LS	\$0.00	\$0.00	\$0.00	\$0.00	
PHA-Wide	Update Computer software and training(which includes PHAS, staff training, and tendoc files)	1408	LS	\$15,000.00	\$15,000.00	\$904.89	\$904.89	
	Subtotal 1408			\$68,500.00	\$68,500.00	\$5,554.89	\$5,554.89	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450113 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2013		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Administration</u>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00	
	Subtotal 1410			\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00	
	<u>Fees and Costs</u>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00	\$25,000.00	\$13,219.01	\$13,219.01	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00	\$5,000.00	\$3,425.00	\$3,425.00	
PHA-Wide	Physical Needs Assessment	1430	LS	\$13,500.00	\$13,500.00	\$8,335.00	\$8,335.00	
PHA-Wide	Energy Audit	1430	LS	\$8,500.00	\$8,500.00	\$0.00	\$0.00	
	Subtotal 1430			\$52,000.00	\$52,000.00	\$24,979.01	\$24,979.01	
	<u>Site Improvements</u>							
AMP 2	Site improvements related to ADA compliance at CA044-4 (Phase 2)	1450	LS	\$15,000.00	\$12,000.00	\$12,000.00	\$12,000.00	
AMP 2	Site improvements related to ADA compliance at CA044-18 & 25 (Phase 3)	1450	LS	\$39,900.00	\$34,640.83	\$34,640.83	\$34,640.83	
AMP 2	Resurface roads at CA044-02 (Phase 3)	1450	LS	\$68,295.00	\$60,000.00	\$60,000.00	\$60,000.00	
AMP 2	Resurface roads at CA044-08 (Phase 3)	1450	LS	\$68,296.00	\$60,000.00	\$60,000.00	\$60,000.00	
	Subtotal 1430			\$191,491.00	\$166,640.83	\$166,640.83	\$166,640.83	

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² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450113 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2013		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Dwelling Equipment</u>							
PHA-Wide	Replace ranges	1465.1	30	\$7,500.00	\$15,000.00	\$6,574.93	\$6,574.93	
PHA-Wide	Replace refrigerators	1465.1	30	\$0.00	\$17,348.17	\$0.00	\$0.00	
	Subtotal 1465.1			\$7,500.00	\$32,348.17	\$6,574.93	\$6,574.93	
	<u>Collateralization or Debt Service</u>							
PHA-Wide	Debt Service for CFFP	1501	LS	\$177,930.00	\$177,930.00	\$177,930.00	\$177,930.00	
	Subtotal 1501			\$177,930.00	\$177,930.00	\$177,930.00	\$177,930.00	
	Total CFP			\$710,601.00	\$710,601.00	\$594,859.66	\$594,859.66	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450112 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2012 FFY of Grant Approval: 2012
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	\$147,914.00		\$147,914.00	\$147,914.00
3	1408 Management Improvements	\$69,164.00		\$44,076.62	\$44,076.62
4	1410 Administration (may not exceed 10% of line 21)	\$73,957.00		\$73,957.00	\$73,957.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$35,000.00		\$35,000.00	\$35,000.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$178,617.00		\$178,617.00	\$178,617.00
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable	\$9,000.00		\$34,087.38	\$9,000.00
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$7,500.00		\$7,500.00	\$7,500.00
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				
18a	1501 Collateralization or Debt Service paid by the PHA	\$218,420.00		\$218,420.00	\$218,420.00
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of line 2- 19)	\$739,572.00		\$739,572.00	\$714,484.62
21	Amount of Line 20 Related to LBP Activities				
22	Amount of Line 20 Related to Section 504 Activities				
23	Amount of Line 20 Related to Security - Soft Costs				
24	Amount of Line 20 Related to Security - Hard Costs				
25	Amount of Line 20 Related to Energy Conservation Measures				

Part I: Summary					
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450112 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2012 FFY of Grant Approval: 2012
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
	Signature of Executive Director	Date		Signature of Public Housing Director	Date

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450112 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2012		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	Operations							
PHA-Wide	Operations	1406	LS	\$147,914.00		\$147,914.00	\$147,914.00	
	Subtotal 1406			\$147,914.00		\$147,914.00	\$147,914.00	
	Management Improvements							
PHA-Wide	Resident Services Coordinator	1408	1	\$2,431.21		\$2,431.21	\$2,431.21	
PHA-Wide	Resident Services Coordinator Assistants	1408	1	\$42,732.79		\$19,955.47	\$19,955.47	
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$5,000.00		\$3,905.75	\$3,905.75	
PHA-Wide	Resident Training	1408	LS	\$500.00		\$0.00	\$0.00	
PHA-Wide	Develop 5-Year Agency Plan/Update Policies	1408	LS	\$5,000.00		\$4,280.28	\$4,280.28	
PHA-Wide	Update Utility Allowances	1408	LS	\$3,500.00		\$1,550.00	\$1,550.00	
PHA-Wide	Update Computer software and training(which includes PHAS, staff training, and tendoc files)	1408	LS	\$10,000.00		\$11,953.91	\$11,953.91	
	Subtotal 1408			\$69,164.00		\$44,076.62	\$44,076.62	

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² To be completed for the Performance and Evaluation Report

Part II: Supporting Pages								
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450112 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2012		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Administration</u>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$73,957.00		\$73,957.00	\$73,957.00	
	Subtotal 1410			\$73,957.00		\$73,957.00	\$73,957.00	
	<u>Fees and Costs</u>							
PHA-Wide	A&E Design Fee	1430	LS	\$30,000.00		\$30,000.00	\$30,000.00	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00		\$5,000.00	\$5,000.00	
	Subtotal 1430			\$35,000.00		\$35,000.00	\$35,000.00	
	<u>Site Improvements</u>							
AMP 2	Site improvements related to ADA Compliance at CA044-04	1450	LS	\$0.00		\$0.00	\$0.00	
AMP 2	Site improvements related to ADA Compliance at CA044-02,08,18, and 25 (Phase 2)	1450	LS	\$178,617.00		\$178,617.00	\$178,617.00	
AMP 3	Site improvements related to ADA Compliance at CA044-28	1450	LS	\$0.00		\$0.00	\$0.00	
	Subtotal 1430			\$178,617.00		\$178,617.00	\$178,617.00	

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Part II: Supporting Pages								
PHA Name: Yolo County Housing			Grant Type and Number Capital Fund Program Grant No: CA30P04450112 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2012		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
	<u>Dwelling Equipment</u>							
PHA-Wide	Install carbon monoxide/smoke detectors	1465.1	431	\$0.00		\$0.00	\$0.00	
PHA-Wide	Replace stoves	1465.1	33	\$9,000.00		\$9,000.00	\$9,000.00	
	Subtotal 1465.1			\$9,000.00		\$9,000.00	\$9,000.00	
	<u>Non-Dwelling Equipment</u>							
PHA-Wide	Computer and equipment upgrades	1475	LS	\$5,000.00		\$5,749.22	\$5,749.22	
PHA-Wide	Purchase maintenance tools	1475	1	\$2,500.00		\$1,750.78	\$1,750.78	
	Subtotal 1475			\$7,500.00		\$7,500.00	\$7,500.00	
	<u>Collateralization or Debt Service</u>							
PHA-Wide	Debt Service for CFFP	1501	LS	\$218,420.00		\$218,420.00	\$218,420.00	
	Subtotal 1501			\$218,420.00		\$218,420.00	\$218,420.00	
	Total CFP			\$739,572.00		\$739,572.00	\$714,484.62	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Yolo County Housing
Basic Financial Statements
(With Supplementary Information) and
Independent Auditor's Report

June 30, 2013

Yolo County Housing

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Independent Auditor's Report

To the Housing Commission
Yolo County Housing

Report on the Financial Statements

We have audited the accompanying financial statements of Yolo County Housing (YCH), formally known as the Housing Authority of the County of Yolo, a component unit of the County of Yolo, California as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise YCH's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to YCH's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of YCH's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yolo County Housing as of June 30, 2013, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 18 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise YCH's financial statements. The combining schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. These combining schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules listed in the table of contents as supplementary information are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013 on our consideration of YCH's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YCH's internal control over financial reporting and compliance.

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

Sacramento, California

December 18, 2013

Yolo County Housing

Management Discussion and Analysis

June 30, 2013

As management of the Housing Authority of the County of Yolo (YCH), we offer readers of YCH's financial statements this narrative overview and analysis of the financial activities of YCH for the year ended June 30, 2013. Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with YCH's financial statements beginning on page 19.

This discussion and analysis is intended to serve as an introduction to the basic financial statements for YCH. The MD&A is designed to:

- Assist the reader to focus on significant financial issues;
- Provide an overview of YCH's financial activity;
- Identify changes in YCH's financial position (i.e. its ability to address the next and subsequent years' challenges); and
- Identify individual fund issues or concerns.

Overview of the Financial Statements

YCH's financial statements are designed to provide readers with a broad overview of YCH's finances in a manner similar to a private sector business. YCH employs, exclusively, Enterprise Funds which utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector. All Enterprise Funds and business-type activities are consolidated into a total for the agency taken as a whole.

YCH's financial statements include a Statement of Net Position (similar to a balance sheet), a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement), a Statement of Cash Flows, the Notes to financial statements, and certain supplementary information.

Certain programs administered by YCH are provided by the U.S. Department of Housing and Urban Development (HUD). Others are segregated to enhance accountability and control. A summary of YCH programs is presented below:

Low-Income Public Housing

Under the Low-Income Public Housing (LIPH) program, YCH rents units that it owns to low, very low, or extremely low income households. The LIPH Program is operated under an Annual Contributions Contract (ACC) with HUD. Public Housing Agencies are limited by law in the amount of rent collected to no more than thirty percent (30%) of a family's adjusted income, or the resident may choose what is known as "flat rent," which is a set amount comparable to local market rents that does not increase or decrease

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

over a three-year period and is independent of the resident's actual income. The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families that are attempting to become economically self-sufficient.

HUD, through the ACC, provides an operating subsidy to cover the gap between rents collected and annual operating expenses.

Public Housing Capital Fund Program

The ACC provides a Capital Fund Program designed to enable YCH to make capital improvements to its properties and otherwise provide long term assets for the benefit of tenants and the administration. The 2013 Capital Fund Grant was reduced by 4% from 2012 with a further reduction expected for the 2014 grant. These reductions along with the expiration of the ARRA Grant funding will result in fewer improvements to YCH housing inventory.

Housing Choice Voucher (HCV) Program

Under the Housing Choice Voucher Program (formerly known as Section 8 tenant-based assistance), YCH administers contracts with independent landlords that own rental property. YCH subsidizes the families' rents through a Housing Assistance Payment (HAP) payable to the landlord. The program is administered under an ACC with HUD that provides annual funding to enable YCH to subsidize participant rent at between thirty percent (30%) and forty percent (40%) of household income. YCH receives a fixed monthly administrative fee for each unit under lease on the first of every month to operate the program.

