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**FY2016 ANNUAL UPDATE TO THE FY2015-  
FY2019 FIVE-YEAR AGENCY PLAN**



**B. Annual Plan Elements**

**B.1 Revision of PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA since its last **Annual PHA Plan** submission?

Y N

Statement of Housing Needs and Strategy for Addressing Housing Needs.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.

Financial Resources.

Rent Determination.

Homeownership Programs.

Safety and Crime Prevention.

Pet Policy.

Substantial Deviation.

Significant Amendment/Modification

(b) The PHA must submit its Deconcentration Policy for Field Office Review.

(c) If the PHA answered yes for any element, describe the revisions for each element below:

The Financial Resources element has been revised to reflect expected revenue streams for FY2016. Please see ca044a01 for detailed information.

**B.2 New Activities.**

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

Hope VI or Choice Neighborhoods.

Mixed Finance Modernization or Development.

Demolition and/or Disposition.

Conversion of Public Housing to Tenant Based Assistance.

Conversion of Public Housing to Project-Based Assistance under RAD.

Project Based Vouchers.

Units with Approved Vacancies for Modernization.

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.

**B.3 Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year Plan.

Please see attachment ca044a01 for detailed information.

<p><b>B.4.</b></p>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe: The Audit for the Fiscal Year ending June 30, 2014 is included with the Agency Plan Annual Update as attachment ca044g01.</p>
<p><b>Other Document and/or Certification Requirements.</b></p>	
<p><b>C.1</b></p>	<p><b>Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan</b></p> <p><i>Form 50077-ST-HCV-HP, Certification of Compliance with PHA Plans and Related Regulations, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i></p>
<p><b>C.2</b></p>	<p><b>Civil Rights Certification.</b></p> <p><i>Form 50077-ST-HCV-HP, Certification of Compliance with PHA Plans and Related Regulations, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i></p>
<p><b>C.3</b></p>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N  <input type="checkbox"/> <input type="checkbox"/></p> <p>If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>Resident Advisory Board meetings will be held during the 45-notice period to receive feedback on the Plan. Any comments from these meetings will be included in the final copy of the Plan which will be submitted to HUD.</p>
<p><b>C.4</b></p>	<p><b>Certification by State or Local Officials.</b></p> <p><i>Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i></p>
<p><b>D Statement of Capital Improvements. Required in all years for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</b></p>	
<p><b>D.1</b></p>	<p><b>Capital Improvements.</b> Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>HUD approved the FY2015 Capital Fund Program 5-Year Action Plan on June 30, 2015. YCH will be submitting a CFP 5-Year Action Plan for FY2016 for HUD's approval. The FY2016 CFP 5-Year Plan will be available for review for a period of at least 45 days. A Public Hearing will also be held to give the public a chance to provide comments on the 5-Year Action Plan.</p>



# YOLO COUNTY HOUSING

## FY2016 ANNUAL UPDATE TO THE FY2015 – FY2019 FIVE-YEAR AGENCY PLAN

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**A. PHA Information**

**A.1 PHA Name:** Yolo County Housing  
**PHA Code:** CA044  
**PHA Type:** High Performing PHA  
**PHA Plan for Fiscal Year Beginning:** 07/2016  
**Public Housing Units:** 431  
**Housing Choice Vouchers:** 1,727  
**Total Combined Units/Vouchers:** 2,158  
**PHA Plan Submission Type:** Annual Plan

**Availability of Information**

The FY2016 Agency Plan Annual Update 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.

Supporting documents to the FY2016 Agency Plan Annual Update are also available for inspection at the Main Office.

A copy of the FY2016 Agency Plan Annual Update and supporting documents will remain available for inspection during the entire fiscal year.

## Introduction

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 2,760 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.

**B. Annual Plan Elements**

**B.1 Revision of PHA Plan Elements**

**Statement of Housing Needs and Strategy for Addressing 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.

<b>Housing Needs of Families in the Jurisdiction by Family Type</b>							
Family Type	Overall	Afford- ability	Supply	Quality	Access -ibility	Size	Loca- tion
Income <= 30% of AMI	6,600	5	5	5	3	4	4
Income >30% but <=50% of AMI	5,460	4	4	4	3	3	3
Income >50% but <80% of AMI	4,665	3	3	3	3	2	3
Elderly	2,445	3	3	3	4	2	3
Families with Disabilities	14,120	3	4	4	5	4	4
White	4,730	3	3	3	3	3	3
Black	450	3	3	3	3	3	3
Hispanic	3,425	3	3	3	3	3	3
Native American	119	3	3	3	3	3	3
Asian	2,180	3	3	3	3	3	3
Pacific Islander	28	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 2008 - 2012
- American Housing Survey data  
Indicate year:
- Other housing market study  
Indicate year:
- Other sources: (list and indicate year of information)

### **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

## **Deconcentration Policy and Other Policies that Govern Eligibility, Selection and Admissions**

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.
- 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	Yolano Homes and Donnelly Circle
City of West Sacramento	Riverbend Senior Manor I and II and Las Casitas
City of Winters	El Rio Villa I, II, III and IV
City of Yolo	Yolito
City of Knight's Landing	Ridegcut Homes
City of Esparto	Vista Montecito

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.

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.

### **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.
- 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.

## 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 2016.

<b>Funding Source</b>	<b>Amount</b>	<b>Use</b>
FY2016 PH Operating Fund	\$1,085,424	PH Operations
FY2016 Capital Fund Program	\$729,115	PH Modernization
FY2015 Capital Fund Program	\$342,483	PH Modernization
FY2014 Capital Fund Program	\$319,100	PH Modernization
FY2013 Capital Fund Program	\$39,138	PH Modernization
Housing Choice Voucher Program	\$11,133,372	HCV Operations
HCV Administrative Fees	\$1,064,233	HCV Operations
Public Housing Dwelling Rent	\$1,641,000	PH Operations
Interest	\$1,525	PH/HCV Operations
Other Income	\$42,874	PH Operations
<b>Total</b>	<b>\$16,398,264</b>	

*Note: The Capital Fund amounts for FY2015, FY2014 and FY2013 are the unobligated amounts as of 12/31/2015. The projected FY2016 CFP amount is based on the actual FY2015 amount received.*

## 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

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.

### **Homeownership Programs**

#### Public Housing

YCH does not currently operate a public housing homeownership program.

#### Section 8 Tenant Based Assistance

Yolo County Housing has established a Section 8 tenant-based homeownership option in Yolo County, USA, pursuant to the U.S. Department of Housing and Urban Development's (HUD) final rule dated October 12, 2000 and Section 555 of the Quality

Housing and Work Responsibility Act of 1998 under Section 8(y), Homeownership Option.

Any Section 8 eligible program participant who has been issued a Section 8 Housing Choice Voucher may utilize the subsidy to purchase rather than rent a home, subject to the following:

- 1) A family must meet the requirements for continued participation in the YCH Tenant-based HCV Program.
- 2) The homeownership option will be included in all Briefing and Re-Housing classes as well as media and community announcements. Current HCV participants must be in compliance with their lease and program requirements and must terminate their current lease arrangement in compliance with the lease.
- 3) A family in which the head of household or co-head has previously received assistance and has defaulted on a mortgage obtained through the Homeownership Option is barred from participation.
- 4) Participant families must be any of the following: “first-time homeowners,” in which no family member owned any present ownership interest in a residence of any family member in the last three years; residents of limited equity cooperatives; or, a family of which a member is a person with disabilities, and use of the Homeownership Option is needed as a reasonable accommodation. (Title to a mobile home is not considered as homeownership for purposes of this option.)
- 5) Participants in the HCV Homeownership Option must attend and satisfactorily complete the pre-purchase homeownership counseling program and be deemed to be “mortgage ready” before a homeownership voucher will be issued. Participants are also required to attend and complete post-purchase, ongoing homeownership counseling. At a minimum, the counseling will cover the following:
  - Home maintenance
  - Budgeting and money management
  - Credit counseling
  - Negotiating the purchase price of a home
  - Financing
  - Locating the home
  - De-concentration issues
  - Family must only purchase a home that passes HQS inspection and has been satisfactory according the independent inspection

- 6) The head of household and/or co-head must be currently employed on a fulltime basis (as defined by HUD to average 30 hours per week) and have been continuously so employed during the year before commencement of homeownership assistance. Families in which the head of household, spouse or co-head is disabled or elderly are exempted from this requirement. Families that include a person with disabilities may request an exemption as a reasonable accommodation.
- 7) The family's income must be equal to or exceed the HUD minimum income requirement, currently set at 2000 hours times the current Federal minimum wage or \$14,500. Welfare assistance will not be counted (used) for meeting the income requirement, except for households in which the head or co-head is elderly or disabled and for households that include a disabled person other than head or co-head. ("Welfare assistance" includes federal housing assistance or the housing component of a welfare grant; Jobs and Family Services assistance; SSI that is subject to an income eligibility test; food stamps; general assistance or other assistance provided under a federal, state or local program that provides assistance available to meet family living or housing expenses.)
- 8) Participants may be enrolled in the Family Self-Sufficiency (FSS) Program but are not required to do so for qualifying in the program. Participants enrolled in the FSS will have a preference over non-FSS families. Funds accumulated in the escrow account may be advanced for purchase of the home or home maintenance, subject to the guidelines of the FSS Program.
- 9) YCH requires the applicant for the program to be a current participant of Section 8 and must have been in the program for at least one year, and be a participant in good standing.

The full homeownership plan can be found in the Administrative Plan for the Housing Choice Voucher Program.

### **Safety and Crime Prevention**

Due to the diligence of YCH's staff, 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.

### **Pet Policy**

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.

### **Substantial Deviation**

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

### **Significant Amendment**

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.

## **B.2 New Activities**

### **Hope VI or Choice Neighborhoods**

At this time, there are no plans to submit an application for a Hope VI Grant in the upcoming Fiscal Year. YCH reserves the right to submit an application if circumstances change. The Plan will be amended accordingly.

### **Mixed Finance Modernization or Development**

At this time, there are no plans to submit an application for approval of a Mixed Finance Modernization or Development project in the upcoming Fiscal Year. YCH reserves the right to submit an application for approval if circumstances change. The Plan will be amended accordingly.

### **Demolition and/or Disposition**

At this time, there are no plans to submit a Demolition and/or Disposition Application to HUD for any of its public housing properties. YCH reserves the right to submit an application for if circumstances change. The Plan will be amended accordingly.

### **Conversion of Public Housing to Tenant-Based Assistance**

At this time, there are no plans to convert any Public Housing properties to Tenant-Based Assistance in the upcoming Fiscal Year. YCH reserves the right to submit an application for conversion if circumstances change. The Plan will be amended accordingly.

### **Conversion of Public Housing to Project-Based Assistance using RAD**

At this time, there are no plans to convert any Public Housing properties to Project-Based Assistance using Rental Assistance Demonstration (RAD) during the upcoming Fiscal Year. YCH reserves the right to submit an application for conversion if circumstances change. The Plan will be amended accordingly.

### **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. PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing. HAP contracts cannot be renewed or entered into if more than twenty (20%) of the base allocation is utilized for PBV. YCH is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available and/or authorized by HUD.

Currently, YCH uses approximately 5.7% (98 units) of the budget authority for project-based vouchers with contracts for periods of 10 years. The table below provides information on the apartment complexes which currently have project-based contracts with:

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
Esperanza Crossing	10	6/24/2013	Esparto
Cesar Chavez Plaza	10	11/8/2013	Davis

The implementation of project-based vouchers up to 20% of the Annual Budget Authority will increase the quality of affordable housing and expand housing opportunity to low-income families in Yolo County which is consistent with the Agency Plan's Goals and Objectives.

#### **Units with Approved Vacancies for Modernization**

At certain times, a PHA may have a need to request the approval from HUD for vacancies in which to complete significant modernization work. At this time, YCH does not have a need to request this approval from HUD. YCH reserves the right to request approval if a need should arise during the upcoming Fiscal Year.

#### **Other Capital Grant Programs**

Currently, YCH is not receiving funding through any other Capital Grant Programs such as the Capital Fund Facilities Grants or Emergency Safety and Security Grants. YCH reserves the right to apply for funding through these grants should they become available during the upcoming Fiscal Year.

### **B.3. Progress Report**

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

**Progress:** YCH restructured its' operations during 2014 in order to maintain a balanced operational budget. At this point, no additional cuts can be made without severely affecting delivery of services.

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

**Progress:** Through partnership with the Yolo County Transportation District, a new ADA accessible transit stop was installed at El Rio Villas.

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 EL Rio Villa I and II public housing developments located in Winters.

Capital funds for various years have been earmarked to complete both interior and exterior accessibility renovations to all public housing properties. Please see the FY2016 CFP Five-Year Plan.

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

**Progress:** The water usage at the El Rio Villa public housing properties was reduced by over 1,000,000 gallons year over year due to resident education and stringent enforcement of outdoor watering ordinances.

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

**Progress:** YCH has been honored by HUD for consistently maintaining a high occupancy rate above 95%.

**On-time rent collections are also consistently above 95%.**

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

**Progress: YCH received a score of 9 on the most recent Public Housing Assessment System (PHAS) and is considered a High Performing agency.**

- 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 2015. 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, 2015. This is the 6<sup>th</sup> 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 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:** On an as-needed basis, older computers are replaced with updated models.

YCH's enterprise software system was upgraded to a newer version during 2015 to better meet client needs and provide better data management for staff.

- 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 2015.

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

**Progress:** Funds from the Capital Fund Program have been earmarked to begin installation of individual water meters in 2017. Installation is expected to continue until 2020 as long as funds are available.

- 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 El Rio Villas office and community center in 2014. In 2015, YCH installed a small drought tolerant garden at its' new transportation hub at the El Rio Villas. 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:** YCH continues to pursue opportunities to provide internet access to all residents.

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

**Progress:** Information concerning YCH matters and other important news is posted to the Facebook page on an on-going basis. The page currently has 140 likes.

- 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 website on a regular basis.

- Move forward with additional elements of YCH’s “Welcome Home” strategy that are already outlined in the Five-Year 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 and has implemented the program at two additional sites (Las Casitas and Riverbend Manor). The Welcome Home packet provides 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 in 2014. 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 was completed in late 2015.

- 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. YCH has scheduled CPR and First Aid classes for staff and CAST members from five different public housing sites (El Rio Villas, Las Casitas, Riverbend, Yolano and Donnelly).

- 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.

YCH entered into a contract to provide grant management services to the City of Winters.

YCH entered into a contract with the State of California to provide technical assistance.

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.4 Most Recent Fiscal Year Audit**

The most recent Fiscal Year Audit covers FYE June 30, 2015. This Audit is in the process of being completed. When completed, a copy of the Audit will be available for review with the Agency Plan. Until that time, a copy of the June 30, 2014 Audit is available for review with the Agency Plan. There were no findings in that Audit.

**C. Other Documents and/or Certification Requirements**

**C.1 Certification of Compliance with PHA Plans and Related Regulations**

Form HUD-50077-ST-HCV-HP, PHA Certifications of Compliance with the PHA Plans and Related Regulations, will be submitted as an electronic attachment to the FY2016 Annual Plan. This Form will be signed by the Chair of the Housing Commission once the Plan is approved by the Board.

**C.2 Civil Rights Certification**

Form HUD-50077-ST-HCV-HP, PHA Certifications of Compliance with the PHA Plans and Related Regulations, will be submitted as an electronic attachment to the FY2016 Annual Plan. This Form will be signed by the Chair of the Housing Commission once the Plan is approved by the Board.

**C.3 Resident Advisory Board Comments**

During the 45-day Public Hearing notice period, YCH staff will meet with the Resident Advisory Board to discuss the FY2016 Agency Plan Annual Update. The Resident Advisory Board will be afforded the opportunity to make comments and provide feedback on the Plan. These comments will be incorporated into the version of the Plan which is submitted to HUD.

**C.4 Certification by State or Local Officials**

YCH has submitted Form HUD-50077 SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, to the appropriate local official for their signature. The signed form will be submitted to HUD as an electronic attachment to the FY2016 Annual Update.

**D. Statement of Capital Improvements**

**D.1 Capital Improvements**

The most recent Capital Fund Five-Year Action Plan was submitted with the FY2015 – FY2019 Five-Year Agency Plan and was approved by HUD on June 30, 2015.

The Capital Fund Five-Year Action Plan covering the years FY2016 – FY2020 will be discussed in the same Public Hearing as the FY2016 Agency Plan Annual Update. A copy of the FY2016 – FY2020 Capital Fund Five-Year Action Plan will be available for review during the 45-day Public Hearing notice period as well.

**FY2016 CAPITAL FUND PROGRAM ANNUAL  
STATEMENT AND FIVE-YEAR PLAN**

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 6/30/2017

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: CA30P04450116 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval: 2016
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:			
<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: )			
<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>
		Obligated	Expended
1	Total non-CFP Funds		
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>	\$145,806.00	
3	1408 Management Improvements	\$30,000.00	
4	1410 Administration (may not exceed 10% of line 21)	\$72,911.00	
5	1411 Audit		
6	1415 Liquidated Damages		
7	1430 Fees and Costs	\$40,000.00	
8	1440 Site Acquisition		
9	1450 Site Improvement	\$141,000.00	
10	1460 Dwelling Structures	\$85,000.00	
11	1465.1 Dwelling Equipment - Nonexpendable	\$1,500.00	
12	1470 Nondwelling Structures		
13	1475 Nondwelling Equipment	\$45,000.00	
14	1485 Demolition		
15	1492 Moving to Work Demonstration		
16	1495.1 Relocation Costs		
17	1499 Development Activities <sup>4</sup>		
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)	\$729,115.00	
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 II: Supporting Pages									
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450116 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2016			
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>		
	<b>Operations</b>								
PHA-Wide	Operations	1406	LS	\$145,823.00					
	<b>Subtotal 1406</b>			<b>\$145,823.00</b>					
	<b>Management Improvements</b>								
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	\$4,000.00					
PHA-Wide	Update computer software system and provide training	1408	LS	\$13,000.00					
	<b>Subtotal 1408</b>			<b>\$30,000.00</b>					

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 6/30/2017

Part II: Supporting Pages		Federal FY of Grant: 2016						
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450116 CFFP (Yes/No): Replacement Housing Factor Grant No:						
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Administration</b>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$72,911.00				
	<b>Subtotal 1410</b>			<b>\$72,911.00</b>				
	<b>Fees and Costs</b>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00				
PHA-Wide	Environmental Assessments	1430	LS	\$10,000.00				
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00				
	<b>Subtotal 1430</b>			<b>\$40,000.00</b>				
	<b>Site Improvements</b>							
AMP044000001	ADA site improvements at Knight's Landing	1450	LS	\$13,500.00				
AMP044000001	ADA site improvements at Yolito	1450	LS	\$13,500.00				
AMP044000003	ADA site improvements at Riverbend Manor I and II	1450	LS	\$84,000.00				
AMP044000003	ADA site improvements at Las Casitas	1450	LS	\$30,000.00				
	<b>Subtotal 1450</b>			<b>\$141,000.00</b>				

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report







**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**

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:
Development Number and Name	Work Statement for Year 1 FFY 2016	Work Statement for Year 2 FFY 2017	Work Statement for Year 3 FFY 2018	Work Statement for Year 4 FFY 2019	Work Statement for Year 5 FFY 2020	
A.	Physical Improvements Subtotal	\$284,383.00	\$260,483.00	\$290,483.00	\$290,483.00	
B.	Management Improvements	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00	
C.	PHA-Wide Non-dwelling Structures and Equipment	\$6,100.00	\$30,000.00	\$0.00	\$0.00	
D.	Administration	\$72,911.00	\$72,911.00	\$72,911.00	\$72,911.00	
E.	Other	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	
F.	Operations	\$145,823.00	\$145,823.00	\$145,823.00	\$145,823.00	
G.	Demolition	\$0.00	\$0.00	\$0.00	\$0.00	
H.	Development	\$0.00	\$0.00	\$0.00	\$0.00	
I.	Capital Fund Financing – Debt Service	\$167,898.00	\$167,898.00	\$167,898.00	\$167,898.00	
J.	Total CFP Funds	\$729,115.00	\$729,115.00	\$729,115.00	\$729,115.00	
K.	Total Non-CFP Funds	\$0.00	\$0.00	\$0.00	\$0.00	
L.	Grand Total	\$729,115.00	\$729,115.00	\$729,115.00	\$729,115.00	

**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)**

A.	Development Number and Name	Work Statement for Year 1 FFY 2016	Locality (Woodland/Yolo Co., California)				Original 5-Year Plan		Revision No:
			Work Statement for Year 2 FFY 2017	Work Statement for Year 3 FFY 2018	Work Statement for Year 4 FFY 2019	Work Statement for Year 5 FFY 2020			
	PHA-Wide	Annual Statement	\$438,632.00	\$438,632.00	\$438,632.00	\$438,632.00			
	CA044001 Yolano Homes		\$8,100.00	\$49,960.00	\$0.00	\$0.00	\$22,000.00		
	CA044002 El Rio Villa I		\$47,500.00	\$0.00	\$0.00	\$0.00	\$0.00		
	CA044004 Vista Montecito		\$3,600.00	\$0.00	\$12,000.00	\$22,000.00	\$0.00		
	CA044005 Ridge Cut Homes		\$2,900.00	\$0.00	\$7,500.00	\$22,233.00	\$0.00		
	CA044006 Yolito		\$43,700.00	\$0.00	\$51,500.00	\$0.00	\$0.00		
	CA044007 Donnelly Circle		\$14,200.00	\$0.00	\$0.00	\$76,000.00	\$0.00		
	CA044008 El Rio Villa II		\$44,500.00	\$0.00	\$0.00	\$0.00	\$0.00		
	CA044015 Riverbend Sr. Manor I		\$9,100.00	\$240,523.00	\$87,483.00	\$51,250.00	\$0.00		
	CA044017 Riverbend Sr. Manor II		\$2,300.00	\$0.00	\$132,000.00	\$40,000.00	\$0.00		
	CA044018 El Rio Villa III		\$62,500.00	\$0.00	\$0.00	\$0.00	\$0.00		
	CA044025 El Rio Villa IV		\$50,883.00	\$0.00	\$0.00	\$0.00	\$0.00		
	CA044028 Las Castas		\$1,200.00	\$0.00	\$0.00	\$57,000.00	\$0.00		

**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 II: Supporting Pages – Physical Needs Work Statement(s)**

Work Statement for Year 1 FFY 2016	Work Statement for Year 2 FFY 2017			Work Statement for Year 3 FFY 2018		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
	<b>Operations/PHA-Wide</b>			<b>Operations/PHA-Wide</b>		
	Operations	LS	\$145,823.00	Operations	LS	\$145,823.00
	<b>Subtotal 1406</b>		<b>\$145,823.00</b>	<b>Subtotal 1406</b>		<b>\$145,823.00</b>
	<b>Management Improvements/PHA-Wide</b>			<b>Management Improvements/PHA-Wide</b>		
	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	\$4,000.00	Update Utility Allowances	LS	\$4,000.00
	Update Computer Software and Training	LS	\$5,000.00	Update Computer Software and Training	LS	\$5,000.00
	<b>Subtotal 1408</b>		<b>\$22,000.00</b>	<b>Subtotal 1408</b>		<b>\$22,000.00</b>
	<b>Administration/PHA-Wide</b>			<b>Administration/PHA-Wide</b>		
	Administrative costs related to the CFP	LS	\$72,911.00	Administrative costs related to the CFP	LS	\$72,911.00
	<b>Subtotal 1410</b>		<b>\$72,911.00</b>	<b>Subtotal 1410</b>		<b>\$72,911.00</b>
	<b>Fees and Costs/PHA-Wide</b>			<b>Fees and Costs/PHA-Wide</b>		
	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
	<b>Subtotal 1430</b>		<b>\$30,000.00</b>	<b>Subtotal 1430</b>		<b>\$30,000.00</b>
	<b>Subtotal of Estimated Cost</b>		<b>See Next Page</b>	<b>Subtotal of Estimated Cost</b>		<b>See Next Page</b>

**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

Work Statement for Year 1 FFY 2016	Work Statement for Year 2 FFY 2017			Work Statement for Year 3 FFY 2018		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
<b>Site Improvements</b>						
Upgrade sewer lift station at Yolito	LS	\$40,000.00		<b>Site Improvements</b>		
Install individual water meters at El Rio Villa I	30	\$22,500.00		Install individual water meters at Yolano Drive	60	\$49,960.00
Install individual water meters at El Rio Villa II	26	\$19,500.00		<b>Subtotal 1450</b>		<b>\$49,960.00</b>
Install individual water meters at El Rio Villa III	50	\$37,500.00		<b>Dwelling Structures</b>		
Install individual water meters at El Rio Villa IV	18	\$14,360.00		Replace HVAC systems at Riverbend Sr. Manor I	39 each	\$210,523.00
<b>Subtotal 1450</b>		<b>\$133,860.00</b>		<b>Subtotal 1460</b>		<b>\$210,523.00</b>
<b>Dwelling Structures</b>				<b>Non-Dwelling Structures</b>		
ADA improvements at Yolano	LS	\$8,100.00		Replace community room and office roofing at Riverbend Sr. Manor I	8,124 SF	\$30,000.00
ADA improvements at Knight's Landing	LS	\$2,900.00		<b>Subtotal 1470</b>		<b>\$30,000.00</b>
ADA improvements at Yolito	LS	\$3,700.00		<b>Collateralization of Debt Service/PHA-Wide</b>		
ADA improvements at Donnelly Circle	LS	\$10,400.00		Repayment of CFFP	LS	\$167,898.00
ADA improvements at Esparto	LS	\$3,600.00		<b>Subtotal 1501</b>		<b>\$167,898.00</b>
ADA improvements at Riverbend Sr. Manor I and II	LS	\$9,100.00				
ADA improvements at Las Casitas	LS	\$1,200.00				
ADA improvements at El Rio Villa I	LS	\$25,000.00				
ADA improvements at El Rio Villa II	LS	\$25,000.00				
ADA improvements at El Rio Villa III	LS	\$25,000.00				
ADA improvements at El Rio Villa IV	LS	\$36,523.00				
<b>Subtotal 1460</b>		<b>\$150,523.00</b>				
<b>Subtotal of Estimated Cost</b>		<b>See Next Page</b>		<b>Subtotal of Estimated Cost</b>		<b>\$729,115.00</b>