Vouchers can also be applied toward the purchase of a home by tenants participating in the Family Self Sufficiency (FSS) program. YCH will use HUD's HAP funds to subsidize the participant's home loan for fifteen years unless the participant is disabled or elderly in which case there is no time limit on the use of HAP funds to subsidize the loan.

New Hope Community Development Corporation (Component Unit)

New Hope Community Development Corporation (NHCDC) is a 501(c)(3) non-profit corporation created to develop affordable housing and community based economic development ventures. Its primary business activities during the year ended June 30, 2013, was the operation of Cottonwood Meadows Senior Apartments.

Office of Migrant Services, Migrant Farm Labor Program (Other State/Local)

YCH manages Migrant Centers in Davis, Madison, and Dixon, California. Pursuant to contracts with the State of California Department of Housing and Community

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Development, Office of Migrant Services, YCH remits rents collected from tenants to the State Office of Migrant Services, which in turn reimburses YCH for its costs of operating the Migrant Centers. The Dixon Migrant Center is managed by YCH on behalf of the Dixon Housing Authority of Solano County.

Other Programs

- Business Activities - used to administer various non-government subsidized programs. This also includes the operation of Crosswood Apartments.
- Davis Solar Rural Rental Assistance (Other State/Local).

Required Financial Statements

The financial statements of YCH offer both short-term and long term financial information about YCH activities and include:

- The **Statement of Net Position** which is similar to a balance sheet. The Statement of Net Position reports all of YCH assets and liabilities for the year ended June 30, 2013 and provides information about the nature and amounts of investments in resources (assets) and the obligations to YCH's creditors (liabilities). It also provides the basis for evaluating the capital structure of YCH and assessing the liquidity and financial flexibility of YCH. The statement is presented in a format in which assets minus liabilities equals "Net Position", also known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "current" (convertible to cash within one year), and "non-current".
- The **Statement of Revenues, Expenses and Changes in Net Position** accounts for all of YCH's revenue and expenses for the year ended June 30, 2013. The statement reflects the results of YCH's operations over the year and can be used to determine YCH's credit worthiness and its ability to successfully recover all its costs through grants, tenant charges and other income.
- The **Statement of Cash Flows** provides information about YCH's cash receipts and cash payments during the year ended June 30, 2013. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, capital and related financing, and noncapital financing and investing activities. The statement provides answers to questions of where cash came from, what cash was used for and what caused changes in cash for the reporting period covered.
- The accompanying **Notes to the financial statements** provide additional information that is essential to a full understanding of the data provided in the financial statements.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

- In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. This supplementary information section contains the Combining Schedule of Net Position; Combining Schedule of Revenues, Expenses and Change in Net Position and Combining Schedule of Cash Flows.

Financial Analysis of YCH as a Whole

The following analysis focuses on YCH's net position and revenues, expenses and changes in net position during the years ended June 30, 2013 and 2012.

Net Position

	2013	2012	Net Change	%
Assets				
Current assets	\$ 2,894,583	\$ 3,865,672	\$ (971,089)	-25%
Restricted assets	1,816,910	2,843,603	(1,026,693)	-36%
Capital assets, net	19,783,153	20,585,430	(802,277)	-4%
Other non-current assets	170,483	55,150	115,333	209%
Total assets	<u>\$ 24,665,129</u>	<u>\$ 27,349,855</u>	<u>\$ (2,684,726)</u>	<u>-10%</u>
Liabilities				
Current liabilities	\$ 2,189,560	\$ 4,827,144	\$ (2,637,584)	-55%
Payable from restricted cash	225,215	218,139	7,076	3%
Non-current liabilities	6,851,087	4,597,117	2,253,970	49%
Total liabilities	<u>\$ 9,265,862</u>	<u>\$ 9,642,400</u>	<u>\$ (376,538)</u>	<u>-4%</u>
Net position				
Investment in capital assets	\$ 14,081,341	\$ 14,618,807	\$ (537,466)	-4%
Restricted	1,523,413	2,728,300	(1,204,887)	-44%
Unrestricted	(205,487)	360,348	(565,835)	-157%
Total net position	<u>\$ 15,399,267</u>	<u>\$ 17,707,455</u>	<u>\$ (2,308,188)</u>	<u>-13%</u>

The assets of YCH exceed its liabilities as of June 30, 2013 by \$15,399,267. Compared to 2012, this is a 13% decrease which resulted from normal operations and the following unusual items:

- During the year ended June 30, 2013, YCH's assets decreased by \$2,684,726 (10%). The decrease primarily resulted from the reduced funding to the LIPH, HCV, and Migrant Center Housing programs, which were made retroactively during the year and forced YCH to use some of its reserves to make up the differences that could not be absorbed by adjustments to operations, including layoffs and other significant cost reductions.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

- Restricted Assets decreased by \$1,026,693 (36%) mainly due to:
 - HAP Voucher and Administration cost in excess of funding by \$865,083.
 - Replacement reserve accounts decreased by \$71,309 mainly due to use of reserves at Cottonwood for flooring replacement in a number of units and fence repairs.
- Other non-current assets increased due to loan costs related to the pending refinance of the Crosswood Apartments.

YCH's total liabilities decreased by \$376,538 (4%) during the year ended June 30, 2013 due to normal operations and the following items:

- The decrease in Current Liabilities is primarily the result of continued repayment of mortgage debt and the early payoff of the second note on the administration building.

The net result of normal operations and the above items is a 13% decrease in **Total Net Position**.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Changes in Net Position

	2013	2012	Net Change	%
Operating revenues				
Operating revenues - tenants	\$ 2,539,997	\$ 2,164,225	\$ 375,772	17%
HUD HCV Grants	11,738,557	12,381,997	(643,440)	-5%
HUD Operating and Capital Grants	1,575,943	2,004,113	(428,170)	-21%
Other government grants	1,350,333	2,311,909	(961,576)	-42%
Other revenue	424,380	318,624	105,756	33%
Total operating revenues	17,629,210	19,180,868	(1,551,658)	-8%
Operating expenses				
Administration	2,638,596	2,412,602	225,994	9%
Tenant services	134,803	108,633	26,170	24%
Utilities	1,037,147	889,997	147,150	17%
Ordinary maintenance and	2,339,706	2,764,538	(424,832)	-15%
General expenses	706,466	706,464	2	0%
Housing assistance payments	11,761,825	10,716,468	1,045,357	10%
Depreciation expense	991,415	957,003	34,412	4%
Total operating expenses	19,609,958	18,555,705	1,054,253	6%
Non-operating revenue (expenses)				
Investment income - restricted cash	1,166	9,150	(7,984)	-87%
Interest income	5,669	6,653	(984)	-15%
Interest expense	(332,097)	(251,348)	(80,749)	32%
Amortization of loan costs	(2,178)	(2,131)	(47)	2%
Net non-operating revenue (expenses)	(327,440)	(237,676)	(89,764)	38%
Changes in net position	(2,308,188)	387,487	(2,695,675)	-696%
Beginning net position	17,707,455	17,319,968	387,487	2%
Ending net position	\$ 15,399,267	\$ 17,707,455	\$ (2,308,188)	-13%

Total operating revenues decreased by \$1,551,658 (8%) over 2012.

- HUD LIPH Operating Grants and HUD Capital Fund grants decreased by \$428,000;
- HUD HCV HAP and Operations Funding decreased by \$643,000;
- The Other Government Grants decreased by \$961,576 due to a decrease for OMS operations funding of approximately \$350,000 and a decrease of \$632,000 on the grant for the well at the Davis Migrant Centers;

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

- Rental Income increased by \$375,772 primarily from the Crosswood acquisition which had full 12 months of operations during the current fiscal year versus 1.5 month in prior year.

Operating expenses during the year ended June 30, 2013 increased by \$1,054,253 (6% in overall).

- HCV HAP Voucher Cost increased by \$1,045,000 (10%).
- Ordinary Maintenance expenses decreased by \$454,000 (16%). The Davis Water Well replacement for which no work was done during 2013 accounted for most of this decrease, decrease of \$632,000 offset by an increase of \$180,000 in ordinary maintenance costs.
- These decreases were offset by increases in administration costs of \$226,000 and utility costs of \$147,000.

The combination of decreased revenue and increased expenditures resulted in a decrease in net position of \$2,308,188.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Cash Flows

	2013	2012	Net Change	%
Cash flows from operating activities:				
Tenant receipts	\$ 2,502,334	\$ 2,144,952	\$ 357,382	17%
Other receipts	559,967	479,686	80,281	17%
Operating and administrative expenditures	(6,956,307)	(6,995,553)	39,246	-1%
Housing assistance payments	<u>(11,761,825)</u>	<u>(10,716,468)</u>	<u>(1,045,357)</u>	<u>10%</u>
Net cash used in operating activities	<u>(15,655,831)</u>	<u>(15,087,383)</u>	<u>(568,448)</u>	<u>4%</u>
Cash flows from noncapital financing activities:				
Operating grants received	<u>13,982,626</u>	<u>15,541,920</u>	<u>(1,559,294)</u>	<u>-10%</u>
Net cash provided by noncapital financing activities	<u>13,982,626</u>	<u>15,541,920</u>	<u>(1,559,294)</u>	<u>-10%</u>
Cash flows from capital and related financing activities:				
Grants to acquire capital assets	758,780	1,064,598	(305,818)	-29%
Acquisition of capital assets	(287,343)	(3,506,103)	3,218,760	-92%
Proceeds from loans	-	2,603,000	(2,603,000)	-
Financing costs paid	(117,511)	(15,739)	(101,772)	-
Principal paid on debt	(263,027)	(226,486)	(36,541)	16%
Interest paid on debt	<u>(333,881)</u>	<u>(250,420)</u>	<u>(83,461)</u>	<u>33%</u>
Net cash used in capital and related financing activities	<u>(242,982)</u>	<u>(331,150)</u>	<u>88,168</u>	<u>-27%</u>
Cash flows from investing activities:				
Interest income - restricted cash	1,166	9,150	(7,984)	-87%
Interest income	<u>5,669</u>	<u>6,653</u>	<u>(984)</u>	<u>-15%</u>
Net cash provided by investing activities	<u>6,835</u>	<u>15,803</u>	<u>(8,968)</u>	<u>-57%</u>
Net increase in cash	(1,909,352)	139,190	(2,048,542)	-1472%
Cash, beginning of year	<u>6,005,585</u>	<u>5,866,395</u>	<u>139,190</u>	<u>2%</u>
Cash, end of year	<u>\$ 4,096,233</u>	<u>\$ 6,005,585</u>	<u>\$ (1,909,352)</u>	<u>-32%</u>
Cash and cash equivalents	\$ 2,279,323	\$ 3,161,982	\$ (882,659)	-28%
Restricted cash and cash equivalents	<u>1,816,910</u>	<u>2,843,603</u>	<u>(1,026,693)</u>	<u>-36%</u>
Total cash, end of year	<u>\$ 4,096,233</u>	<u>\$ 6,005,585</u>	<u>\$ (1,909,352)</u>	<u>-32%</u>