**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

Work Statement for Year 1 FFY 2016	Work Statement for Year 4 FFY 2019			Work Statement for Year 5 FFY 2020		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
	<b>Operations/PHA-Wide</b>			<b>Operations/PHA-Wide</b>		
	Operations	LS	\$145,823.00	Operations	LS	\$145,823.00
	<b>Subtotal 1406</b>		<b>\$145,823.00</b>	<b>Subtotal 1406</b>		<b>\$145,823.00</b>
	<b>Management Improvements/PHA-Wide</b>			<b>Management Improvements/PHA-Wide</b>		
	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	\$4,000.00	Update Utility Allowances	LS	\$4,000.00
	Update Computer Software and Training	LS	\$5,000.00	Update Computer Software and Training	LS	\$5,000.00
	<b>Subtotal 1408</b>		<b>\$22,000.00</b>	<b>Subtotal 1408</b>		<b>\$22,000.00</b>
	<b>Administration/PHA-Wide</b>			<b>Administration/PHA-Wide</b>		
	Administrative costs related to the CFP	LS	\$72,911.00	Administrative costs related to the CFP	LS	\$72,911.00
	<b>Subtotal 1410</b>		<b>\$72,911.00</b>	<b>Subtotal 1410</b>		<b>\$72,911.00</b>
	<b>Fees and Costs/PHA-Wide</b>			<b>Fees and Costs/PHA-Wide</b>		
	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
	<b>Subtotal 1430</b>		<b>\$30,000.00</b>	<b>Subtotal 1430</b>		<b>\$30,000.00</b>
	<b>Site Improvements</b>			<b>Site Improvements</b>		
	Install individual water meters at Yolito	10	\$7,500.00	Install individual water meters at Donnelly Cir.	72	\$54,000.00
	Install individual water meters at Knight's Landing	10	\$7,500.00	Install individual water meters at RBM I	39	\$29,250.00
	Install individual water meters at Esparto	16	\$12,000.00	Install individual water meters at RBM II	24	\$18,000.00
	<b>Subtotal 1450</b>		<b>\$27,000.00</b>	Install individual water meters at Las Casitas	76	\$57,000.00
	<b>Subtotal of Estimated Cost</b>		<b>See Next Page</b>	<b>Subtotal of Estimated Cost</b>		<b>See Next Page</b>
				<b>Subtotal of Estimated Cost</b>		<b>\$158,250.00</b>
						<b>See Next Page</b>



**FY2015 CAPITAL FUND PROGRAM  
PERFORMANCE & EVALUATION REPORT**

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: CA30P04450115 Replacement Housing Factor		FFY of Grant: 2015
PHA Name: Yolo County Housing		Grant No: Date of CFFP:		FFY of Grant Approval: 2015
Type of Grant		<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2015		
<input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2015		<input type="checkbox"/> Revised Annual Statement (revision no: 1) <input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>	Obligated
				Expended
1	Total non-CFP Funds			
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>	\$145,823.00		\$145,823.00
3	1408 Management Improvements	\$30,000.00		\$30,000.00
4	1410 Administration (may not exceed 10% of line 21)	\$72,911.00		\$72,911.00
5	1411 Audit			
6	1415 Liquidated Damages			
7	1430 Fees and Costs	\$30,000.00		\$30,000.00
8	1440 Site Acquisition			
9	1450 Site Improvement	\$272,483.00		\$272,483.00
10	1460 Dwelling Structures	\$0.00		\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$10,000.00		\$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 <sup>4</sup>			
18a	1501 Collateralization or Debt Service paid by the PHA			
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment	\$167,898.00		\$167,898.00
19	1502 Contingency (may not exceed 8% of line 20)			
20	Amount of Annual Grant: (sum of line 2, 19)	\$729,115.00		\$386,632.00
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			



Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 6/30/2017

Part II: Supporting Pages		Grant Type and Number		Federal FY of Grant: 2015		
PHA Name: Yolo County Housing		Capital Fund Program Grant No: CA30P04450115 CFFP (Yes/No):				
		Replacement Housing Factor Grant No:				
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Status of Work
				Original	Revised <sup>1</sup>	
				Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Operations</b>					
PHA-Wide	Operations	1406	LS	\$145,823.00	\$0.00	
	<b>Subtotal 1406</b>			<b>\$145,823.00</b>	<b>\$0.00</b>	
	<b>Management Improvements</b>					
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$7,500.00	\$0.00	
PHA-Wide	Resident Training	1408	LS	\$500.00	\$0.00	
PHA-Wide	Develop 5-Year Agency Plan/Update Policies	1408	LS	\$5,000.00	\$0.00	
PHA-Wide	Update Utility Allowances	1408	LS	\$4,000.00	\$0.00	
PHA-Wide	Update computer software system and provide training	1408	LS	\$13,000.00	\$0.00	
	<b>Subtotal 1408</b>			<b>\$30,000.00</b>	<b>\$0.00</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

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

Part II: Supporting Pages		Grant Type and Number		Federal FY of Grant: 2015				
PHA Name: Yolo County Housing		Capital Fund Program Grant No: CA30P04450115 CFFP (Yes/No):						
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Administration</b>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$72,911.00		\$72,911.00	\$72,911.00	
	<b>Subtotal 1410</b>			<b>\$72,911.00</b>		<b>\$72,911.00</b>	<b>\$72,911.00</b>	
	<b>Fees and Costs</b>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00		\$0.00	\$0.00	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00		\$0.00	\$0.00	
	<b>Subtotal 1430</b>			<b>\$30,000.00</b>		<b>\$0.00</b>	<b>\$0.00</b>	
	<b>Site Improvements</b>							
AMP044000002	Replace water well systems at El Rio Villa properties (Phase 2)	1450	2	\$272,483.00		\$0.00	\$0.00	
AMP044000001	ADA site improvements at Knight's Landing	1450	LS	\$0.00		\$0.00	\$0.00	
AMP044000001	ADA site improvements at Yolito	1450	LS	\$0.00		\$0.00	\$0.00	
AMP044000003	ADA site improvements at Riverbend Manor I and II	1450	LS	\$0.00		\$0.00	\$0.00	
AMP044000003	ADA site improvements at Las Casitas	1450	LS	\$0.00		\$0.00	\$0.00	
	<b>Subtotal 1450</b>			<b>\$272,483.00</b>		<b>\$0.00</b>	<b>\$0.00</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement  
<sup>2</sup> To be completed for the Performance and Evaluation Report





**FY2014 CAPITAL FUND PROGRAM  
PERFORMANCE & EVALUATION REPORT**

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: CA30P04450114 Replacement Housing Factor	FFY of Grant: 2014
PHA Name: Yolo County Housing		Grant No: Date of CFFP:	FFY of Grant Approval: 2014
Type of Grant	<input type="checkbox"/> Reserve for Disasters/Emergencies	<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 4)	
<input checked="" type="checkbox"/> Original Annual Statement	<input type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2015	<input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost <sup>1</sup>
		Original	Revised <sup>2</sup>
		Obligated	Expended
1	Total non-CFP Funds		
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>	\$147,472.00	\$147,472.00
3	1408 Management Improvements	\$49,500.00	\$5,373.59
4	1410 Administration (may not exceed 10% of line 21)	\$71,060.00	\$71,060.00
5	1411 Audit		
6	1415 Liquidated Damages		
7	1430 Fees and Costs	\$30,000.00	\$2,100.00
8	1440 Site Acquisition		
9	1450 Site Improvement	\$250,673.00	\$0.00
10	1460 Dwelling Structures	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$13,257.00	\$18,696.94
12	1470 Nondwelling Structures		
13	1475 Nondwelling Equipment	\$7,500.00	\$5,657.93
14	1485 Demolition		
15	1492 Moving to Work Demonstration		
16	1495.1 Relocation Costs		
17	1499 Development Activities <sup>4</sup>		
18a	1501 Collateralization or Debt Service paid by the PHA	\$167,898.00	\$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	\$418,258.46
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		





Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 6/30/2017

Part II: Supporting Pages		Grant Type and Number		Federal FY of Grant: 2014				
PHA Name: Yolo County Housing		Capital Fund Program Grant No: CA30P04450114 CFFP (Yes/No):						
		Replacement Housing Factor Grant No:						
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Administration</b>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$71,060.00	\$71,060.00	\$71,060.00	\$71,060.00	
	<b>Subtotal 1410</b>			<b>\$71,060.00</b>	<b>\$71,060.00</b>	<b>\$71,060.00</b>	<b>\$71,060.00</b>	
	<b>Fees and Costs</b>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00	\$25,000.00	\$0.00	\$0.00	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00	\$5,000.00	\$2,100.00	\$2,100.00	
	<b>Subtotal 1430</b>			<b>\$30,000.00</b>	<b>\$30,000.00</b>	<b>\$2,100.00</b>	<b>\$2,100.00</b>	
	<b>Site Improvements</b>							
AMP044000001	ADA site improvements at Knight's Landing	1450	LS	\$0.00	\$0.00	\$0.00	\$0.00	
AMP044000001	ADA site improvements at Yolito	1450	LS	\$0.00	\$0.00	\$0.00	\$0.00	
AMP044000003	ADA site improvements at El Rio Villa III	1450	LS	\$0.00	\$5,000.00	\$0.00	\$0.00	
AMP044000003	Parking and road improvements at El Rio Villa III	1450	LS	\$0.00	\$45,000.00	\$0.00	\$0.00	
AMP044000003	ADA site improvements at El Rio Villa IV	1450	LS	\$0.00	\$5,000.00	\$0.00	\$0.00	
	<b>(continued on next page)</b>							

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report  
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 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
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Part II: Supporting Pages		Federal FY of Grant: 2014						
PHA Name: Yolo County Housing		Grant Type and Number Capital Fund Program Grant No: CA30P04450114 CFFP (Yes/No): Replacement Housing Factor Grant No:						
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Site Improvements (cont.)</b>							
AMP044000003	Parking and road improvements at El Rio Villa IV	1450	LS	\$0.00	\$45,000.00	\$0.00	\$0.00	
AMP044000002	Emergency repairs at east water well	14520	LS	\$76,000.00	\$76,000.00	\$0.00	\$0.00	
AMP044000002	Replace water well systems at El Rio Villa properties (Phase 1)	1450	2	\$174,623.00	\$74,623.00	\$0.00	\$0.00	
	<b>Subtotal 1430</b>			<b>\$250,623.00</b>	<b>\$250,623.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
	<b>Dwelling Equipment</b>							
PHA-Wide	Replace appliances	1465.1	30	\$13,257.00	\$13,257.00	\$18,696.94	\$18,696.94	
	<b>Subtotal 1465.1</b>			<b>\$13,257.00</b>	<b>\$13,257.00</b>	<b>\$18,696.94</b>	<b>\$18,696.94</b>	
	<b>Non-Dwelling Equipment</b>							
PHA-Wide	Computer and equipment upgrades	1475	LS	\$7,500.00	\$7,500.00	\$5,657.93	\$5,657.93	
	<b>Subtotal 1501</b>			<b>\$7,500.00</b>	<b>\$7,500.00</b>	<b>\$5,657.93</b>	<b>\$5,657.93</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement  
<sup>2</sup> To be completed for the Performance and Evaluation Report





**FY2013 CAPITAL FUND PROGRAM  
PERFORMANCE & EVALUATION REPORT**

Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

Part I: Summary		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"/> Performance and Evaluation Report for Period Ending: 12/31/2015 <input type="checkbox"/> Final Performance and Evaluation Report					
Summary by Development Account		Total Estimated Cost		Total Actual Cost <sup>1</sup>	
Line		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>	\$142,120.00		\$142,120.00	\$142,120.00
3	1408 Management Improvements	\$68,500.00		\$29,364.30	\$29,364.30
4	1410 Administration (may not exceed 10% of line 21)	\$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	\$29,546.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$166,640.83		\$166,640.83	\$166,640.83
10	1460 Dwelling Structures	\$0.00		\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$32,350.17		\$32,350.17	\$7,500.00
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 <sup>4</sup>				
18a	1501 Collateralization or Debt Service paid by the PHA	\$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		\$671,465.30	\$624,161.13
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				



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

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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>		
	<b>Operations</b>								
PHA-Wide	Operations	1406	LS	\$142,120.00		\$142,120.00	\$142,120.00		
	<b>Subtotal 1406</b>						<b>\$142,120.00</b>		
	<b>Management Improvements</b>								
PHA-Wide	Resident Services Coordinator	1408	I	\$0.00		\$0.00	\$0.00		
PHA-Wide	Resident Services Coordinator Assistants	1408	I	\$43,000.00		\$0.00	\$0.00		
PHA-Wide	PHA Staff/Commissioner Training	1408	LS	\$5,000.00		\$10,358.68	\$10,358.68		
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		\$5,366.25	\$5,366.25		
PHA-Wide	Update Utility Allowances	1408	LS	\$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		\$13,639.37	\$13,639.37		
	<b>Subtotal 1408</b>						<b>\$29,364.30</b>		
							<b>\$29,364.30</b>		