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

The changes in cash flows are mainly due to the following:

- Tenant Receipts increased primarily due to the \$375,000 of rents which represent a full 12 months of operations for the Crosswood property.
- Other Receipts is lower this year primarily due to ARRA funds expended in prior year and a decrease in capital funds in current year.
- Payments for operating and administrative expenses decreased primarily due to:
 - A net decrease in maintenance costs as discussed above.
 - An increase in Utilities costs across the agency of \$147,000 mainly due to a full year of Crosswood operations as noted above.
- The Housing Assistance funding decrease is offset by decreased HAP Voucher payments as fewer families are served and reserves are used to bridge the remaining gap.
- Capital Financing Activities are discussed in the summary of capital assets and long term debt below.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Comparison of Actual to Budget for the Year Ended June 30, 2013

	Actual	Budget	Net Change	%
Operating Revenue:				
Tenant	\$ 2,539,997	\$ 2,110,049	\$ 429,948	20%
Interfund fees	1,419,161	1,382,590	36,571	3%
HUD HCV Grants	11,738,557	11,214,707	523,850	5%
HUD Operating and Capital Grants	1,575,943	1,186,427	389,516	33%
Other Government Grants	1,350,333	30,750	1,319,583	4291%
Other income	424,380	267,060	157,320	59%
Total operating revenue	19,048,371	16,191,583	2,856,788	18%
Operating Expenses:				
Administration	4,057,757	3,620,899	436,858	12%
Tenant services	134,803	142,987	(8,184)	-6%
Utilities	1,037,147	626,920	410,227	65%
Ordinary maintenance and operations	2,339,706	1,494,201	845,505	57%
General expenses	706,466	340,284	366,182	108%
Housing assistance payments	11,761,825	11,825,169	(63,344)	-1%
Depreciation expense	991,415	-	991,415	-
Total operating expenses	21,029,119	18,050,460	2,978,659	17%
Non-Operating Revenue (Expenses):				
Interest income - restricted	1,166	400	766	192%
Interest income - unrestricted	5,669	8,950	(3,281)	-37%
Interest expense	(332,097)	(303,593)	(28,504)	9%
Amortization of loan costs	(2,178)	-	(2,178)	-
Net non-operating revenue (expenses)	(327,440)	(294,243)	(33,197)	11%
Changes in net assets	\$ (2,308,188)	\$ (2,153,120)	\$ (155,068)	7%

Significant variances from the budget include:

- The decrease in grant revenues from HUD and other governments which was offset by the increase in rent revenue from the Crosswood property.

Significant expense variations from budget include:

- The increase in administration costs, housing assistance payments and depreciation which is not included in the budget.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Non-Operating Variances from Budget include:

- The interest expense budgeted includes principal payments on loans for the LIPH Building, Cottonwood Meadows/New Hope CDC, Crosswood/YCH, and the Migrant Centers.

Summary of Capital Assets

	Balance, 6/30/2012	Additions	Deletions and Transfers	Balance, 6/30/2013
Capital Assets:				
Land	\$ 3,921,298	\$ -	\$ -	\$ 3,921,298
Construction in progress	301,718	146,857	(98,205)	350,370
Building and improvements	36,248,666	20,157	-	36,268,823
Furniture, equipment and vehicles	756,853	120,329	-	877,182
 Total capital assets	 41,228,535	 287,343	 (98,205)	 41,417,673
 Less accumulated depreciation	 (20,643,105)	 (991,415)	 -	 (21,634,520)
 Total capital assets, net	 <u>\$ 20,585,430</u>	 <u>\$ (704,072)</u>	 <u>\$ (98,205)</u>	 <u>\$ 19,783,153</u>

The changes in Capital Assets are due to the following:

- During 2013, YCH began working on the flying bridge and ADA improvements at Cottonwood using some replacement reserve funds and a City of Woodland CDBG grant, and engineering and design work at Winters for a total of \$147,000.
- Three new maintenance vehicles and a trailer were purchased for \$118,000.
- Other property and equipment consisting of the filing system for \$20,000
- YCH began the process of refinancing Crosswood Apartments in Woodland, which will include funding to upgrade the existing HVAC systems and various exterior items. These apartments had been purchased by California Affordable Housing Association in 2009 with the intention of reselling the property to YCH when financing could be arranged. Short term financing was cobbled together as the CalAHA bond issue became due. It is the intention of YCH to sell the property to New Hope CDC and its tax credit partners in 2014.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Summary of Long-Term Debt

	Balance, 6/30/2012	Additions	Reductions	Balance, 6/30/2013
Low Income Public Housing:				
Office building, mortgage 1	\$ 1,230,487	\$ -	\$ (130,092)	\$ 1,100,395
Office building, mortgage 3	60,000	-	(60,000)	-
Total low rent public housing	<u>1,290,487</u>	<u>-</u>	<u>(190,092)</u>	<u>1,100,395</u>
Cottonwood:				
HCD Note	368,800	-	-	368,800
Cottonwood Note	1,686,470	-	(30,614)	1,655,856
Total Cottonwood	<u>2,055,270</u>	<u>-</u>	<u>(30,614)</u>	<u>2,024,656</u>
Crosswood:				
First Northern Bank	2,284,362	-	(39,619)	2,244,743
California Affordable Housing	75,000	-	-	75,000
California Affordable Housing	220,000	-	-	220,000
California Affordable Housing	16,000	-	-	16,000
Total Crosswood	<u>2,595,362</u>	<u>-</u>	<u>(39,619)</u>	<u>2,555,743</u>
Esparto Development:				
Esparto project - CDBG	19,876	-	(2,702)	17,174
Total Esparto development	<u>19,876</u>	<u>-</u>	<u>(2,702)</u>	<u>17,174</u>
Davis Solar Rural Rental Assistance USDA Note	607	-	-	607
Total long-term debt	<u>\$ 5,961,602</u>	<u>\$ -</u>	<u>\$ (263,027)</u>	<u>\$ 5,698,575</u>

- Normal monthly and annual payments were responsible for the reductions in Long Term in the LIPH Office Building, Cottonwood Loans and the Crosswood Loan.
- The one-year loan from First Northern Bank related to the purchase of Crosswood Apartments was extended to 2016 and prepaid loan costs were incurred in the refinancing of the property which is expected to close in early 2014.

Yolo County Housing

Management Discussion and Analysis - Continued

June 30, 2013

Significant Environmental and Economic Factors Affecting YCH

Significant environment and economic factors affecting YCH include:

- Federal funding from the Department of Housing and Urban Development (HUD)
- Funding from the State Office of Migrant Services (OMS)
- Local labor supply and demand which affect salary and wage rates
- Local inflation, recession and employment trends can affect resident income and therefore the amount of rental income.
- Local rental market and economy, which has a direct effect on the ability to find viable privately-owned rental properties that are available to our Housing Choice Voucher (HCV) program
- Rising costs in particular water, utilities and gasoline.
- Continued underfunding of deferred maintenance throughout LIPH and migrant housing continues to increase maintenance costs due to additional emergency repairs.

Contacting YCH

This financial report is designed to provide a general overview of YCH's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Lisa A. Baker, Executive Director, Yolo County Housing, 147 W. Main Street, Woodland, California 95695.

Yolo County Housing
Statement of Net Position
June 30, 2013

Assets

Current assets	
Cash and cash equivalents	\$ 2,279,323
Restricted cash and cash equivalents	1,816,910
Accounts receivable - tenant, net	16,504
Accounts receivable - other	23,737
Accounts receivable - funding source	298,697
Inventories, net	144,731
Prepaid items and other assets	<u>131,591</u>
Total current assets	<u>4,711,493</u>
Noncurrent assets	
Capital assets not being depreciated	4,271,668
Capital assets, net of accumulated depreciation	15,511,485
Other assets, net	<u>170,483</u>
Total noncurrent assets	<u>19,953,636</u>
Total assets	<u><u>\$ 24,665,129</u></u>
Deferred outflows of resources	<u><u>\$ -</u></u>

(Continued)

Yolo County Housing

Statement of Net Position - Continued

June 30, 2013

Liabilities

Current liabilities	
Accounts payable - vendors	\$ 220,435
Accounts payable - funding source	1,258,861
Accrued compensated absences - current portion	37,601
Accrued interest payable	3,237
Accrued liabilities - other	33,987
Notes payable - current portion	138,697
Deposits payable	225,215
Unearned revenue	350,932
Other current liabilities	145,810
	<hr/>
Total current liabilities	2,414,775
	<hr/>
Noncurrent liabilities	
Accrued compensated absences - net of current portion	112,802
Notes payable - net of current portion	5,559,878
Family self sufficiency escrows	27,819
Other post-employment benefits	819,319
Other liabilities	331,269
	<hr/>
Total noncurrent liabilities	6,851,087
	<hr/>
Total liabilities	\$ 9,265,862
	<hr/>
Deferred inflows of resources	\$ -
	<hr/>

Net Position

Net investment in capital assets	\$ 14,081,341
Restricted	1,523,413
Unrestricted	(205,487)
	<hr/>
Total net position	\$ 15,399,267
	<hr/>

See notes to financial statements

Yolo County Housing

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2013

Operating revenues	
Rental income	\$ 2,539,997
Other revenue	424,380
	<hr/>
Total operating revenues	2,964,377
	<hr/>
Operating expenses	
Administrative expenses	2,638,596
Tenant services	134,803
Maintenance	2,339,706
Utilities	1,037,147
General expenses	706,466
Housing assistance payments	11,761,825
Depreciation	991,415
Amortization	2,178
	<hr/>
Total operating expenses	19,612,136
	<hr/>
Operating loss	(16,647,759)
	<hr/>
Nonoperating revenues (expenses)	
Grant revenue	13,906,053
Interest income	6,835
Interest expense	(332,097)
	<hr/>
Total nonoperating revenues (expenses)	13,580,791
	<hr/>
Change in net position before capital grants	(3,066,968)
	<hr/>
Capital grants	758,780
	<hr/>
Change in net position	(2,308,188)
	<hr/>
Net position	
Beginning of year	17,707,455
	<hr/>
End of year	\$ 15,399,267
	<hr/>