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
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Part II: Supporting Pages		Grant Type and Number		Federal FY of Grant: 2013				
PHA Name: Yolo County Housing		Capital Fund Program Grant No: CA30P04450113 CFFP (Yes/No):						
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 <sup>1</sup>	Funds Obligated <sup>2</sup>	Funds Expended <sup>2</sup>	
	<b>Administration</b>							
PHA-Wide	Administrative costs related to the CFP	1410	LS	\$71,060.00		\$71,060.00	\$71,060.00	
	<b>Subtotal 1410</b>			<b>\$71,060.00</b>		<b>\$71,060.00</b>	<b>\$71,060.00</b>	
	<b>Fees and Costs</b>							
PHA-Wide	A&E Design Fee	1430	LS	\$25,000.00		\$25,000.00	\$17,436.00	
PHA-Wide	Capital Fund Program Update Fee	1430	LS	\$5,000.00		\$5,000.00	\$3,775.00	
PHA-Wide	Physical Needs Assessment	1430	LS	\$13,500.00		\$13,500.00	\$8,335.00	
PHA-Wide	Energy Audit	1430	LS	\$8,500.00		\$8,500.00	\$0.00	
	<b>Subtotal 1430</b>			<b>\$52,000.00</b>		<b>\$52,000.00</b>	<b>\$29,546.00</b>	
	<b>Site Improvements</b>							
AMP 2	Site improvements related to ADA compliance at CA044-4 (Phase 2)	1450	LS	\$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	\$34,640.83		\$34,640.83	\$34,640.83	
AMP 2	Resurface roads at CA044-02 (Phase 3)	1450	LS	\$60,000.00		\$60,000.00	\$60,000.00	
AMP 2	Resurface roads at CA044-08 (Phase 3)	1450	LS	\$60,000.00		\$60,000.00	\$60,000.00	
	<b>Subtotal 1450</b>			<b>\$166,640.83</b>		<b>\$166,640.83</b>	<b>\$166,640.83</b>	

<sup>1</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement

<sup>2</sup> To be completed for the Performance and Evaluation Report





**INDEPENDENT AUDITOR'S REPORT AND  
BASIC FINANCIAL STATEMENTS**

**Yolo County Housing**

**Single Audit Reports**

**June 30, 2014**

# Yolo County Housing

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Independent Auditor's Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

To the Housing Commission  
Yolo County Housing

We have audited, 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, the 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, which comprise the statement of net position as of June 30, 2014, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 11, 2015.

#### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered YCH's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YCH's internal control. Accordingly, we do not express an opinion on the effectiveness of YCH's internal control.

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Yolo County Housing's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions and requirements was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of YCH's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YCH's internal control and compliance. Accordingly, this communication is not suited for any other purpose.

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Sacramento, California  
February 11, 2015

Independent Auditor's Report on Compliance For Each Major Program and on  
Internal Control over Compliance Required by OMB Circular A-133, and  
Schedule of Expenditures of Federal Awards

To the Housing Commission  
Yolo County Housing

Report on Compliance with Each Major Federal Program

We have audited Yolo County Housing ("YCH")'s compliance with the types of compliance requirements described in the *Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement* that could have a direct and material effect on each of YCH's major federal programs for the year ended June 30, 2014. YCH's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

*Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs.

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of YCH's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YCH's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of YCH's compliance.

### *Basis for Qualified Opinion*

As described in item 2014-1 in the accompanying Schedule of Findings and Questioned Costs (which finding was originally identified in 2010 as item 2010-4), the issue of questionable balances in the interprogram accounts has not yet been fully resolved by YCH and as of June 30, 2014, YCH's Asset Management Projects have a net inter-fund receivable of \$363,794 within the program under CFDA No. 14.850 - Public and Indian Housing. In our opinion, such resolution is necessary to comply with the requirements applicable to that program.

### *Qualified Opinion on CFDA No. 14.850 - Public and Indian Housing*

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, YCH complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Public and Indian Housing Program for the year ended June 30, 2014.

### *Unmodified Opinion on Each of the Other Major Programs*

In our opinion, YCH complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2014.

### *Other Matters*

YCH's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. YCH's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### *Report on Internal Control over Compliance*

Management of YCH is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered YCH's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YCH's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist

that were not identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2014-1 to be a material weakness.

YCH's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. YCH's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

#### Schedule of Expenditures of Federal Awards

We have audited, 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, the financial statements of Yolo County Housing which comprise the statement of net position as of June 30, 2014, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 11, 2015. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in

the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

This report on the Schedule of Expenditures of Federal Awards is intended solely for the information and use of the Housing Commission and YCH management, and federal awarding agencies and pass-through entities, and is not suitable for any other purpose.

*CohnReznick LLP*

Sacramento, California  
February 11, 2015

**Yolo County Housing**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2014**

<u>Federal Grantor / Passthrough Grantor Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures Amount</u>
<i>Direct Programs</i>			
U.S. Department of Housing and Urban Development			
Public and Indian Housing	14.850 (1)	n/a	<u>\$ 975,283</u>
Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871 (1)	n/a	<u>12,351,967</u>
Sub Total - Housing Voucher Cluster			<u>12,351,967</u>
Capital Fund Cluster			
Public Housing Capital Fund	14.872 (1)	n/a	<u>1,234,986</u>
Sub Total - Capital Fund Cluster			<u>1,234,986</u>
Resident Opportunity and Supportive Services	14.870	n/a	<u>46,746</u>
Sub Total - Direct Programs			<u>14,608,982</u>
Total - federal awards			<u><u>\$ 14,608,982</u></u>

(1) Audited as major programs

See Notes to Schedule of Expenditures of Federal Awards.

## **Yolo County Housing**

### **Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2014**

#### **Note 1 - Reporting Entity**

Yolo County Housing ("YCH") 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.

#### **Note 2 - Summary of Significant Accounting Policies**

##### **Basis of Accounting**

The expenditures included in the Schedule of Expenditures of Federal Awards (the Schedule) were reported under the accrual basis of accounting.

##### **Schedule of Expenditures of Federal Awards**

The Schedule summarizes the expenditures of YCH under the programs of the federal government for the year ended June 30, 2014. Award amounts may represent multi-year awards while the expenditures represent current year expenditures only.

The Schedule presents only the expenditures incurred by YCH that are reimbursable under federal programs of federal agencies providing financial assistance. For the purpose of the Schedule, financial assistance includes both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by YCH from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the Schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the Schedule.

The Schedule was prepared from only the accounts of the grant programs and, therefore does not represent the financial position or results of operations of YCH.

## Yolo County Housing

### Schedule of Findings and Questioned Costs June 30, 2014

#### A. Summary Of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Yolo County Housing.
2. No significant deficiencies or material weaknesses related to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Yolo County Housing were noted during the audit.
4. A material weakness related to the audit of a major federal award program was disclosed in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133. No significant deficiencies were reported.
5. The auditor's report on compliance for the major federal award programs for Yolo County Housing expresses a qualified opinion for CFDA No. 14.850 and unmodified opinion for the other major federal programs.
6. There is one audit finding still open relative to the major federal award programs for Yolo County Housing.
7. The programs tested as major programs include:

Major Programs	Federal CFDA Number	Federal Expenditures Amount
Public and Indian Housing	14.850	\$ 975,283
Section 8 Housing Choice Vouchers	14.871	12,351,967
Public Housing Capital Fund	14.872	1,234,986
Total Major Program Expenditures		\$ 14,562,236
Total Federal Award Expenditures		\$ 14,608,982
Percentage of total federal award expenditures		99.7%

8. The threshold for distinguishing Type A and B programs was \$438,269.
9. Yolo County Housing does not qualify as a low-risk auditee.

## Yolo County Housing

### Schedule of Findings and Questioned Costs June 30, 2014

#### B. Findings - Financial Statements Audit

- None reported

#### C. Findings And Questioned Costs - Major Federal Award Programs Audit

##### 2014-1 Interprogram Accounts Review (CFDA #14.850)

**Criteria** - The U.S. Department of Housing and Urban Development's ("HUD") regulations state that funds advanced should be properly documented to avoid misuse of the funds of any Asset Management Project ("AMPs"). The funds of each of the AMPs should remain in the AMP until a determination is made as to the amounts that can be withdrawn or transferred to other AMPs.

**Condition** - In prior years, the AMPs advanced funds to the Central Office Cost Center ("COCC") and as of June 30, 2014, the AMPs collectively had a net outstanding receivable from the COCC of \$363,794. This amount decreased as compared to prior year mainly due to the transfer to the AMPs of the costs associated with the Maintenance Shop from the COCC.

**Questioned Costs** - \$363,794

**Cause** - Proper accounting was not maintained in the prior years for the inter-fund accounts. A monthly reconciliation was not done to ensure that the inter-fund account balances between the AMPs and the COCC are properly supported and documented.

**Effect** - A material weakness in internal control over compliance existed as federal funds were inadvertently being loaned from the AMPs to the COCC.

**Recommendation** - We recommend that YCH continues its improved internal controls to ensure that the inter-company accounts are properly monitored and the due to/due from are adequately documented to clearly show compliance with HUD regulations. The entire amount due of \$363,794 originated from prior years. While management made a great effort in paying down the balance from a high of \$1,582,716 on June 30, 2010 to a low of \$363,794 at June 30, 2014, management should continue to investigate the reasons for the remaining balance to determine the best approach to cure the deficit.

**Views of Responsible Officials:** YCH agrees with this finding and continues to research the underlying causes. YCH believes that the primary cause has been identified and will establish a satisfactory cure.

## **Yolo County Housing**

### **Status of Prior Audit Findings June 30, 2014**

The previous audit report for the year ended June 30, 2013 contained the following audit finding. A description of the prior year audit finding and its status are as follows:

#### **Section III - Major Federal Award Programs Findings**

##### **III-2013-1 Intercompany Accounts Review (CFDA #14.850)**

The prior audit included a material weakness in controls over the maintenance of the intercompany accounts. This finding continues to exist. See finding 2014-1.

## Yolo County Housing

### Management Corrective Action Plan June 30, 2014

#### 2014-1 Interprogram Accounts Review (CFDA #14.850)

Date of Implementation: June 30, 2014

Responsible Officer: James Gillette, Director of Finance

Contact Information: Telephone: 530-669-2222. Email: jgillette@ych.ca.gov

#### Action Plan:

- A. YCH agrees that there are questionable balances in the interprogram accounts.
- B. After the 2010 and 2011 audits identified this problem:
  - YCH hired an expert in our TenMast software to help identify the source of these balances.
  - A concerted effort was made to reduce the outstanding balances via corrections to historical activity that was found to be questionable and purposeful reduction of appropriate transfers from the AMPs and HCV to the central accounts payable account.
  - Documentation is prepared and retained prior to every transfer between programs and the COCC's central accounts payable account.
  - This resulted in 2010-2011 in the elimination of finding 2010-5 related to the HCV interfund balance and a more than 50% reduction in the interfund balance between the LIPH program and COCC.
  - A further reduction was achieved during the 2011-12 year; and,
  - As part of its continuing efforts to resolve this issue, YCH discovered during 2013-2014 fiscal year that \$574,093 of construction costs related to the build out of the maintenance shop for use by the AMPs in the administration building had been paid for by the AMPs, but the related building improvement asset had not previously been transferred to the AMP balance sheets. This has now been corrected.
- C. This is a continuation of findings since 2010 (2010-4). YCH is confident that this issue has been resolved and no current funds are being transferred incorrectly and that complete resolution of the balances will be achieved. The remaining interprogram balance due from COCC to the AMPs will need to be repaid by COCC to the AMPs over time. YCH is in the process of negotiating the repayment terms for this amount with HUD and expects to have an executed repayment agreement within the next six to nine months.

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

**June 30, 2014**

# 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"), a component unit of the County of Yolo, California as of and for the year ended June 30, 2014, 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 YCH as of June 30, 2014, 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 5 to 17 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 February 11, 2015 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.

*CohnReznick LLP*

Sacramento, California  
February 11, 2015

**Yolo County Housing**  
**Management Discussion and Analysis**  
**June 30, 2014**

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, 2014. 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 18.

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 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.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

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.

#### 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, 2014, 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 Development, Office of Migrant Services, YCH remits rents collected from tenants to the State Office of Migrant Services ("OMS), 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).