See notes to financial statements

Yolo County Housing
Statement of Cash Flows
Year Ended June 30, 2013

Cash flows from operating activities	
Cash received from tenants	\$ 2,502,334
Other operating cash received	559,967
Cash payments for general and administrative expenses	(6,956,307)
Cash payments for housing assistance expenditures	<u>(11,761,825)</u>
Net cash used for operating activities	<u>(15,655,831)</u>
Cash flows from capital and related financing activities	
Principal paid on notes payable	(263,027)
Financing fees paid	(117,511)
Cash received from capital grants	758,780
Acquisition and construction of capital assets	(287,343)
Interest paid	<u>(333,881)</u>
Net cash used for capital and related financing activities	<u>(242,982)</u>
Cash flows from noncapital financing activities	
Cash received from operating subsidy	817,163
Cash received from Housing Choice Voucher program	11,738,557
Cash received from other grants	<u>1,426,906</u>
Net cash provided by noncapital financing activities	<u>13,982,626</u>
Cash flows from investing activities	
Interest income	<u>6,835</u>
Net cash provided by investing activities	<u>6,835</u>
Net decrease in cash and cash equivalents	(1,909,352)
Cash and cash equivalents	
Beginning of year	<u>6,005,585</u>
End of year	<u>\$ 4,096,233</u>
Financial statement presentation	
Cash and cash equivalents	\$ 2,279,323
Restricted cash and cash equivalents	<u>1,816,910</u>
Total cash and cash equivalents	<u>\$ 4,096,233</u>

(Continued)

Yolo County Housing
Statement of Cash Flows - Continued
Year Ended June 30, 2013

Reconciliation of operating loss to net cash used for operating activities	
Operating loss	\$ (16,647,759)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	993,593
Capital assets written off	98,205
Changes in operating assets and liabilities:	
Decrease (increase) in assets:	
Tenant accounts receivable	(6,747)
Other receivables	56,868
Inventories	30,319
Prepaid items and other assets	(38,344)
Increase (decrease) in liabilities:	
Accounts payable	(338,342)
Accounts payable - funding sources	(7,779)
Other post-employment benefits	231,473
Accrued compensated absences	(3,130)
Deposits payable	20,132
Unearned revenue	(33,341)
Other liabilities	(10,979)
	<hr/>
Net cash used for operating activities	<u><u>\$ (15,655,831)</u></u>

See notes to financial statements

Yolo County Housing

Notes to Financial Statements

June 30, 2013

Note 1 - Reporting Entity

Yolo County Housing (YCH), formally known as the Housing Authority of the County of Yolo, was established pursuant to the State Health and Safety Code in 1950 by the Yolo County Board of Supervisors. YCH is a public entity organized under the laws of the State of California's Health and Safety Code to provide housing assistance to low and moderate income families at rents they can afford. Eligibility is determined by family composition and income in areas served by YCH. To accomplish this purpose, YCH has entered into Annual Contributions Contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs.

On June 20, 2006, the County's Board of Supervisors exercised its authority under Health and Safety Code section 34290, due to the resignation of the independent housing commission, and declared itself to be the commissioners of YCH for a temporary period. In January 2012, YCH adopted a change in its governance under which the Board of Supervisors became a Board of Governors and a new board with representatives appointed by the cities (3 of the 4 cities have representation with the 4th city as an alternate), a representative from the County, an At Large member and two tenant commissioners. Following the change in governance, YCH is considered a component unit of the County. While YCH is a separate legal entity, it is included in the financial statements of the County as a discrete component unit.

YCH has one blended component unit. The blended component unit, although a legally separate entity, is in substance part of YCH operations. The component unit is known as the New Hope Community Development Corporation (NHCCDC). NHCCDC owns and operates a rental housing project under the State of California Rental Housing Community Development (RHCP).

Note 2 - Summary of Significant Accounting Policies

Basic Financial Statements

The basic financial statements (i.e. the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net position and the Statement of Cash Flows) report information on all the business-type activities of YCH and its blended component unit. These basic financial statements are presented in accordance with the Governmental Accounting Standards Board (GASB) standards.

YCH has entered into an agreement with the Housing Authority of the City of Dixon to administer its only program - a Migrant Center funded by the California Department of Housing and Community Development. This program owns no real property and carries no long-term debt. YCH uses its staff and other resources to operate this program. The operations of this program are considered by

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

management to be, in substance, part of YCH and as such are reported as part of YCH financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting. Accordingly, all assets and deferred outflows of resources and liabilities and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

YCH distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services. Operating expenses include the cost of services, general and administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

New Accounting Pronouncements

During the fiscal year ending June 30, 2013, YCH has implemented the following new accounting standards issued by the GASB:

- Statement No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34." GASB Statement No. 61 results in the financial reporting entity's financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The adoption of this Statement had no effect on YCH's financial statements for the year ended June 30, 2013.
- Statement No. 62, "Codification of Accounting and Financial Reporting: Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." GASB Statement No. 62 improves financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. The adoption of this Statement had no effect on YCH's financial statements for the year ended June 30, 2013.
- Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position." GASB Statement No.63

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

improves financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. The adoption of this Statement resulted in presentation changes through the basic financial statements and notes to the basic financial statements. The Statement of Net Assets has now been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position.

YCH is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- Statement No. 65, "Items Previously Reported as Assets and Liabilities". GASB Statement No. 65 improves financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2014. The adoption of GASB 65 in the next fiscal year is not expected to have a significant impact on the financial statements of YCH.
- Statement No. 66, "Technical Corrections 2012: an Amendment of GASB Statements No. 10 and No. 62". GASB Statement No. 66 improves financial reporting by resolving conflicting guidance that resulted from the issuance of the two previous pronouncements, and amending the provisions of GASB Statement No. 62 related to accounting for (1) operating lease payments, (2) purchased loan or group of loans, and (3) servicing fees related to mortgage loans. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2014. The adoption of GASB 66 in the next fiscal year is not expected to have a significant impact on the financial statements of YCH.
- Statement No. 67, "Financial Reporting for Pension Plans: an Amendment of GASB Statement No. 25". GASB Statement No. 67 improves financial reporting by state and local governments for pension plans. Among other improvements, net pension liabilities will be reported on the Statement of Net Position, providing citizens and other users of these financial reports with a clearer picture of the size and nature of the financial obligations to current and former employees for past services rendered. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2015.
- Statement No. 68, "Accounting and Financial Reporting for Pensions: an Amendment of GASB Statement No. 27". GASB Statement No. 68 improves financial reporting by state and local governments for pensions and the information they provide about financial support for pensions. Statement 68 requires governments providing defined benefit pensions to recognize their

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through disclosures and required supplementary information. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2016.

- Statement No. 69, "Government Combinations and Disposals of Governmental Operations". GASB Statement No. 69 provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold and requires disclosures about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2015.
- Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees". GASB Statement No. 70 improves accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. Among other requirements, this Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee, and requires a government to recognize revenue to the extent of the reduction in its guaranteed liabilities. The requirements of this Statement are effective for YCH's fiscal year ending June 30, 2015.

Cash and Cash Equivalents

YCH's cash and cash equivalents are considered to be cash on hand and all highly-liquid instruments purchased with an original maturity of three months or less.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represent reserves and security deposit accounts.

Accounts Receivable

Tenant accounts receivable are carried at the amount considered by management to be collectible, net of an allowance for doubtful accounts of \$14,000. Other accounts receivable are principally amounts due from the United States Department of Housing and Urban Development (HUD) and California State agencies. The

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

allowance for doubtful accounts has been provided based on the likelihood of the recovery.

Interprogram Receivables and Payables

Interprogram due from/to have been eliminated in the financial statements as prescribed by GASB standards in regards to interfund activities, payables and receivables.

Inventories

Inventory is valued at the lower of cost or market on an average cost basis. Inventory consists of expendable maintenance supplies held for consumption. The consumption method is used to account for inventories. Under the consumption method, inventories are recorded as assets when purchased and expenses when used. The value of the maintenance supplies inventory as of June 30, 2013, is \$144,731, which is reported net of an allowance for obsolete inventory of \$7,245.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. Net interest costs are capitalized on projects during the construction period. The capitalization threshold for all capital assets is \$5,000.

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

	<u>Years</u>
Buildings	40
Building improvements	15
Furniture and fixtures	7
Vehicles	5

Property acquired with HUD funds is considered to be owned by YCH while used in the program for which it was purchased. However, HUD may have a reversionary interest in the property and ownership of any proceeds from disposition thereof.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Impairment of Capital Assets

YCH reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2013, there has been no impairment of the capital assets.

Financing Costs and Amortization

Loan and financing costs are recorded at cost at the date of acquisition and included in other assets on the statement of net position. Loan costs in the amount of \$194,777 are being amortized over the term of the loans using the effective yield method. As of June 30, 2013 accumulated amortization was \$24,294. Estimated annual amortization for each of the next five years following June 30, 2013 is \$2,178 per year.

Accrued Compensated Absences

In accordance with GASB standards, vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if the leave is attributable to past service and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Permanent employees are entitled to receive compensation at their current base salary for all unused annual leave upon termination or retirement.

It is YCH's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since YCH does not have a policy to pay any amounts when employees separate from service with YCH. All vacation pay is accrued when incurred. Total liability for YCH is \$150,403 based on year-end hourly rates. Of this amount, \$37,601 is considered by YCH to be a current liability.

In providing direction for conversion to the U.S. generally accepted accounting principles (GAAP) basis of accounting, HUD's Accounting Brief No. 6 discusses the conflicting direction given in HUD grant handbooks, which are not considered GAAP, and the cost principles of GAAP. In its final analysis, HUD opines that "Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under federal awards, including but not necessarily limited to wages, salaries, and fringe benefits." Since federal awards extend for a limited time period, and accrued benefits may not be paid out during the term of the award, the above analysis can be reasonably

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

interpreted to mean that costs may be drawn down at the close of the award period to fund unpaid compensated absences.

Notes Payable and Interest Payable

Notes payable consists of notes from banks and other California state agencies. Interest on these notes is accrued at year end.

Unearned Revenue

Unearned revenue includes rents received in advance from tenants, and grant funds received from other governmental agencies, which are conditioned upon incurring certain qualifying costs or meeting other conditions. The rents from tenants will be recognized as revenue when earned and the grant funds will be recognized as revenue when the qualifying costs are incurred and the possibility of not meeting the conditions are remote.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. YCH does not have any items that currently meet this criterion as of June 30, 2013.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. YCH does not have any items that currently meet this criterion as of June 30, 2013.

Net Position

In the Statement of Net Position, Net Position is classified in the following categories:

- *Net Investment in Capital Assets* - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
- *Restricted* - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.
- *Unrestricted* - This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

YCH is exempt from federal and state income taxes. YCH is also exempt from property taxes but normally and historically made payments in lieu of taxes on owned public housing properties.

Note 3 - Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments at June 30, 2013 consist of the following:

Deposits	\$ 2,278,828
Petty cash	<u>495</u>
Total cash and investments	2,279,323
Restricted cash and cash equivalents	<u>1,816,910</u>
Total	<u><u>\$ 4,096,233</u></u>

Deposits

The carrying amounts of YCH's cash deposits were \$2,279,323 at June 30, 2013. Bank balances at June 30, 2013, were \$2,569,000. The bank balances were fully insured and/or collateralized with securities held by the pledging financial institutions in YCH's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure YCH's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in YCH's name.

The fair value of pledged securities must equal at least 110% of YCH's cash deposits. California law also allows institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of YCH's total cash deposits. YCH may waive collateral requirements for cash deposits that are fully insured by the Federal Deposit Insurance Corporation. YCH, however, has not waived the collateralization requirements.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Investment Policy

In accordance with State statutes, HUD regulations and its own investment policy, YCH may invest its funds in U.S. Treasury, U.S. Government agencies, local government pooled investment funds, and other investments as outlined in YCH's investment policy.

Investment Risk Factors

There are many factors that can affect the value of investments. Some, such as credit risk, custodial risk, concentration of credit risk and market risk, may affect both equity and fixed income securities. Equity and debt securities respond to such factors as economic conditions, individual company earnings performance and market liquidity, while fixed income securities are particularly sensitive to credit risk and changes in interest rates. It is the investment policy of YCH to invest substantially all of its funds in fixed income securities which limits YCH's exposure to most types of risk.

Credit Risk

Credit risk is the risk that an issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial Risk

Custodial risk is the risk that, in the event of the failure of the custodian, the investments may not be returned.

Concentration of Credit Risk

Generally, credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing YCH to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments. Investments issued or guaranteed by the U.S. Government and investments in external investment pools are not considered subject to concentration of credit risk.

Market Risk

Market risk is the risk that the value of an investment will change due to changes in the financial market. Changes in market conditions can increase Interest Rate Risk, Liquidity Risk and Reinvestment Risk.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

- *Interest Rate Risk* is the risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes. As of June 30, 2013, YCH has no exposure to interest rate risk.
- *Liquidity Risk* is the risk of being unable to liquidate an investment prior to maturity. Related to liquidity risk is the concept of marketability, or the ability to sell an instrument on short notice without incurring a meaningful loss in price.
- *Reinvestment Risk* is the risk that the proceeds from a fixed-income security cannot be reinvested at the same rate of return currently generated by that holding. This risk is common with securities that are callable.

YCH maintains its portfolio in readily available demand deposits. These ensure liquidity is maintained in order to meet ongoing operations, maximize return and limit exposure to changing market conditions.

Note 4 - Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consist of funds held in escrow, tenant deposits, replacement reserves required by the lender and other funds being held by YCH on behalf of its clients. The balances are as follows:

HUD funds restricted in use for HAP payments	\$	232,827
Replacement reserves:		
Davis Migrant Center		675,398
Madison Migrant Center		437,389
NHCD		115,412
Rural Rental USDA Davis		54,366
Tenant security deposits		216,718
Family Self Sufficiency Program participants' escrow funds		32,195
Migrant Centers operations		<u>52,605</u>
Total restricted cash	\$	<u>1,816,910</u>

The amounts held in the replacement reserve accounts of the USDA Rural Economic and Community Development (USDA) and the California Department of Housing and Community Development (HCD) for the RHCP and Migrant Programs cannot be disbursed without the approval of the USDA or the HCD. These amounts are offset by restricted net position.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

The amounts held for the operations of the Migrant programs can be disbursed only on expenditures that have been pre-approved by the HCD, Office of Migrant Services (OMS). These amounts are offset by restricted net position; however, they are not fully funded due to outstanding receivables from the State of California.

The amounts held by YCH on behalf of Family Self Sufficiency Program participants and tenants are reported as payable from restricted assets. These liabilities have been fully funded as of June 30, 2013.

Note 5 - Accounts Receivable - Funding Sources

At June 30, 2013, due from funding sources consist of the following:

<u>Source</u>	<u>Program</u>	<u>Amount</u>
City	SHRA	\$ 11,093
State	OMS-Davis	47,530
State	OMS-Madison	59,172
State	OMS-Dixon	62,984
City	NHCDC	43,000
City	Pacifico	<u>74,918</u>
Total		<u>\$ 298,697</u>

All amounts are expected to result in payment in the next fiscal year.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Note 6 - Capital Assets

A summary of changes in capital assets for the year ended June 30, 2013 is as follows:

	<u>Balance, June 30, 2012</u>	<u>Additions</u>	<u>Transfers / Retirements</u>	<u>Balance, June 30, 2013</u>
Capital assets, not being depreciated				
Land	\$ 3,921,298	\$ -	\$ -	\$ 3,921,298
Construction in progress	<u>301,718</u>	<u>146,857</u>	<u>(98,205)</u>	<u>350,370</u>
Total capital assets, not being depreciated	<u>4,223,016</u>	<u>146,857</u>	<u>(98,205)</u>	<u>4,271,668</u>
Capital assets, being depreciated				
Building improvements	36,248,666	20,157	-	36,268,823
Equipment	<u>756,853</u>	<u>120,329</u>	<u>-</u>	<u>877,182</u>
Total capital assets, being depreciated	<u>37,005,519</u>	<u>140,486</u>	<u>-</u>	<u>37,146,005</u>
Less accumulated depreciation:	<u>(20,643,105)</u>	<u>(991,415)</u>	<u>-</u>	<u>(21,634,520)</u>
Total capital assets being depreciated, net	<u>16,362,414</u>	<u>(850,929)</u>	<u>-</u>	<u>15,511,485</u>
Total capital assets, net	<u>\$ 20,585,430</u>	<u>\$ (704,072)</u>	<u>\$ (98,205)</u>	<u>\$ 19,783,153</u>

Note 7 - Accounts Payable - Funding Source

At June 30, 2013, accounts payable - funding source consist of the following:

State of California - Migrant rent collection:	
Davis Center	\$ 309,616
Madison Center	453,240
Dixon Center	<u>496,005</u>
Total	<u>\$ 1,258,861</u>

HCD provides YCH with grants to operate each of the three migrant centers. In general, all rents and other charges collected from the tenants of these centers are payable to HCD. The above represents collections retained, but not yet forwarded to HCD as of June 30, 2013 for each center.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Note 8 - Interfund Balances

YCH utilizes a few cash accounts to make payments to vendors and for payroll. Costs are accrued to appropriate funds, which necessitates the use of interfund accounts. Costs are reimbursed on a periodic basis. The interfund receivable/payable balance of \$1,719,210 was eliminated in the Statement of Net Position.

The interfund receivable balances are as follows:

Public Housing:

AMP 2	\$	342,983
AMP 3		363,177
AMP 1		<u>(13,920)</u>

Total public housing \$ 692,240

State and local

Migrant Housing (HCD) - all programs	932,745
Other State program - SL 580	322,592
ADMH	(39,484)
Esparto (Joe Serna Grant)	(82,021)
Pacifico	<u>(114,393)</u>

Total state and local programs 1,019,439

Blended Component Unit - NHCDC

Cottonwood RHCP	<u>7,531</u>
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Total interfund balances \$ 1,719,210

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

The interfund payables are as follows:

Central office cost center	\$ 1,118,859
Housing Choice Vouchers	49,185
Rental Rural Davis Housing (USDA)	7,153
Business Type Activities Crosswood	<u>544,013</u>
Total interfund balances	<u>\$ 1,719,210</u>

These interfund payables/receivables have been recorded as current assets and liabilities at the program level and have been eliminated on YCH's Statement of Net Position. A number of YCH's programs have significant liabilities, but few liquid assets. This may make repayment of these interfund liabilities on a timely basis problematic.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Note 9 - Long-Term Debt

The following is a schedule of the changes in long-term debt as of June 30, 2013:

Type of obligations	Interest rates	Maturity date	Balance, 6/30/2012	Additions	Payments	Balance, 6/30/2013	Short-term Portion	Long-term Portion
Office Mortgage 1	2.35%	2030	\$ 1,230,487	\$ -	\$ (130,092)	\$ 1,100,395	\$ 64,724	\$ 1,035,671
Office Mortgage 3	3.50%	2014	60,000	-	(60,000)	-	-	-
Esparto CDBG	3.00%	2019	19,876	-	(2,702)	17,174	3,263	13,911
USDA Davis Note	1.00%	2018	607	-	-	607	607	-
NHCDC:								
Cottonwood RHCP	0.00%	2017	368,800	-	-	368,800	-	368,800
Cottonwood	3.13%	2030	1,686,470	-	(30,614)	1,655,856	31,602	1,624,254
Crosswood:								
First Northern Bank	4.00%	2016	2,284,362	-	(39,619)	2,244,743	38,501	2,206,242
California Affordable Housing Agency	4.00%	2017	75,000	-	-	75,000	-	75,000
California Affordable Housing Agency	4.00%	2017	220,000	-	-	220,000	-	220,000
California Affordable Housing Agency	4.00%	2017	16,000	-	-	16,000	-	16,000
Total			\$ 5,961,602	\$ -	\$ (263,027)	\$ 5,698,575	\$ 138,697	\$ 5,559,878

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Following is a schedule of debt payment requirements to maturity for the mortgages and loans noted above subsequent to June 30, 2013:

	Office Mortgages		Government Loans		Crosswood Mortgages		NHDCDC Mortgages		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2014	\$ 64,724	\$ 25,516	\$ 2,697	\$ 546	\$ 38,501	\$ 92,803	\$ 31,602	\$ 52,093	\$ 308,482
2015	66,283	23,957	2,779	463	39,628	91,676	32,620	51,076	308,482
2016	67,819	22,421	2,863	378	2,166,614	75,307	33,532	50,163	2,419,097
2017	69,513	20,727	2,950	291	311,000	-	403,550	48,945	856,976
2018	71,188	19,052	3,039	201	-	-	36,476	47,827	177,783
2019-2023	382,456	68,744	3,453	18	-	-	197,292	221,183	873,146
2024-2028	378,412	20,384	-	-	-	-	231,086	187,389	817,271
2029-2033	-	-	-	-	-	-	1,058,498	79,150	1,137,648
Total	\$ 1,100,395	\$ 200,801	\$ 17,781	\$ 1,897	\$ 2,555,743	\$ 259,786	\$ 2,024,656	\$ 737,826	\$ 6,898,885

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

As of June 30, 2013, YCH has the following outstanding debt:

Office Mortgage 1 - \$2,240,000 borrowed at an initial rate of 2.35% per annum from the First Northern Bank. This note is collateralized by YCH's main office building at 147 Main Street, Woodland, California. The loan matures on December 15, 2030 and requires monthly payments of \$13,991.