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

#### 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, 2014 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, 2014. 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, 2014. 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.
- 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.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

#### 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, 2014 and 2013.

<b>Net Position</b>				
	2014	2013	Net Change	%
<b>Assets</b>				
Current assets	\$ 3,319,139	\$ 2,894,583	\$ 424,556	15%
Restricted assets	2,001,729	1,816,910	184,819	10%
Capital assets, net	19,633,996	19,783,153	(149,157)	-1%
Other non-current assets	227,499	170,483	57,016	33%
<b>Total assets</b>	<b>\$ 25,182,363</b>	<b>\$ 24,665,129</b>	<b>\$ 517,234</b>	<b>2%</b>
<b>Liabilities</b>				
Current liabilities	\$ 4,991,020	\$ 2,189,560	\$ 2,801,460	128%
Payable from restricted cash	227,432	225,215	2,217	1%
Non-current liabilities	3,884,792	6,851,087	(2,966,295)	-43%
<b>Total liabilities</b>	<b>\$ 9,103,244</b>	<b>\$ 9,265,862</b>	<b>\$ (162,618)</b>	<b>-2%</b>
<b>Net position</b>				
Investment in capital assets	\$ 14,151,061	\$ 14,081,341	\$ 69,720	0%
Restricted	1,668,204	1,523,413	144,791	10%
Unrestricted	259,854	(205,487)	465,341	-226%
<b>Total net position</b>	<b>\$ 16,079,119</b>	<b>\$ 15,399,267</b>	<b>\$ 679,852</b>	<b>4%</b>

The assets of YCH exceed its liabilities as of June 30, 2014 by \$16,079,119. Compared to 2013, this is a 4% increase which resulted from normal operations and the following unusual items:

- During the year ended June 30, 2014, YCH's current assets increased by \$424,556 (15%). The increase primarily resulted from the more normal funding provided to the LIPH, HCV, and Migrant Center Housing programs after the sequestration ended. Actual cash on hand was lower by \$111,313 as some of this additional funding had not yet been received by year end related to the Migrant Center Housing programs.
- Restricted Assets increased by \$184,819 (10%) primarily due to:
  - HAP Voucher and Administration funding exceeded costs by \$143,749 which increased HAP reserves.
  - Cottonwood replacement reserve funding for the current year plus catch up payments from prior years which exceeded expenditures by \$22,558.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

- Other non-current assets increased due to loan and development costs related to the pending sale and refinance of the Crosswood Apartments.

YCH's total liabilities decreased by \$162,618 (2%) during the year ended June 30, 2014 due to normal operations, including transfers from non-current to current liabilities related to typical loan amortization, plus recognition of balloon payments coming due in the next twelve months for the following items:

- \$2,507,013 of debt at Crosswood due in 2015 (previously shown as non-current). This debt was repaid upon sale of the property to the tax credit partnership in August 2014.

The net result of normal operations and the above items is a 4% increase in **Total Net Position**.

#### Changes in Net Position

	2014	2013	Net Change	%
<b>Operating revenues</b>				
Operating revenues - tenants	\$ 2,543,529	\$ 2,539,997	\$ 3,532	0%
HUD HCV Grants	12,351,967	11,738,557	613,410	5%
HUD Operating and Capital Grants	2,257,015	1,575,943	681,072	43%
Other government grants	1,348,293	1,350,333	(2,040)	0%
Other revenue	385,779	424,380	(38,601)	-9%
<b>Total operating revenues</b>	<b>18,886,583</b>	<b>17,629,210</b>	<b>1,257,373</b>	<b>7%</b>
<b>Operating expenses</b>				
Administration	2,203,890	2,638,596	(434,706)	-16%
Tenant services	135,716	134,803	913	1%
Utilities	1,033,439	1,037,147	(3,708)	0%
Ordinary maintenance and	1,768,176	2,339,706	(571,530)	-24%
General expenses	631,611	706,466	(74,855)	-11%
Housing assistance payments	11,105,297	11,761,825	(656,528)	-6%
Depreciation expense	992,304	991,415	889	0%
<b>Total operating expenses</b>	<b>17,870,433</b>	<b>19,609,958</b>	<b>(1,739,525)</b>	<b>-9%</b>
<b>Non-operating revenue (expenses)</b>				
Investment income - restricted cash	1,166	1,166	-	0%
Interest income	3,992	5,669	(1,677)	-30%
Interest expense	(324,249)	(332,097)	7,848	-2%
Financing costs expensed	(17,207)	(2,178)	(15,029)	690%
<b>Net non-operating revenue (expenses)</b>	<b>(336,298)</b>	<b>(327,440)</b>	<b>(8,858)</b>	<b>3%</b>
<b>Changes in net position</b>	<b>679,852</b>	<b>(2,308,188)</b>	<b>2,988,040</b>	<b>-129%</b>
<b>Beginning net position</b>	<b>15,399,267</b>	<b>17,707,455</b>	<b>(2,308,188)</b>	<b>-13%</b>
<b>Ending net position</b>	<b>\$ 16,079,119</b>	<b>\$ 15,399,267</b>	<b>\$ 679,852</b>	<b>4%</b>

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

Total operating revenues increased by \$1,257,375 (7%) over 2013.

- HUD LIPH Operating Grants increased by \$158,119 related to the increase in operating subsidy for public housing from \$56,413 per month in July 2013 to \$87,069 per month by June 2014;
- HUD Capital Fund grant revenue is recognized when the funds are used rather than when they are awarded. In order to address larger capital-intensive projects, YCH will accumulate fund dollars in several grants and then perform the work all at one time in order to get the efficiencies of larger projects. During the year, \$399,998 of ADA work was performed at AMP2 (Winters), which is the primary reason for the increase of \$476,207 of capital fund revenue recognized during the year;
- HUD HCV HAP funding increased by \$705,213 and Operations Funding decreased by \$91,803 due to a 31% reduction in the contract admin fees paid by HUD;
- The Other Government Grants remained consistent with the prior year;
- Other Revenue includes maintenance and IT charges to the AMPs and other properties in the portfolio. The decrease of \$38,599 is primarily due the reduction in work hours from 40 to 36 throughout most of the year, which reduced the amount of work that could be done and billed out to only more critical or emergency items.

Operating expenses during the year ended June 30, 2014 decreased by \$1,739,523 (9%) over 2013 primarily due to a focused effort to control costs throughout the organization and the following specific items:

- Administration costs decreased by \$434,706 from:
  - A reduction in work hours from 40 to 36 per week for most of 2014 resulted in approximately \$63,000 payroll cost savings.
  - Higher than projected earnings from the OPEB trust over the past two years allowed a reduction in the annual OPEB liability for 2014 of \$62,176. Additional contributions were made on June 30, 2014 which should further reduce these costs in the future.
  - An abnormally complicated and lengthy eviction case in Winters which cost \$61,393 of legal fees during 2013 compared to a more typical year in 2014 of \$4,587.
  - As we focused on streamlining operations through better use of technology and eliminating non-essential work, approximately \$49,000 of IT staff time was absorbed by COCC. The result is that a number of new and improved systems will be implemented over the next couple of years to improve overall operating

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

efficiencies and more effective communications. The costs of these initiatives will be absorbed by the benefiting funds over the next few years.

- Temporary and consulting help was reduced by \$62,252 as outside inspections, receptionist services and some other services were brought in house or eliminated.
  - Feasibility costs of \$28,497 expensed in 2013 related to Crosswood.
  - Computer upgrades and office machine costs were \$27,354 higher in 2013 as we began to overhaul our IT infrastructure.
- Ordinary Maintenance and Operations decreased by \$571,530 from:
    - Salary expenses were reduced by approximately \$246,000 through a combination of layoffs, reduced work hours (to 36 hour work weeks), and an 81% decrease in overtime by doing only critical or emergency workorders.
    - The reduction in work performed (as noted above) and a conscious effort to minimize inventory on hand by emphasizing the use of a just in time inventory system, translated into a supply cost savings of approximately \$139,000.
    - Contract services costs were reduced by approximately \$75,000 as we deferred some turnover and maintenance work and completed other projects using YCH staff.
  - General Expenses decreased \$74,855 (11%) due to approximately \$100,000 lower compensated absences cost as people used some of their accrued time off and cashed out other leave time, as they reached their maximum accruals during the year.
  - Housing Assistance Payments (HCV HAP Voucher Cost) decreased by \$656,526 (6%) related to the following:
    - Improving economic conditions (voucher costs are based on participant income) and increased payment standards (amount participant is required to contribute to their living costs) reduced the average voucher cost to YCH from \$627 to \$611 per voucher during the year.
    - HUD requirement to not issue new vouchers during the year reduced our overall voucher payments made from 18,823 in 2013 to only 18,238 in 2014.
  - Depreciation Expense remained essentially constant.
  - The combination of increased revenue and decreased expenditures resulted in an increase in net position of \$679,852 as compared to a deficit of \$2,308,188 in 2013.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

#### Cash Flows

	2014	2013	Net Change	%
<b>Cash flows from operating activities</b>				
Tenant receipts	\$ 2,533,539	\$ 2,502,334	\$ 31,205	1%
Other receipts	374,009	463,428	(89,419)	-19%
Operating and administrative expenditures	(6,204,061)	(6,859,768)	655,707	-10%
Housing assistance payments	(11,105,297)	(11,761,825)	656,528	-6%
<b>Net cash used in operating activities</b>	<b>(14,401,810)</b>	<b>(15,655,831)</b>	<b>1,254,021</b>	<b>-8%</b>
<b>Cash flows from noncapital financing activities</b>				
Operating grants received	14,783,461	13,982,626	800,835	6%
<b>Net cash provided by noncapital financing activities</b>	<b>14,783,461</b>	<b>13,982,626</b>	<b>800,835</b>	<b>6%</b>
<b>Cash flows from capital and related financing activities</b>				
Grants to acquire capital assets	1,234,987	758,780	476,207	63%
Acquisition of capital assets	(766,097)	(287,343)	(478,754)	167%
Other assets and project costs paid	(116,963)	(117,511)	548	-
Principal paid on debt	(218,826)	(263,027)	44,201	-17%
Interest paid on debt	(324,300)	(333,881)	9,581	-3%
<b>Net cash used in capital and related financing activities</b>	<b>(191,199)</b>	<b>(242,982)</b>	<b>51,783</b>	<b>-21%</b>
<b>Cash flows from investing activities:</b>				
Interest income - restricted cash	1,166	1,166	-	0%
Interest income	3,992	5,669	(1,677)	-30%
<b>Net cash provided by investing activities</b>	<b>5,158</b>	<b>6,835</b>	<b>(1,677)</b>	<b>-25%</b>
<b>Net increase (decrease) in cash</b>	<b>195,610</b>	<b>(1,909,352)</b>	<b>2,104,962</b>	<b>-110%</b>
Cash, beginning of year	4,096,233	6,005,585	(1,909,352)	-32%
Cash, end of year	<u>\$ 4,291,843</u>	<u>\$ 4,096,233</u>	<u>\$ 195,610</u>	<u>5%</u>
Cash and cash equivalents	\$ 2,290,114	\$ 2,279,323	\$ 10,791	0%
Restricted cash and cash equivalent	2,001,729	1,816,910	184,819	10%
<b>Total cash, end of year</b>	<b><u>\$ 4,291,843</u></b>	<b><u>\$ 4,096,233</u></b>	<b><u>\$ 195,610</u></b>	<b><u>5%</u></b>

**Yolo County Housing**  
**Management Discussion and Analysis**  
**June 30, 2014**

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

- Operating Activities:
  - Other Receipts is lower this year primarily due to lesser maintenance charges being recouped by the AMPs as compared to 2013 due to fewer maintenance staff hours worked during 2014.
  - As discussed previously, the \$752,246 reduction in Operating and Administrative Costs is related to a combination of:
    - Lower payroll costs for the reduced work week and staff reductions.
    - Lower OPEB costs from prior years based on higher returns on investment from the CEBRT.
    - Reduction in the use of outside consultants and temporary labor for a variety of projects that were either brought in house or eliminated.
  - As noted above, Housing Assistance Payments decreased due to a combination of higher payment standards and a HUD imposed reduction in the number of outstanding vouchers.
- Operating Grants received was higher due to a combination of operating subsidy increases over the prior year and additional capital funds drawn down for various projects and improvements

Capital Financing Activities are discussed in the summary of capital assets and long term debt below.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

#### Comparison of Actual to Budget for the Year Ended June 30, 2014

	Actual	Budget	Net Change	%
<b>Operating Revenue</b>				
Tenant	\$ 2,543,529	\$ 2,198,305	\$ 345,224	16%
Interfund fees	1,512,010	1,375,290	136,720	10%
HUD HCV Grants	12,351,967	11,460,260	891,707	8%
HUD Operating and Capital Grants	2,257,015	2,151,427	105,588	5%
Other Government Grants	1,348,293	1,461,105	(112,812)	-8%
Other income	385,779	386,502	(723)	0%
<b>Total operating revenue</b>	<b>20,398,593</b>	<b>19,032,889</b>	<b>1,365,704</b>	<b>7%</b>
<b>Operating Expenses</b>				
Administration	3,715,900	3,946,882	(230,982)	-6%
Tenant services	135,716	135,582	134	0%
Utilities	1,033,439	1,006,333	27,106	3%
Ordinary maintenance and operations	1,768,176	1,630,431	137,745	8%
General expenses	631,611	527,558	104,053	20%
Housing assistance payments	11,105,297	11,486,845	(381,548)	-3%
Depreciation expense	992,304	-	992,304	-
<b>Total operating expenses</b>	<b>19,382,443</b>	<b>18,733,631</b>	<b>648,812</b>	<b>3%</b>
<b>Non-Operating Revenue (Expenses)</b>				
Interest income - restricted	1,166	1,650	(484)	-29%
Interest income - unrestricted	3,992	1,350	2,642	196%
Interest expense	(324,249)	(399,508)	75,259	-19%
Amortization of loan costs	(17,207)	-	(17,207)	-
<b>Net non-operating revenue (expenses)</b>	<b>(336,298)</b>	<b>(396,508)</b>	<b>60,210</b>	<b>-15%</b>
<b>Changes in net assets</b>	<b>\$ 679,852</b>	<b>\$ (97,250)</b>	<b>\$ 777,102</b>	<b>-799%</b>

Significant revenue variances from the budget include:

- Tenant and Interfund Fee Revenue for the budget anticipated the sale of Crosswood early in fiscal year 2014 which was ultimately delayed until subsequent to year end. In addition, the actual rent amounts collected increased slightly due to moderately improved income for the tenants on which the rent amount is typically based.
- HCV revenue had been conservatively estimated based on the expectations of additional sequester cuts in the second half of the year which ultimately did not come to fruition.
- Other Government Grant Revenue anticipated some additional capital fund work to be completed during the year, which was delayed until 2015.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

Significant expense variations from budget include:

- As noted previously, the administration costs decreased primarily due to the reduction in staff hours and a renewed focus by staff on cutting costs wherever possible.
- Utility rate increases were only partially offset by conservation efforts.
- Ordinary Maintenance and General Expenses related to Crosswood had not been included in the budget since the sale of this property had been expected early in fiscal year 2014.