Office Mortgage 3 - \$480,000 borrowed at a variable rate of 1.25% below the First Northern Bank Base Commercial Loan Rate, from the First Northern Bank. This note is collateralized by YCH's main office building at 147 Main Street in Woodland. The note requires monthly interest only payments. The interest rates for the year ranged from 3.5% to 4%. Loan principal payments of \$160,000 were due and paid on January 15, 2007 and 2008. The remaining \$160,000 owed has been restructured with annual payments of \$50,000 due January 2011, 2012, and 2013. The loan has been paid in full during the year ended June 30, 2013.

On May 25, 2004, the County of Yolo, Planning and Public Works Department loaned YCH \$38,250. The loan was made from the County's Community Development Block Grant (CDBG) to aid in the funding of the development located in Esparto, California. The loan earns interest at a rate of 3% per annum and requires quarterly payments of \$816.

The USDA Davis note accrues interest at a rate of 1% per annum and requires monthly payments of \$77.50.

YCH administers three Migrant Housing Centers on behalf of HCD. These Migrant Centers typically sit on land owned by the County, but the buildings are owned by the State. On an annual basis, YCH receives operating and rehabilitation grants to operate and maintain these centers. Two of the centers have been extensively remodeled using grants and loans from USDA. These loans are obligations of the State. However, the annual operating grant contains a value for the servicing of this debt. This amount is requisitioned from HCD, paid to USDA and posted as interest expense in YCH's books of accounts. Neither the capital assets nor the long-term debt is reported in YCH's financial statements.

On October 23, 2001, NHCDC purchased property known as the Cottonwood Meadows Apartments (47 units). These apartments were originally built with funding from HCD under RHCP. To acquire this property, YCH was required to assume the RHCP regulatory agreement and a \$368,800 note with HCD. Among other things, the regulatory agreement restricts the occupancy of 14 of the apartments to tenants with certain specified income levels and requires the establishment and maintenance of replacement and operating reserves, including annual deposits into each. The HCD note is deferred until 2017 at which time the principal balance of \$368,800 is due.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

On December 22, 2005, NHCDC refinanced the property known as Cottonwood Meadows Apartments. NHCDC borrowed \$1,900,000 from First Northern Bank. This loan is amortized over 25 years, requires monthly payments of \$11,868 and earns interest at a rate of 3.17% per annum. On January 15, 2011, this loan was renegotiated to decrease the monthly payment to \$6,974.59. The interest rate and maturity date of December 31, 2030, remain the same. The terms of the loan, as they are now, requires a balloon payment of \$935,985.94 at maturity.

On May 17, 2012, NHCDC obtained a new loan on the property known as Cottonwood Meadows Apartments. NHCDC borrowed \$254,325 from YCH. This loan is amortized over 25 years, requires no monthly payments and earns interest at a rate of 0% per annum. The terms of the loan, as they are now, requires a balloon payment of \$254,325 at maturity. This note is payable to YCH and it has been eliminated in consolidation.

During the fiscal year ended June 30, 1999, HUD directed YCH to remove all HUD-guaranteed debt from their books. This debt included \$6,847,600 of HUD permanent notes and \$6,590,186 of interest accrued on these notes, \$103,720 of outstanding Federal Financing Bank notes, and \$205,000 of outstanding New Housing Bonds. These HUD-guaranteed notes and bonds have not been forgiven by HUD. The Public Housing Program's Annual Contributions Contract (ACC) states that all debt service requirements related to these notes will be HUD's responsibility. Therefore, it is management's opinion that YCH is not liable for this debt unless the federal government fails to honor the ACC. Accordingly, these amounts have been removed from YCH's books.

On April 11, 2012, YCH acquired and refinanced the property known as Crosswood Apartments (Crosswood). Crosswood borrowed \$2,292,000 from First Northern Bank. This loan is amortized over 5 years, requires monthly payments of \$10,942 and earns interest at a rate of 4% per annum. On March 19, 2013, the loan terms were amended with the maturity date extended to April 11, 2016 and requiring an estimated balloon payment of \$2,133,212 at maturity.

On April 1, 2012, YCH borrowed \$75,000 from California Affordable Housing Agency (CAHA) for the Crosswood project. This loan is amortized over 5 years, requires no monthly payments and earns interest at a rate of 4% per annum. The terms of the loan, as they are now, requires a balloon payment of \$75,000 at maturity.

On April 1, 2012, YCH borrowed an additional \$220,000 from CAHA for the Crosswood project. This loan requires no monthly payments and earns interest at a rate of 4% per annum. The terms of the loan, as they are now, requires a balloon payment of \$220,000 at maturity on April 1, 2017.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

On April 1, 2012, YCH borrowed an additional \$16,000 from CAHA for the Crosswood project. This loan requires no monthly payments and earns interest at a rate of 4% per annum. The terms of the loan, as they are now, requires a balloon payment of \$16,000 at maturity on April 1, 2017.

A detailed schedule of interest activity for the loans is as follows:

	Interest Expensed	Interest Paid	Current Payable
Office Mortgage 1	\$ 27,186	\$ 27,815	\$ 1,077
Office Mortgage 3	1,396	1,396	-
Esparto CDBG	561	561	-
NHCDC - Cottonwood Mortgage	52,854	53,081	2,160
Migrant - Davis Housing Center	59,779	59,779	-
Migrant - Madison Housing Center	88,136	88,136	-
Crosswood	102,185	103,113	-
	<u>\$ 332,097</u>	<u>\$ 333,881</u>	<u>\$ 3,237</u>

Note 10 - Other Liabilities

On October 2, 2003, YCH received a Joe Serna Jr. Farmworker Housing Grant from the State of California. The grant, totaling \$600,000, was issued by the State to assist in the acquisition and development of real property located in Esparto, California. Between March 2004 and October 2005, YCH requisitioned and received \$331,269 of this grant. The property was purchased and the building permits pulled. No further activity has occurred. YCH has reported this grant as a long-term liability. This presentation is the most conservative, until the project is complete and the State is satisfied with the manner in which their funds were spent. No interest has been paid or accrued in relation to this grant.

Note 11 - Pilot Taxes

In connection with the Public Housing Program, YCH is obligated to make annual payments in lieu of property taxes (PILOT) to the County of Yolo based on the lesser of the assessable value of owned housing, times the current tax rate; or 10% of the dwelling rents collected, net of utilities expense. In an agreement dated April 2, 2009, the County of Yolo and YCH agreed to use only the 10% of shelter rent calculation for PILOT for fiscal years ending 2003, and 2005-2012. This agreement also forgave the payment of PILOT for the fiscal years ended 2003 and 2005 and set

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

up a repayment agreement for the PILOT owed for the fiscal years ended 2006-2008. During the year ended June 30, 2013, \$123,502 was incurred and \$123,502 remains payable as of June 30, 2013 and is included in other current liabilities in the statement of net position.

Note 12 - Unearned Revenue

In August 2006, YCH executed a lease with a chiropractic practice (the tenant). Under the terms of the 10 year lease, YCH has agreed to rent approximately 2,800 square feet of YCH's office building located at 147 West Main Street in Woodland. The stated rent of the lease is \$2,520 per month. The tenant paid \$220,300 for the improvement of the building and YCH has agreed to credit the tenant in the form of free rent. YCH's acceptance of these tenant improvements resulted in a \$220,300 increase in book value of the building in the Public Housing Program and a \$220,300 credit to unearned revenue. As of June 30, 2013, the remaining balance of \$12,496 of unearned revenue is classified as a current liability.

During the year ended June 30, 2011, YCH received a grant from the City of Davis for improvements of the Water Well system at the OMS Davis project. The grant has been recorded as unearned revenue and is being recognized into revenue as the related cost is incurred. As of June 30, 2013, unused grant funds of \$324,870 are included in unearned revenue and classified as current liability.

In addition to the short-term portion of the prepaid lease liability and the unearned grant revenue noted above, unearned revenue on the Statement of Net Position includes \$13,566 of prepaid rent for the migrant programs and Crosswood Apartments as of June 30, 2013.

Note 13 - Net Position

Net Investment in Capital Assets

Net Investment in capital assets as of June 30, 2013 consists of the following:

Capital assets, net of depreciation	\$ 19,783,153
Long-term debt	(5,559,878)
Current portion of long-term debt	(138,697)
Accrued interest on long-term debt	<u>(3,237)</u>
Net	<u>\$ 14,081,341</u>

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Restricted Net Position

Net Position is reported as restricted when constraints placed on the net position use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. YCH has reported the following as restricted net position:

Excess HAP funding - Housing Choice Voucher	\$	240,848
Madison Migrant Center replacement reserve		437,389
Davis Migrant Center replacement reserve		675,398
Cottonwood RHCP replacement reserve		115,412
USDA Davis replacement reserve		<u>54,366</u>
Total	\$	<u><u>1,523,413</u></u>

The excess HAP restricted reserves represent funds received from HUD in excess of the amounts expended by YCH for HAP. Based on HUD directive, these funds may only be used for future HAP payments and any excess received must be restricted in its use. In May 2009, HUD advised all housing authorities that a portion of the excess HAP reserve may be recaptured through reduced funding. YCH had no excess HAP funding recaptured during fiscal year 2013. The current excess HAP funding activity as of June 30, 2013 is as follows:

Balance, June 30, 2012		\$	<u>1,399,966</u>
HUD funding for HAP	\$	10,597,137	
HAP expense		<u>(11,761,825)</u>	
Deficit HAP funding			(1,164,688)
Interest and fraud recovery revenue			<u>5,570</u>
Balance, June 30, 2013		\$	<u><u>240,848</u></u>

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Net Position

A detailed schedule of all YCH's programs' net position as of June 30, 2013 is as follows:

	Net investment in capital assets	Restricted net position	Unrestricted net position	Total net position
Public Housing	\$ 10,936,558	\$ -	\$ 1,298,954	\$ 12,235,512
Housing Choice Vouchers	44,356	240,848	528,543	813,747
Capital Fund	1	-	-	1
USDA - Davis Solar	138,704	54,366	55,568	248,638
Central Office Cost Center	2,362,783	-	(834,268)	1,528,515
Migrant - Madison Housing Center	-	437,389	(63,598)	373,791
Migrant - Davis Housing Center	-	675,398	(358,921)	316,477
Migrant - Dixon Housing Center	-	-	132,536	132,536
Crosswood	335,103	-	(409,840)	(74,737)
Esparto Development	302,745	-	(413,290)	(110,545)
ADMH	640,522	-	(35,395)	605,127
NHCDC - RHCP - Cottonwood	(679,431)	115,412	(104,506)	(668,525)
Davis Water Well project	-	-	(2,278)	(2,278)
Pacifico	-	-	1,008	1,008
Total	<u>\$ 14,081,341</u>	<u>\$ 1,523,413</u>	<u>\$ (205,487)</u>	<u>\$ 15,399,267</u>

Note 14 - Defined Benefit Pension Plan

Plan Description

YCH contributes to the California Public Employees' Retirement System (CalPERS), an agent multi-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statutes within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from their website.