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, 6/30/2013	Additions	Deletions and Transfers	Balance, 6/30/2014
Capital Assets				
Land	\$ 3,921,298	\$ -	\$ -	\$ 3,921,298
Construction in progress	350,370	176,100	(223,895)	302,575
Building and improvements	36,268,823	677,293	205,501	37,151,617
Furniture, equipment and vehicles	877,182	-	8,148	885,330
<b>Total capital assets</b>	<b>41,417,673</b>	<b>853,393</b>	<b>(10,246)</b>	<b>42,260,820</b>
Less accumulated depreciation	(21,634,520)	(992,304)	-	(22,626,824)
<b>Total capital assets, net</b>	<b>\$ 19,783,153</b>	<b>\$ (138,911)</b>	<b>\$ (10,246)</b>	<b>\$ 19,633,996</b>

The changes in Capital Assets are due to the following:

- During 2014, YCH began working on the physical ADA improvements at AMP1 in Winters using some Capital Fund grant money for a total of \$638,898; and
- YCH began the process of refinancing Crosswood Apartments, 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. The property was sold by YCH to New Hope CDC and its tax credit partners in August 2014. As of June 30, 2014, YCH had spent \$156,525 on this work.

## Yolo County Housing

### Management Discussion and Analysis June 30, 2014

#### Summary of Long-Term Debt

	Balance, 6/30/2013	Additions	Reductions	Balance, 6/30/2014
Low Income Public Housing				
Office building, mortgage 1	\$ 1,100,395	\$ -	\$ (143,677)	\$ 956,718
Total low rent public housing	<u>1,100,395</u>	<u>-</u>	<u>(143,677)</u>	<u>956,718</u>
Cottonwood				
HCD Note	368,800	-	-	368,800
Cottonwood Note	1,655,856	-	(31,600)	1,624,256
Total Cottonwood	<u>2,024,656</u>	<u>-</u>	<u>(31,600)</u>	<u>1,993,056</u>
Crosswood				
First Northern Bank	2,244,743	-	(40,770)	2,203,973
California Affordable Housing Agency	75,000	-	-	75,000
California Affordable Housing Agency	220,000	-	-	220,000
California Affordable Housing Agency	16,000	-	-	16,000
Total Crosswood	<u>2,555,743</u>	<u>-</u>	<u>(40,770)</u>	<u>2,514,973</u>
Esparto Development				
Esparto project - CDBG	17,174	-	(2,779)	14,395
Total Esparto development	<u>17,174</u>	<u>-</u>	<u>(2,779)</u>	<u>14,395</u>
Davis Solar Rural Rental Assistance				
USDA Note	607	-	-	607
Total long-term debt	<u>\$ 5,698,575</u>	<u>\$ -</u>	<u>\$ (218,826)</u>	<u>\$ 5,479,749</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 closed in August 2014 and the debt was paid in full.

**Yolo County Housing**  
**Management Discussion and Analysis**  
**June 30, 2014**

**Significant Environmental and Economic Factors Affecting YCH**

Significant environment and economic factors affecting YCH include:

- Federal funding from the HUD;
- Funding from 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 HCV program;
- Rising costs in particular water, utilities and gasoline; and
- 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, Chief Executive Officer, Yolo County Housing, 147 W. Main Street, Woodland, California 95695.

**Yolo County Housing**  
**Statement of Net Position**  
**June 30, 2014**

Assets

<b>Current assets</b>	
Cash and cash equivalents	\$ 2,290,114
Restricted cash and cash equivalents	2,001,729
Accounts receivable - tenant, net	19,077
Accounts receivable - other	90,550
Accounts receivable - funding source	687,905
Inventories, net	65,807
Prepaid items and other assets	<u>165,686</u>
Total current assets	<u>5,320,868</u>
<b>Noncurrent assets</b>	
Capital assets not being depreciated	4,223,873
Capital assets, net of accumulated depreciation	15,410,123
Other assets, net	<u>227,499</u>
Total noncurrent assets	<u>19,861,495</u>
Total assets	<u><u>\$ 25,182,363</u></u>
Deferred outflows of resources	<u><u>\$ -</u></u>

**Yolo County Housing**  
**Statement of Net Position**  
**June 30, 2014**

Liabilities

<b>Current liabilities</b>	
Accounts payable - vendors	\$ 411,383
Accounts payable - funding source	1,715,146
Accrued compensated absences - current portion	38,479
Accrued interest payable	3,186
Accrued liabilities - other	15,997
Notes payable - current portion	2,307,009
Deposits payable	227,432
Unearned revenue	323,681
Other current liabilities	176,139
	5,218,452
<b>Total current liabilities</b>	
<b>Noncurrent liabilities</b>	
Accrued compensated absences - net of current portion	114,543
Notes payable - net of current portion	3,172,740
Family self sufficiency escrows	53,576
Other post-employment benefits	212,664
Other liabilities	331,269
	3,884,792
<b>Total noncurrent liabilities</b>	<b>3,884,792</b>
<b>Total liabilities</b>	<b>\$ 9,103,244</b>
<b>Deferred inflows of resources</b>	<b>\$ -</b>

Net Position

Net investment in capital assets	\$ 14,151,061
Restricted	1,668,204
Unrestricted	259,854
	16,079,119
<b>Total net position</b>	<b>\$ 16,079,119</b>

## Yolo County Housing

### Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2014

Operating revenues	
Rental income	\$ 2,543,529
Other revenue	<u>378,674</u>
Total operating revenues	<u>2,922,203</u>
Operating expenses	
Administrative expenses	2,203,890
Tenant services	135,716
Maintenance	1,768,176
Utilities	1,033,439
General expenses	631,611
Housing assistance payments	11,105,297
Depreciation	992,304
Amortization	<u>17,207</u>
Total operating expenses	<u>17,887,640</u>
Operating loss	<u>(14,965,437)</u>
Nonoperating revenues (expenses)	
Grant revenue	14,729,393
Interest income	5,158
Interest expense	<u>(324,249)</u>
Total nonoperating revenues (expenses)	<u>14,410,302</u>
Change in net position before capital grants	(555,135)
Capital grants	<u>1,234,987</u>
Change in net position	679,852
Net position	
Beginning of year	<u>15,399,267</u>
End of year	<u>\$ 16,079,119</u>

See Notes to Financial Statements.

## Yolo County Housing

### Statement of Cash Flows Year Ended June 30, 2014

Cash flows from operating activities	
Cash received from tenants	\$ 2,533,539
Other operating cash received	374,009
Cash payments for general and administrative expenses	(6,204,061)
Cash payments for housing assistance expenditures	<u>(11,105,297)</u>
Net cash used in operating activities	<u>(14,401,810)</u>
Cash flows from capital and related financing activities	
Principal paid on notes payable	(218,826)
Other assets paid	(116,963)
Cash received from capital grants	1,234,987
Acquisition and construction of capital assets	(766,097)
Interest paid	<u>(324,300)</u>
Net cash used in capital and related financing activities	<u>(191,199)</u>
Cash flows from noncapital financing activities	
Cash received from HUD operating grants	985,340
Cash received from Housing Choice Voucher program	12,455,854
Cash received from other grants	<u>1,342,267</u>
Net cash provided by noncapital financing activities	<u>14,783,461</u>
Cash flows from investing activities	
Interest income	<u>5,158</u>
Net cash provided by investing activities	<u>5,158</u>
Net increase in cash and cash equivalents	195,610
Cash and cash equivalents	
Beginning of year	<u>4,096,233</u>
End of year	<u>\$ 4,291,843</u>
Financial statement presentation	
Cash and cash equivalents	\$ 2,290,114
Restricted cash and cash equivalents	<u>2,001,729</u>
Total cash and cash equivalents	<u>\$ 4,291,843</u>

**Yolo County Housing**  
**Statement of Cash Flows**  
**Year Ended June 30, 2014**

Reconciliation of operating loss to net cash used in operating activities	
Operating loss	\$ (14,965,437)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation and amortization	1,009,511
Capitaized costs written off	10,246
Changes in operating assets and liabilities	
Decrease (increase) in assets	
Tenant accounts receivable	(2,573)
Other receivables	(73,638)
Inventories	78,924
Prepaid items and other assets	(244,442)
Increase (decrease) in liabilities:	
Accounts payable	103,652
Other post-employment benefits	(396,308)
Accrued compensated absences	2,619
Deposits payable	27,974
Unearned revenue	(7,417)
Other liabilities	55,079
	<hr/>
Net cash used in operating activities	<u>\$ (14,401,810)</u>
Significant noncash capital and related financing activities	
Increase in capital assets included in accounts payable	<u>\$ 87,296</u>

## **Yolo County Housing**

### **Notes to Financial Statements June 30, 2014**

#### **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 (three of the four 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 ("NHCDC"). NHCDC 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 of 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 (HACD) to administer its only program - a Migrant Center funded by the California Department of Housing and Community Development. YCH carries no real property or long-term debt for this program as HACD owns the land and some of the buildings being managed by YCH under this program. YCH uses its staff and other resources to operate this program. The operations of this program are considered by management to be, in substance, part of YCH and as such are reported as part of YCH financial statements.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### **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, 2014, YCH has implemented the following new accounting standards issued by GASB:

- 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 adoption of this Statement had no significant effect on YCH's financial statements for the year ended June 30, 2014.
- 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 adoption of this Statement had no effect on YCH's financial statements for the year ended June 30, 2014.
- 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 adoption of this Statement had no effect on YCH's financial statements for the year ended June 30, 2014.

## **Yolo County Housing**

### **Notes to Financial Statements June 30, 2014**

- 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 adoption of this Statement had no effect on YCH's financial statements for the year ended June 30, 2014.
- 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 adoption of this Statement has no effect for YCH's financial statements for the year ended June 30, 2014.

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

- 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 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, 2015.
- Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment to GASB Statement No. 68". GASB Statement No. 71 improves accounting and financial reporting by resolving conflicting guidance surrounding differences in Statement No.68. Statement No. 71 requires that, at transition, a government recognize a beginning deferred outflow of resources for its pension contribution, if any, made subsequent to the measurement date of the beginning net pension liability. The requirements of this Statement are effective and required to be implemented simultaneously with the provisions of GASB Statement No. 68 which is for YCH's year ending June 30, 2015.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### **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 \$9,733. Other accounts receivable are principally amounts due from HUD and California State agencies. The 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**

Inventories are valued at the lower of cost or market on an average cost basis. In 2014 YCH changed its policy to keep track of small supplies used for unit turnover and routine repairs and maintenance as prepaid materials rather than inventory. The Inventory at June 30, 2014 consists of expendable maintenance supplies of energy efficient equipment purchased in prior years and held for consumption. Such equipment bought new did not experience any obsolescence and therefore no allowance is considered necessary as of June 30, 2014. The value of the maintenance supplies inventory as of June 30, 2014, is \$65,807.

#### **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.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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.

#### **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, 2014, there has been no impairment of the capital assets.

#### **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 \$153,022 based on year-end hourly rates. Of this amount, \$38,479 is considered by YCH to be a current liability.

In providing direction for conversion to 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

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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 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, 2014.

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, 2014.

#### 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**  
**June 30, 2014**

**Use of Estimates**

The preparation of financial statements in accordance with GAAP 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, 2014 consist of the following:

Deposits	\$	2,289,369
Petty cash		745
Total cash and investments		2,290,114
Restricted cash and cash equivalents		2,001,729
Total	\$	4,291,843

**Deposits**

The carrying amounts of YCH's cash deposits were \$2,290,114 at June 30, 2014. Bank balances at June 30, 2014, were approximately \$3,701,000. 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 June 30, 2014

#### 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.

- *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, 2014, YCH has no exposure to interest rate risk.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

- *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	\$ 446,108
Replacement reserves	
Davis Migrant Center	788,620
Madison Migrant Center	70,473
NHCDC	137,970
Rural Rental USDA Davis	54,476
Tenant security deposits	218,816
Family Self Sufficiency Program participants' escrow funds	55,289
Migrant Centers (CARE reserves)	<u>229,977</u>
Total restricted cash	<u>\$ 2,001,729</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.