Funding Policy

Participants are required to contribute 7.0% of their annual covered salary. YCH makes 50% of the contribution required of the employees on their behalf and for their account. YCH is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

required employer contribution rate for the year ended June 30, 2013 was 7.72% of annual covered payroll. The current contribution rate is 11.206%. The contribution requirements of plan members and YCH are established and may be amended by CalPERS.

Annual Pension Cost

For the year ended June 30, 2013, YCH's annual pension cost of \$176,025 was equal to YCH's required contributions. During the year ended June 30, 2013, YCH made payments to CalPERS totaling \$188,046. The required contribution for the year ended June 30, 2013, was determined as part of the June 30, 2010, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 3.55% per year cost-of-living adjustments. Both (a) and (b) include an inflation component of 3%. The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period (smoothed market value). CalPERS unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis.

The annual required pension contribution for the past three years is as follows:

<u>Fiscal Year End</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/11	\$ 155,998	100%	\$ -
6/30/12	161,930	100%	-
6/30/13	176,025	100%	-

Required Supplemental Information

YCH is a participant in the CalPERS 2% at 55 Risk Pool. CalPERS makes certain annual valuations for the Risk Pool as a whole rather than valuations for YCH specifically. The required supplementary information for YCH's Risk Pool in thousands is as follows:

<u>Actuarial Valuation date</u>	<u>Entry age normal accrued liability (AL)</u>	<u>Actuarial value of assets (AVA)</u>	<u>Unfunded liability/ (excess) assets</u>	<u>Funded status (AVA/AL)</u>	<u>Annual covered payroll</u>	<u>URAL as a % of payroll</u>
6/30/08	\$ 2,780,281	\$ 2,547,323	\$ 232,958	91.6%	\$ 688,607	33.8%
6/30/09	3,104,798	2,758,511	346,287	88.8%	742,981	46.6%
6/30/10	3,309,065	2,946,408	362,657	89.0%	748,401	48.5%

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

YCH's Side Fund with CalPERS

YCH is a participant in the CalPERS 2% at 55 Risk Pool. At the time YCH joined the Risk Pool, a Side Fund was created to account for the difference between the funded status of the Risk Pool and the funded status of YCH's plan. As of June 30, 2013 and 2012, YCH's Side Fund had a negative balance of \$357,241 and \$354,093, respectively, which will cause YCH's required employer's contribution rate to be increased by the amortization of the Side Fund. CalPERS intends to amortize the negative balance in the Side Fund over the next 25 years.

Note 15 - Other Post-Employment Benefit Program (OPEB)

Plan Description

The OPEB provided by YCH is medical plan coverage. YCH offers its retired employees/commissioners health insurance through CalPERS. To be eligible for this benefit, the former employee/commissioner must be fifty years of age and have five years of credited service. The employee cannot terminate employment before meeting the age condition and be entitled to receive benefits. YCH's agreement with CalPERS essentially states that YCH will eventually be required to provide retiree medical benefits identical to that which it provides for active employees in the same plan at the same coverage. The plan provides for 100% of the medical premium for retired employees and spouses and 40% of the medical premium for retired commissioners and their spouses.

Eligibility

As of June 30, 2013, ten employees and one commissioner were eligible to receive these benefits. YCH had another 33 employees who are eligible for the program, but are not receiving benefits due to the fact that they are not retired from YCH as of June 30, 2013.

Requirements of GASB 45

GASB has mandated disclosure of other post employment benefit (OPEB) liabilities for all government employers. During the prior fiscal years, YCH had administered this program on a pay-as-you-go basis. Actual program costs were expensed in the period incurred. To comply with GASB 45, YCH received an actuarial report for the program which estimated the present value of the projected benefits of the OPEB program. The valuation date of YCH's most recent actuarial report was July 1, 2011. The actuarial report was performed by Bickmore Risk Services & Consulting.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Funding Policy

The goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned. The entry age normal cost method effectively meets this goal in most circumstances. YCH has adopted an entry age normal cost, pay-as-you-go, approach to the funding of its other post employment benefit (OPEB) liability. YCH makes 100% of the retired employees/commissioner medical premium payments to the healthcare benefit provider. YCH is reimbursed 60% of the premiums for the retired commissioner. During the current fiscal year, YCH made payments totaling \$90,422. During the year ended June 30, 2013, YCH funded \$90,422 of the OPEB liability. The difference between the actuarially determined OPEB annual required contribution and the actual amounts paid to the healthcare benefit provider on behalf of retirees for the current fiscal year has been allocated to all programs, based on the current retirees' allocation, and reported as a long-term liability of \$819,319.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Annual OPEB cost, net of OPEB Obligation and funding status as of June 30, 2013 is as follows:

Actuarial present value of projected benefits:	
Actives	\$ 2,671,613
Retirees	<u>1,065,438</u>
Total	<u>\$ 3,737,051</u>
Actuarial accrued liability (AAL):	
Actives	\$ 1,608,827
Retirees	<u>1,065,438</u>
AAL (all unfunded)	<u>\$ 2,674,265</u>
Annual required contribution (ARC):	
Normal costs	\$ 144,699
Amortization of unfunded AAL	149,221
Interest as of June 30, 2013	<u>22,044</u>
Total ARC (annual OPEB costs)	315,964
Adjustments due to change in funding policy	5,931
Contributions made	<u>(90,422)</u>
Increase in OPEB obligation	231,473
Net OPEB obligation, beginning of year	<u>587,846</u>
Net OPEB obligation, end of year	<u>\$ 819,319</u>
Covered payroll	<u>\$ 1,821,447</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The valuation date of YCH's most recent actuarial report was July 1, 2011. The funding method used was the entry age normal cost, level percent of pay. The plan has not been funded; but if it had, the market value of assets method would have been used to value the assets. The actuarial assumptions included a 7.5% discount rate for unfunded plans, salary increases assumed at 3.25% per year, and assumed increases for amortization of payments of 3.25% per year.

Note 16 - Deferred Compensation Plan

YCH offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, *State and Local Government Deferred Compensation Plans*. The plan is administered by the ICMA Retirement Corporation. The plan, available to all regular employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries.

As of June 30, 2013, the funds are being held by the ICMA Retirement Corporation on behalf of YCH's employees. These funds are not recorded as assets of YCH since they are held in trust for the exclusive benefit of participants and their beneficiaries and are not subject to claims of YCH's general creditors.

Note 17 - Risk Management

Worker's Compensation

YCH is a member of the California Housing Worker's Compensation Authority (CHWCA), which provides worker's compensation insurance. CHWCA provides employer liability coverage to its members, in the amount of \$500,000 each accident. CHWCA has purchased excess insurance coverage from \$1,000,000 to statutory, for all of its members.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

CHWCA is a joint powers authority consisting of 31 public housing authorities, housing commissions, and redevelopment agencies organized under a joint powers agreement to fund a self-insurance program for worker's compensation. Each member has equal representation on the Board of Directors. The Board elects a seven-member Executive Committee for a two-year term which has the responsibility for overseeing all operations of CHWCA. The Board of Directors has total responsibility for all actions of CHWCA.

Annual premiums and assessments are approved by the Board of Directors and are adjusted each year based on the following criteria:

- Each member's incurred losses;
- Each member's share of such losses and other expenses as a proportion of all members' such losses;
- Each member's contribution to reserves, including reserves for incurred but not reported losses; and
- Each member's share of costs to purchase excess insurance and any additional coverage.

If CHWCA is dissolved, the remaining assets, after all premiums and assessments have been paid and final disposition of all claims has been determined, will be distributed to members proportionate to each member's cash contributions made during the life of CHWCA. Until dissolution, however, no member has identifiable equity.

Property and Liability Insurance

YCH procured insurance beginning June 1, 2009 through the Housing Authority Insurance Group with the Housing Authority Risk Retention Group and Travelers. The limits for property and liability insurance are \$5 million for both YCH and the Dixon Housing Authority, with deductibles of \$25,000 per occurrence. The limits for automobile insurance are \$5 million for owned autos, \$1 million for non-owned hired autos, and \$1 million for uninsured motorist. The limit for employee benefit administration liability is \$1 million, with a deductible of \$1,000.

Note 18 - Economic Dependency

YCH receives the majority of its funding from HUD. HUD is subject to the federal budget allocation process each year. For the fiscal year ended June 30, 2013, YCH's budget included \$12,401,134 of estimated HUD funding. A reduction in funding from HUD could significantly change the services provided by YCH.

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Note 19 - Commitments and Contingencies

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

Note 20 - Blended Component Unit

YCH has one blended component unit, NHCDC. NHCDC is a nonprofit corporation created to develop affordable housing and community development based economic development ventures. NHCDC's primary business activity is the operation of the Cottonwood Meadows Senior Apartments. A summary of the financial statements of NHCDC as of June 30, 2013 which are included in the YCH financial statements is presented below:

Assets	
Current assets	\$ 264,993
Capital assets, net	1,347,385
Other assets	<u>21,552</u>
Total assets	<u><u>\$ 1,633,930</u></u>
Liabilities	
Current liabilities	\$ 55,076
Long term liabilities	<u>2,247,379</u>
Total liabilities	<u><u>\$ 2,302,455</u></u>
Net Position	
Net investment in capital assets	\$ (679,431)
Restricted	115,412
Unrestricted	<u>(104,506)</u>
Total net position	<u><u>\$ (668,525)</u></u>
Change in Net Position	
Revenues	\$ 397,461
Expenses	<u>(277,808)</u>
Change in net position	<u><u>\$ 119,653</u></u>

Yolo County Housing

Notes to Financial Statements - Continued

June 30, 2013

Note 21 - Other Matters

YCH is a co-general partner in one tax credit property known as Eleanor Roosevelt Circle. The YCH's ownership is .003% in the partnership and the other general partners are responsible for the partnership and its management. The majority of the project is owned by the limited partner, National Equity Fund, a tax credit syndicator.

NHCDC is a managing general partner in two tax credit partnerships known as Cesar Chavez Plaza and Rochdale Grange. NHCDC's ownership is .003% in each partnership and the other general partners are responsible for the partnership and its management. The majority of the project is owned by the limited partner tax credit investor.