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, 2014.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### Note 5 - Accounts Receivable - Funding Sources

At June 30, 2014, due from funding sources consist of the following:

Source	Program	Amount
County	COCC	\$ 6,825
City	SHRA	1,035
Federal	Ross Grant	46,746
State	OMS-Davis	146,085
State	OMS-Madison	192,132
State	OMS-Dixon	215,385
City	Pacifico	79,697
Total		<u>\$ 687,905</u>

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

#### Note 6 - Capital Assets

A summary of changes in capital assets for the year ended June 30, 2014 is as follows:

	Balance, June 30, 2013	Additions	Transfers / Retirements	Balance, June 30, 2014
Capital assets, not being depreciated				
Land	\$ 3,921,298	\$ -	\$ -	\$ 3,921,298
Construction in progress	350,370	176,100	(223,895)	302,575
Total capital assets, not being depreciated	<u>4,271,668</u>	<u>176,100</u>	<u>(223,895)</u>	<u>4,223,873</u>
Capital assets, being depreciated				
Building improvements	36,268,823	677,293	205,501	37,151,617
Equipment	877,182	-	8,148	885,330
Total capital assets, being depreciated	37,146,005	677,293	213,649	38,036,947
Less accumulated depreciation:	<u>(21,634,520)</u>	<u>(992,304)</u>	<u>-</u>	<u>(22,626,824)</u>
Total capital assets being depreciated, net	<u>15,511,485</u>	<u>(315,011)</u>	<u>213,649</u>	<u>15,410,123</u>
Total capital assets, net	<u>\$ 19,783,153</u>	<u>\$ (138,911)</u>	<u>\$ (10,246)</u>	<u>\$ 19,633,996</u>

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### Note 7 - Accounts Payable - Funding Source

At June 30, 2014, accounts payable - funding source consist of the following:

State of California - Migrant rent collection:	
Davis Center	\$ 371,569
Madison Center	562,983
Dixon Center	676,707
	<hr/>
	1,611,259
HUD - HCV Excess funding	103,887
	<hr/>
Total	<u>\$ 1,715,146</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, 2014 for each center.

#### 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 \$996,583 was eliminated in the Statement of Net Position.

The interfund receivable balances are as follows:

Public Housing:	
AMP 2	\$ 18,083
AMP 3	182,383
AMP 1	163,328
	<hr/>
Total public housing	\$ 363,794
Central office cost center	404,358
Blended Component Unit - NHCDC	
Cottonwood RHCP	<hr/>
	228,431
Total interfund balances	<u>\$ 996,583</u>

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

The interfund payables are as follows:

Ross Grant		\$	42,038
Housing Choice Vouchers			132
State and local			
Migrant Housing (HCD) - all programs	\$	315,755	
Other State program - SL 580		(316,536)	
ADMH		22,256	
Esparto (Joe Serna Grant)		85,734	
Pacifico		42,040	
			<hr/>
Total state and local programs			149,249
Rental Rural Davis Housing (USDA)			4,416
Business Type Activities			
Crosswood			800,748
			<hr/>
Total interfund balances		\$	<u>996,583</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  
June 30, 2014**

**Note 9 - Long-Term Debt**

The following is a schedule of the changes in long-term debt as of June 30, 2014:

Type of obligations	Interest rates	Maturity date	Balance, 6/30/2013	Additions	Payments	Balance, 6/30/2014	Short-term Portion	Long-term Portion
Office Mortgage 1	2.35%	2030	\$ 1,100,395	\$ -	(143,677)	\$ 956,718	\$ 66,543	\$ 890,175
Esparto CDBG	3.00%	2019	17,174	-	(2,779)	14,395	3,263	11,132
USDA Davis Note	1.00%	2018	607	-	-	607	607	-
NHDC:								
Cottonwood RHCP	0.00%	2017	368,800	-	-	368,800	-	368,800
Cottonwood	3.13%	2030	1,655,856	-	(31,600)	1,624,256	32,623	1,591,633
Crosswood:								
First Northern Bank	4.00%	2016	2,244,743	-	(40,770)	2,203,973	2,203,973	-
California Affordable	4.00%	2017	75,000	-	-	75,000	-	75,000
California Affordable	4.00%	2017	220,000	-	-	220,000	-	220,000
California Affordable	4.00%	2017	16,000	-	-	16,000	-	16,000
<b>Total</b>			<b>\$ 5,698,575</b>	<b>\$ -</b>	<b>\$ (218,826)</b>	<b>\$ 5,479,749</b>	<b>\$ 2,307,009</b>	<b>\$ 3,172,740</b>

**Yolo County Housing**

**Notes to Financial Statements  
June 30, 2014**

Following is a schedule of debt payment requirements to maturity for the mortgages and loans noted above subsequent to June 30, 2014:

	Office Mortgages		Government Loans		Crosswood Mortgages		NHCDC Mortgages		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$ 66,543	\$ 22,066	\$ 3,470	\$ 378	\$ 2,203,973	\$ 91,676	\$ 32,620	\$ 51,076	\$ 2,471,802
2016	67,819	20,479	2,950	291	-	75,307	33,532	50,163	250,541
2017	69,513	18,744	3,039	201	311,000	-	403,550	48,945	854,992
2018	71,188	17,021	3,132	108	-	-	35,868	47,827	175,144
2019	72,952	15,258	2,411	18	-	-	37,023	46,672	174,334
2020-2024	417,107	39,049	-	-	-	-	203,534	214,941	874,631
2025-2029	191,596	4,742	-	-	-	-	238,638	179,838	614,814
2030-2033	-	-	-	-	-	-	1,008,291	46,273	1,054,564
<b>Total</b>	<b>\$ 956,718</b>	<b>\$ 137,359</b>	<b>\$ 15,002</b>	<b>\$ 996</b>	<b>\$ 2,514,973</b>	<b>\$ 166,983</b>	<b>\$ 1,993,056</b>	<b>\$ 685,735</b>	<b>\$ 6,470,822</b>

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

As of June 30, 2014, YCH has the following outstanding debt secured by the underlying real estate properties:

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.

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.

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

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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 the outstanding balance at maturity. This note is payable to YCH and the outstanding balance of \$219,246 at June 30, 2014 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. Subsequent to year end, in August 2014 YCH sold the Crosswood property to a tax credit partnership and this loan was paid in full as a result of that transaction.

On April 1, 2012, YCH borrowed \$75,000 from California Affordable Housing Agency ("CalAHA") 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, 2017.

On April 1, 2012, YCH borrowed an additional \$220,000 from CalAHA 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.

On April 1, 2012, YCH borrowed an additional \$16,000 from CalAHA 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.

Subsequent to year end, in August 2014, following the sale of the Crosswood property to a tax credit partnership, all of the above CalAHA loans have been repaid.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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

	Interest Expensed	Interest Paid	Current Payable
Office Mortgage 1	\$ 24,671	\$ 24,680	\$ 1,068
Esparto CDBG	485	485	-
NHCDC - Cottonwood	52,095	52,137	2,118
Migrant - Davis Housing	59,779	59,779	-
Migrant - Madison Housing	88,136	88,136	-
Crosswood	99,083	99,083	-
	<u>\$ 324,249</u>	<u>\$ 324,300</u>	<u>\$ 3,186</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 up a repayment agreement for the PILOT owed for the fiscal years ended 2006-2008. During the year ended June 30, 2014, \$121,702 was incurred and \$121,702 remains payable as of June 30, 2014 and is included in other current liabilities in the statement of net position.

#### Note 12 - Unearned Revenue

During the year ended June 30, 2011, YCH received a grant from USDA department of Rural Development through the California Housing and Community development Office of

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

Migrant Services 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, 2014, unused grant funds of \$316,536 are included in unearned revenue and classified as current liability.

In addition to the short-term portion of the unearned grant revenue noted above, unearned revenue on the Statement of Net Position includes \$7,145 of prepaid rents received from tenants as of June 30, 2014.

#### Note 13 - Net Position

##### Net Investment in Capital Assets

Net Investment in capital assets as of June 30, 2014 consists of the following:

Capital assets, net of depreciation	\$ 19,633,996
Long-term debt	(3,172,740)
Current portion of long-term debt	(2,307,009)
Accrued interest on long-term debt	<u>(3,186)</u>
Net	<u>\$ 14,151,061</u>

##### 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	\$ 446,108
Madison Migrant Center replacement reserve	70,473
Davis Migrant Center replacement reserve	788,620
Dixon Migrant Center replacement reserve	170,557
Cottonwood RHCP replacement reserve	137,970
USDA Davis replacement reserve	<u>54,476</u>
Total	<u>\$ 1,668,204</u>

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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 2014. The current excess HAP funding activity as of June 30, 2014 is as follows:

Balance, June 30, 2013		<u>\$ 240,848</u>
HUD funding for HAP	\$ 11,302,350	
HAP expense	<u>(11,105,297)</u>	
Excess HAP funding		197,053
Interest and fraud recovery revenue		<u>8,207</u>
Balance, June 30, 2014		<u><u>\$ 446,108</u></u>

#### Net Position

A detailed schedule of all YCH's programs' net position as of June 30, 2014 is as follows:

	Net investment in capital assets	Restricted net position	Unrestricted net position	Total net position
Public Housing	\$ 11,371,154	\$ -	\$ 1,068,004	\$ 12,439,158
Housing Choice Vouchers	32,720	446,108	556,537	1,035,365
Ross Grant	-	-	(7,400)	(7,400)
Capital Fund	-	-	-	-
USDA - Davis Solar	126,597	54,476	60,836	241,909
Central Office Cost Center	1,880,944	-	106,625	1,987,569
Migrant - Madison Housing Center	-	70,473	(4,376)	66,097
Migrant - Davis Housing Center	-	788,620	(320,464)	468,156
Migrant - Dixon Housing Center	-	170,557	(173,709)	(3,152)
Crosswood	458,405	-	(604,965)	(146,560)
Esparto Development	305,524	-	(417,003)	(111,479)
ADMH	660,374	-	(38,394)	621,980
NHCDC - RHCP - Cottonwood	(684,657)	137,970	26,960	(519,727)
Pacifico	-	-	7,203	7,203
Total	<u>\$ 14,151,061</u>	<u>\$ 1,668,204</u>	<u>\$ 259,854</u>	<u>\$ 16,079,119</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

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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. For most employees, YCH makes 50% of the contribution required 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 required employer contribution rate for the year ended June 30, 2014 was 7.82% of annual covered payroll. The current contribution rate is 12.29%. 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, 2014, YCH's annual pension cost of \$174,923 was equal to YCH's required contributions. During the year ended June 30, 2014, YCH made payments to CalPERS totaling \$174,923. The required contribution for the year ended June 30, 2014, was determined as part of the June 30, 2013, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 3.30% per year cost-of-living adjustments. Both (a) and (b) include an inflation component of 2.75%. 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>
6/30/12	\$ 161,930	100%	\$ -
6/30/13	176,025	100%	-
6/30/14	174,923	100%	-

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### 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:

Actuarial Valuation date	Entry age normal accrued liability (AL)	Actuarial value of assets (AVA)	Unfunded liability/ (excess) assets	Funded status (AVA/AL)	Annual covered payroll	URAL as a % of payroll
6/30/11	\$ 9,723,337	\$ 7,669,780	\$ 2,053,557	78.9%	\$ 1,784,628	115.1%
6/30/12	10,325,578	7,695,681	2,629,897	74.5%	1,805,750	145.6%
6/30/13	10,973,676	8,628,984	2,344,692	78.6%	1,793,540	130.7%

#### 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, 2014 and 2013, YCH's Side Fund had a negative balance of \$356,381 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, have five years of credited service, and retire from YCH. The employee cannot terminate employment before meeting the age condition and be entitled to receive benefits. The plan provides the same benefit to its retired employees as it does for its active employees. 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, 2014, twelve 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, 2014.

##### Requirements of GASB 45

GASB has mandated disclosure of 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

**Yolo County Housing**  
**Notes to Financial Statements**  
**June 30, 2014**

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, 2013. The actuarial report was performed by Bickmore Risk Services & Consulting.

**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 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 year ended June 30, 2014, YCH made payments totaling \$874,902 to reduce its 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 as of June 30, 2014 YCH has a long-term OPEB liability of \$212,664.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

Annual OPEB cost, net of OPEB Obligation and funding status as of June 30, 2014 is as follows:

Actuarial present value of projected benefits:	
Actives	\$ 2,427,096
Retirees	<u>1,202,795</u>
Total	<u><u>\$ 3,629,891</u></u>
Actuarial accrued liability (AAL):	
Actives	\$ 1,505,910
Retirees	<u>1,202,795</u>
AAL (all unfunded)	<u><u>\$ 2,708,705</u></u>
Annual required contribution (ARC):	
Normal costs	\$ 126,498
Amortization of unfunded AAL	116,869
Interest as of June 30, 2013	<u>18,252</u>
Total ARC (annual OPEB costs)	261,619
Adjustments due to change in funding policy	6,631
Contributions made	<u>874,902</u>
Decrease in OPEB obligation	(606,652)
Net OPEB obligation, beginning of year	<u>819,316</u>
Net OPEB obligation, end of year	<u><u>\$ 212,664</u></u>
Covered payroll	<u><u>\$ 1,720,276</u></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.

#### 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-

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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, 2013. 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, 2014, 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.

CHWCA is a joint powers authority consisting of 31 public housing authorities, housing commissions, and 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;

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

- 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, 2014, YCH's budget included \$13,391,319 of estimated HUD funding. A reduction in funding from HUD could significantly change the services provided by YCH.

#### **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, 2014 which are included in the YCH financial statements is presented below:

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

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

#### Note 21 - Other Matters

YCH is a co-general partner in one tax credit property known as Eleanor Roosevelt Circle. YCH ownership interest 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.

## Yolo County Housing

### Notes to Financial Statements June 30, 2014

#### **Note 23 - Subsequent Events**

Management evaluated all activity of YCH through February 11, 2015 and concluded that no subsequent event has occurred that would require recognition in the financial statements or disclosure in the notes to financial statements except as noted below:

In August 2014, YCH sold the Crosswood property to a tax credit partnership and the related loans and mortgages have been paid off through refinancing as a result of that transaction.

## **Supplementary Information**

Yolo County Housing

Combining Statement of Net Position  
June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 9,733	\$ 1,362,575	\$ 917,806	\$ -	\$ 2,290,114
Restricted cash and cash equivalents	167,983	654,307	1,179,439	-	2,001,729
Accounts receivable - tenant, net	574	16,055	2,448	-	19,077
Accounts receivable - other	65,294	-	25,256	-	90,550
Accounts receivable - funding source	6,825	47,781	633,299	-	687,905
Interprogram due from inventories, net	632,789	363,794	-	(996,583)	-
Inventories, net	-	65,807	-	-	65,807
Prepaid items and other assets	105,232	255,328	15,473	(210,347)	165,686
<b>Total current assets</b>	<b>988,430</b>	<b>2,765,647</b>	<b>2,773,721</b>	<b>(1,206,930)</b>	<b>5,320,868</b>
<b>Noncurrent assets</b>					
Note receivable	219,246	-	-	(219,246)	-
Capital assets not being depreciated	677,459	3,185,656	360,758	-	4,223,873
Capital assets, net of accumulated depreciation	6,445,166	8,218,218	746,739	-	15,410,123
Other assets, net	265,894	-	-	(38,395)	227,499
<b>Total noncurrent assets</b>	<b>7,607,765</b>	<b>11,403,874</b>	<b>1,107,497</b>	<b>(257,641)</b>	<b>19,861,495</b>
<b>Total assets</b>	<b>\$ 8,596,195</b>	<b>\$ 14,169,521</b>	<b>\$ 3,881,218</b>	<b>\$ (1,464,571)</b>	<b>\$ 25,182,363</b>
Deferred outflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -

Yolo County Housing

Combining Statement of Net Position  
June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
<u>Liabilities</u>					
Current liabilities					
Accounts payable - vendors	\$ 312,001	\$ 84,724	\$ 14,658	-	\$ 411,383
Accounts payable - funding source	-	103,887	1,611,259	-	1,715,146
Accrued compensated absences - current portion	18,572	13,398	6,509	-	38,479
Accrued interest payable	3,186	-	-	-	3,186
Accrued liabilities - other	15,464	150	383	-	15,997
Interprogram due to	-	-	-	-	-
Notes payable - current portion	2,303,139	-	3,870	-	2,307,009
Deposits payable	34,398	156,705	36,329	-	227,432
Unearned revenue	7,145	-	316,536	-	323,681
Other current liabilities	9,577	121,702	44,860	-	176,139
Total current liabilities	2,703,482	480,566	2,034,404	-	5,218,452
Non-current liabilities					
Accrued compensated absences - net of current portion	55,719	39,297	19,527	-	114,543
Notes payable - net of current portion	3,380,854	-	11,132	(219,246)	3,172,740
Family self sufficiency escrows	-	53,576	-	-	53,576
Other post-employment benefits	334,110	86,789	2,112	(210,347)	212,664
Other liabilities	-	-	369,664	(38,395)	331,269
Total liabilities	\$ 6,474,165	\$ 660,228	\$ 2,436,839	\$ (467,988)	\$ 9,103,244
Deferred inflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Net Position</u>					
Net investment in capital assets	1,654,692	11,403,874	1,092,495	-	14,151,061
Restricted	137,970	446,108	1,084,126	-	1,668,204
Unrestricted	(471,380)	1,617,141	(885,907)	-	259,854
Total net position	\$ 1,321,282	\$ 13,467,123	\$ 1,290,714	\$ -	\$ 16,079,119

Yolo County Housing

Combining Statement of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
Operating revenues					
Rental income	\$ 752,481	\$ 1,753,354	\$ 37,694	\$ -	\$ 2,543,529
Fee revenue	1,415,471	-	-	(1,415,471)	-
Other revenue	303,637	55,442	116,134	(96,539)	378,674
<b>Total operating revenues</b>	<b>2,471,589</b>	<b>1,808,796</b>	<b>153,828</b>	<b>(1,512,010)</b>	<b>2,922,203</b>
Operating expenses					
Administrative expenses	1,334,192	1,951,610	430,098	(1,512,010)	2,203,890
Tenant services	-	135,716	-	-	135,716
Maintenance	531,503	825,887	410,786	-	1,768,176
Utilities	148,192	495,164	390,083	-	1,033,439
General expenses	183,609	322,445	125,557	-	631,611
Housing assistance payments	-	11,105,297	-	-	11,105,297
Depreciation	167,998	793,654	30,652	-	992,304
Amortization	17,207	-	-	-	17,207
<b>Total operating expenses</b>	<b>2,382,701</b>	<b>15,629,773</b>	<b>1,387,176</b>	<b>(1,512,010)</b>	<b>17,887,640</b>
<b>Net operating loss</b>	<b>88,888</b>	<b>(13,820,977)</b>	<b>(1,233,348)</b>	<b>-</b>	<b>(14,965,437)</b>

Yolo County Housing

Combining Statement of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
Nonoperating revenues (expenses)					
Grant revenue	7,105	13,373,995	1,348,293	-	14,729,393
Interest income	1,107	2,973	1,078	-	5,158
Interest expense	(175,849)	-	(148,400)	-	(324,249)
Total nonoperating revenues	(167,637)	13,376,968	1,200,971	-	14,410,302
Change in net position before capital grants and transfers	(78,749)	(444,009)	(32,377)	-	(555,135)
Capital grants	-	1,234,987	-	-	1,234,987
Change in net position before transfers	(78,749)	790,978	(32,377)	-	679,852
Operating transfers in	370,290	864,697	-	-	1,234,987
Operating transfers out	-	(1,234,987)	-	-	(1,234,987)
Change in net position	291,541	420,688	(32,377)	-	679,852
Net position - beginning of year	1,453,778	13,049,260	896,229	-	15,399,267
Equity transfers and reclassifications	(424,037)	(2,825)	426,862	-	-
Net position - end of year	\$ 1,321,282	\$ 13,467,123	\$ 1,290,714	\$ -	\$ 16,079,119

Yolo County Housing

Combining Statement of Cash Flows  
Year Ended June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
Cash flows from operating activities					
Cash received from tenants	\$ 745,006	\$ 1,748,449	\$ 40,084	\$ -	\$ 2,533,539
Other operating cash received	298,972	55,442	116,134	(96,539)	374,009
Cash payments for general and administrative expenses	(2,183,813)	(3,961,987)	(1,570,271)	1,512,010	(6,204,061)
Cash payments for housing assistance expenditures	-	(11,105,297)	-	-	(11,105,297)
Fees received from other funds	1,415,471	-	-	(1,415,471)	-
Net cash provided by (used in) operating activities	275,636	(13,263,393)	(1,414,053)	-	(14,401,810)
Cash flows from capital and related financing activities					
Principal paid on notes payable	(216,047)	-	(2,779)	-	(218,826)
Other assets paid	(116,963)	-	-	-	(116,963)
Cash received from capital grants	370,290	864,697	-	-	1,234,987
Acquisition and construction of capital assets	(148,589)	(579,113)	(38,395)	-	(766,097)
Interest paid	(175,900)	-	(148,400)	-	(324,300)
Net cash provided by (used in) capital and related financing activities	(287,209)	285,584	(189,574)	-	(191,199)

Yolo County Housing

Combining Statement of Cash Flows  
Year Ended June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
Cash flows from noncapital financing activities					
Cash received from HUD operating grants	-	985,340	-	-	985,340
Cash received from Housing Choice Voucher program	-	12,455,854	-	-	12,455,854
Cash received from other grants	7,105	-	1,335,162	-	1,342,267
Inter program transfers in (out)	(251,989)	(442,700)	694,689	-	-
Net cash (used in) provided by noncapital financing activities	(244,884)	12,998,494	2,029,851	-	14,783,461
Cash flows from investing activities					
Interest income	1,107	2,973	1,078	-	5,158
Net cash provided by investing activities	1,107	2,973	1,078	-	5,158
Net increase (decrease) in cash and cash equivalents	(255,350)	23,658	427,302	-	195,610
Cash and cash equivalents					
Beginning of year	433,066	1,993,224	1,669,943	-	4,096,233
End of year	\$ 177,716	\$ 2,016,882	\$ 2,097,245	\$ -	\$ 4,291,843

Yolo County Housing

Combining Statement of Cash Flows  
Year Ended June 30, 2014

	Business activities	Federal funds	State funds	Eliminations	Agency wide
Reconciliation of operating loss to net cash provided by (used in) operating activities					
Operating loss	\$ 88,888	\$ (13,820,977)	\$ (1,233,348)	\$ -	\$ (14,965,437)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities					
Depreciation and amortization	185,205	793,654	30,652	-	1,009,511
Capitalized costs written off	-	10,246	-	-	10,246
Changes in operating assets and liabilities					
Decrease (increase) in assets:					
Tenant accounts receivable	(58)	(4,905)	2,390	-	(2,573)
Other receivables	(55,471)	-	(18,167)	-	(73,638)
Inventories	-	78,924	-	-	78,924
Prepaid items and other assets	(6,242)	(245,254)	7,054	-	(244,442)
Increase (decrease) in liabilities					
Accounts payable	111,258	(10,470)	2,864	-	103,652
Accounts payable - funding sources	-	-	-	-	-
Other post-employment benefits	110,480	(256,460)	(250,328)	-	(396,308)
Accrued compensated absences	10,734	(9,479)	1,364	-	2,619
Deposits payable	19,350	27,490	(18,866)	-	27,974
Unearned revenue	(7,417)	-	-	-	(7,417)
Due to/from other programs	(167,959)	174,510	(6,551)	-	-
Other liabilities	(13,132)	(672)	68,883	-	55,079
Net cash provided by (used in) operating activities	\$ 275,636	\$ (13,263,393)	\$ (1,414,053)	\$ -	\$ (14,401,810)
Significant noncash capital and related financing activities					
Increase in capital assets included in accounts payable	\$ 24,161	\$ 63,135	\$ -	\$ -	\$ 87,296

# CERTIFICATIONS

**Certifications of Compliance with  
PHA Plans and Related Regulations  
(Standard, Troubled, HCV-Only, and  
High Performer PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including  
Required Civil Rights Certifications**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_\_ 5-Year and/or ^ Annual PHA Plan for the PHA fiscal year beginning 7/1/16, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Yolo County Housing  
PHA Name

CA044  
PHA Number/HA Code

Annual PHA Plan for Fiscal Year 20 16

5-Year PHA Plan for Fiscal Years 20 15 - 20 19

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Authorized Official <b>Cecilia Aguiar-Curry</b>	Title <b>Commission Chair</b>
Signature	Date

**Certification by State or Local  
Official of PHA Plans Consistency  
with the Consolidated Plan or  
State Consolidated Plan  
(All PHAs)**

U. S Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 2/29/2016

**Certification by State or Local Official of PHA Plans  
Consistency with the Consolidated Plan or State Consolidated Plan**

I, \_\_\_\_\_, the \_\_\_\_\_  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Yolo County Housing

\_\_\_\_\_  
*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of  
Impediments (AI) to Fair Housing Choice of the

State of California

\_\_\_\_\_  
*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State  
Consolidated Plan and the AI.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date

**Certification by State or Local  
Official of PHA Plans Consistency  
with the Consolidated Plan or  
State Consolidated Plan  
(All PHAs)**

U. S Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 2/29/2016

**Certification by State or Local Official of PHA Plans  
Consistency with the Consolidated Plan or State Consolidated Plan**

I, \_\_\_\_\_, the \_\_\_\_\_  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Yolo County Housing \_\_\_\_\_  
*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of  
Impediments (AI) to Fair Housing Choice of the

City of Woodland, California \_\_\_\_\_  
*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State  
Consolidated Plan and the AI.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Signature	Date