Note 22 - Related Party Transactions

YCH received legal services from the County of Yolo, Office of the County Counsel services at a rate of \$12,500 per quarter. In addition to legal services, YCH also purchases from the County fleet maintenance/fuel and clerk services for Board meetings.

Note 23 - Subsequent Events

Management evaluated all activity of YCH through December 18, 2013 and concluded that no subsequent event has occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

Supplementary Information

Yolo County Housing

Combining Statement of Net Position - Enterprise Funds

June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
<u>Assets</u>					
Current assets					
Cash and cash equivalents	\$ 421,000	\$ 1,573,027	\$ 285,296	\$ -	\$ 2,279,323
Restricted cash and cash equivalents	12,066	420,197	1,384,647	-	1,816,910
Accounts receivable - tenant, net	516	11,150	4,838	-	16,504
Accounts receivable - other	16,648	-	7,089	-	23,737
Accounts receivable - funding source	-	11,093	287,604	-	298,697
Interprogram due from	-	692,240	1,026,970	(1,719,210)	-
Inventories, net	-	144,731	-	-	144,731
Prepaid items and other assets	98,990	10,074	22,527	-	131,591
Total current assets	549,220	2,862,512	3,018,971	(1,719,210)	4,711,493
Noncurrent assets					
Note receivable	254,325	-	-	(254,325)	-
Capital assets not being depreciated	286,268	3,255,038	730,362	-	4,271,668
Capital assets, net of accumulated depreciation	6,068,833	7,725,877	1,716,775	-	15,511,485
Other assets, net	148,931	-	21,552	-	170,483
Total noncurrent assets	6,758,357	10,980,915	2,468,689	(254,325)	19,953,636
Total assets	\$ 7,307,577	\$ 13,843,427	\$ 5,487,660	\$ (1,973,535)	\$ 24,665,129
Deferred outflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -

Yolo County Housing

Combining Statement of Net Position - Enterprise Funds - Continued

June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
<u>Liabilities</u>					
Current liabilities					
Accounts payable - vendors	\$ 176,582	\$ 32,059	\$ 11,794	\$ -	\$ 220,435
Accounts payable - funding source	-	-	1,258,861	-	1,258,861
Accrued compensated absences - current portion	15,889	15,543	6,169	-	37,601
Accrued interest payable	1,077	-	2,160	-	3,237
Accrued liabilities - other	32,568	1,207	212	-	33,987
Interprogram due to	1,662,872	49,185	7,153	(1,719,210)	-
Notes payable - current portion	103,225	-	35,472	-	138,697
Deposits payable	15,048	154,972	55,195	-	225,215
Unearned revenue	14,562	-	336,370	-	350,932
Other current liabilities	7,765	123,502	14,543	-	145,810
Total current liabilities	2,029,588	376,468	1,727,929	(1,719,210)	2,414,775
Non-current liabilities					
Accrued compensated absences - net of current portion	47,668	46,631	18,503	-	112,802
Notes payable - net of current portion	3,552,913	-	2,261,290	(254,325)	5,559,878
Family self sufficiency escrows	-	27,819	-	-	27,819
Other post-employment benefits	223,630	343,249	252,440	-	819,319
Other liabilities	-	-	331,269	-	331,269
Total liabilities	\$ 5,853,799	\$ 794,167	\$ 4,591,431	\$ (1,973,535)	\$ 9,265,862
Deferred inflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Net Position</u>					
Net investment in capital assets	2,697,886	10,980,915	402,540	-	14,081,341
Restricted	-	240,848	1,282,565	-	1,523,413
Unrestricted	(1,244,108)	1,827,497	(788,876)	-	(205,487)
Total net position	\$ 1,453,778	\$ 13,049,260	\$ 896,229	\$ -	\$ 15,399,267

Yolo County Housing

Combining Statement of Revenues, Expenses and Changes in Net Position - Enterprise Funds

Year Ended June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
Operating revenues					
Rental income	\$ 449,464	\$ 1,762,618	\$ 327,915	\$ -	\$ 2,539,997
Fee revenue	1,322,622	-	-	(1,322,622)	-
Other revenue	149,253	153,152	218,514	(96,539)	424,380
Total operating revenues	1,921,339	1,915,770	546,429	(1,419,161)	2,964,377
Operating expenses					
Administrative expenses	1,344,376	2,197,238	516,143	(1,419,161)	2,638,596
Tenant services	-	134,203	600	-	134,803
Maintenance	314,834	1,350,809	674,063	-	2,339,706
Utilities	141,925	493,438	401,784	-	1,037,147
General expenses	192,461	344,582	169,423	-	706,466
Housing assistance payments	-	11,761,825	-	-	11,761,825
Depreciation	253,216	674,190	64,009	-	991,415
Amortization	946	-	1,232	-	2,178
Total operating expenses	2,247,758	16,956,285	1,827,254	(1,419,161)	19,612,136
Net operating loss	(326,419)	(15,040,515)	(1,280,825)	-	(16,647,759)

Yolo County Housing

Combining Statement of Revenues, Expenses and Changes in Net Position - Enterprise Funds - Continued

Year Ended June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
Nonoperating revenues (expenses)					
Grant revenue	-	12,555,720	1,350,333	-	13,906,053
Interest income	651	4,549	1,635	-	6,835
Interest expense	<u>(130,767)</u>	<u>-</u>	<u>(201,330)</u>	<u>-</u>	<u>(332,097)</u>
Total nonoperating revenues	<u>(130,116)</u>	<u>12,560,269</u>	<u>1,150,638</u>	<u>-</u>	<u>13,580,791</u>
Change in net position before capital grants and transfers	(456,535)	(2,480,246)	(130,187)	-	(3,066,968)
Capital grants	<u>-</u>	<u>758,780</u>	<u>-</u>	<u>-</u>	<u>758,780</u>
Change in net position before transfers	<u>(456,535)</u>	<u>(1,721,466)</u>	<u>(130,187)</u>	<u>-</u>	<u>(2,308,188)</u>
Operating transfers in	300,770	458,010	-	-	758,780
Operating transfers out	<u>-</u>	<u>(758,780)</u>	<u>-</u>	<u>-</u>	<u>(758,780)</u>
Change in net position	(155,765)	(2,022,236)	(130,187)	-	(2,308,188)
Net position - beginning of year	<u>1,609,543</u>	<u>15,071,496</u>	<u>1,026,416</u>	<u>-</u>	<u>17,707,455</u>
Net position - end of year	<u>\$ 1,453,778</u>	<u>\$ 13,049,260</u>	<u>\$ 896,229</u>	<u>\$ -</u>	<u>\$ 15,399,267</u>

Yolo County Housing

Combining Statement of Cash Flows - Enterprise Funds

Year Ended June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
Cash flows from operating activities					
Cash received from tenants	\$ 414,924	\$ 1,761,525	\$ 325,885	\$ -	\$ 2,502,334
Other operating cash received	188,301	153,152	218,514	-	559,967
Cash payments for general and administrative expenses	(1,616,483)	(4,329,782)	(2,332,664)	1,322,622	(6,956,307)
Cash payments for housing assistance expenditures	-	(11,761,825)	-	-	(11,761,825)
Fees received from other funds	<u>1,322,622</u>	<u>-</u>	<u>-</u>	<u>(1,322,622)</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u>309,364</u>	<u>(14,176,930)</u>	<u>(1,788,265)</u>	<u>-</u>	<u>(15,655,831)</u>
Cash flows from capital and related financing activities					
Principal paid on notes payable	(229,711)	-	(33,316)	-	(263,027)
Financing fees paid	(117,511)	-	-	-	(117,511)
Cash received from capital grants	300,770	458,010	-	-	758,780
Acquisition and construction of capital assets	(48,369)	(108,833)	(130,141)	-	(287,343)
Interest paid	<u>(132,324)</u>	<u>-</u>	<u>(201,557)</u>	<u>-</u>	<u>(333,881)</u>
Net cash provided by (used for) capital and related financing activities	<u>(227,145)</u>	<u>349,177</u>	<u>(365,014)</u>	<u>-</u>	<u>(242,982)</u>

Yolo County Housing

Combining Statement of Cash Flows - Enterprise Funds - Continued

Year Ended June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
Cash flows from noncapital financing activities					
Cash received from operating subsidy	-	817,163	-	-	817,163
Cash received from Housing Choice Voucher program	-	11,738,557	-	-	11,738,557
Cash received from other grants	-	-	1,426,906	-	1,426,906
Net cash provided by noncapital financing activities	-	12,555,720	1,426,906	-	13,982,626
Cash flows from investing activities					
Interest income	651	4,549	1,635	-	6,835
Net cash provided by investing activities	651	4,549	1,635	-	6,835
Net increase (decrease) in cash and cash equivalents	82,870	(1,267,484)	(724,738)	-	(1,909,352)
Cash and cash equivalents					
Beginning of year	350,196	3,260,708	2,394,681	-	6,005,585
End of year	\$ 433,066	\$ 1,993,224	\$ 1,669,943	\$ -	\$ 4,096,233

Yolo County Housing

Combining Statement of Cash Flows - Enterprise Funds - Continued

Year Ended June 30, 2013

	<u>Business activities</u>	<u>Federal funds</u>	<u>State funds</u>	<u>Eliminations</u>	<u>Agency wide</u>
Reconciliation of operating loss to net cash provided by (used for) operating activities					
Operating loss	\$ (326,419)	\$ (15,040,515)	\$ (1,280,825)	\$ -	\$ (16,647,759)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:					
Depreciation and amortization	254,162	674,190	65,241	-	993,593
Capital assets written off	-	98,205	-	-	98,205
Changes in operating assets and liabilities:					
Decrease (increase) in assets:					
Tenant accounts receivable	(138)	(4,580)	(2,029)	-	(6,747)
Other receivables	37,986	3,487	15,395	-	56,868
Inventories	-	30,319	-	-	30,319
Prepaid items and other assets	(42,264)	2,742	1,178	-	(38,344)
Increase (decrease) in liabilities:					
Accounts payable	(361,988)	21,600	2,046	-	(338,342)
Accounts payable - funding sources	-	(7,779)	-	-	(7,779)
Other post-employment benefits	102,774	87,302	41,397	-	231,473
Accrued compensated absences	(8,295)	396	4,769	-	(3,130)
Deposits payable	464	13,476	6,192	-	20,132
Unearned revenue	(33,340)	-	(1)	-	(33,341)
Due to/from other funds	674,629	(57,936)	(616,693)	-	-
Other liabilities	11,793	2,163	(24,935)	-	(10,979)
Net cash provided by (used for) operating activities	<u>\$ 309,364</u>	<u>\$ (14,176,930)</u>	<u>\$ (1,788,265)</u>	<u>\$ -</u>	<u>\$ (15,655,831)</u>