



# Yolo County Housing

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## BOARD OF COMMISSIONERS

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**DATE:** December 8, 2011  
**TO:** YCH Board of Commissioners  
**FROM:** Lisa A. Baker, Executive Director  
**PREPARED BY:** Mark Stern, Finance Director  
**SUBJECT:** **Receive and File Financial Report for the Period Ending September 30, 2011.**

### RECOMMENDED ACTION:

Receive and file the financial report for quarter ending September 30, 2011.

### BACKGROUND/DISCUSSION:

This is the first quarter that we have used the new TenMast Financial Report Writer to prepare the quarterly reports. This new report writer allows more flexibility in financial statement preparation. The report includes the following:

- Attachment A – Balance Sheet
- Attachment B – Income Statement
- Attachment C– Accounts Receivable Summary
  - The aging report from our accounting system includes only tenant accounts receivable. Balances receivable as the result of repayment agreements have been removed from the active accounts.
- Attachment D – Units Leased Report

Following is an analysis on a program by program basis:

#### **Low Income Public Housing:**

- Units leased are at 98.69% of available units for the year.
- AMP gains are restricted to program use.
- The original Budget estimate did not include any Operating Subsidy for January - June 2012. Allocation of HUD Operating Subsidy Received exceeds budget in all three AMPS. October to December has increased allocations for Woodland and Winters and -0- allocation for West Sacramento.
- **West Sacramento +55,536**
  - Rent and Other Income are slightly above YTD budget.
  - Expenses are slightly below YTD budget.
  - Budgeted line items for Audit and OPEB have not yet had expenses charged to them.

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

- September Operating Subsidy is the final one for West Sacramento for this calendar year. Budget does not include any Operating Subsidy for January-June. HUD has not released calculations of Operating Fund that will be available.
- Program gain is restricted for use within the program.
- **Woodland +46,939**
  - Total revenue and expenses are on target for the quarter.
  - HUD Subsidy projects to slightly exceed budget for the year. HUD Operating Subsidy is slightly exceeding budget but October through December will exceed amount budgeted by \$184,176. The original budget estimate did not include any Operating Subsidy for January-June. HUD has not released calculations of Operating Fund that will be available.
  - Budgeted line items for Audit and OPEB have not yet had expenses charged to them.
  - Program Income is restricted for program use.
- **Winters -46,129**
  - Rent and Other Income are slightly behind YTD budget.
  - Operating Expenses are slightly over budget year to date, primarily due to increased maintenance time.
  - The YTD Loss is primarily the result of high unit turnover. This increases maintenance costs and until the economy improves this is a cost that will continue to be incurred.
  - HUD Operating Subsidy is slightly exceeding budget but October through December will exceed amount budgeted by \$64,190. The original Budget did not include any Operating Subsidy for January to June. HUD has not released calculations of Operating Fund that will be available.
  - Budgeted line items for Audit and OPEB have not yet had expenses charged to them.
  - Program gain is restricted for use within the program.

**HCV program:**

- **Admin +66,833**
  - HUD Administrative Funds are running ahead of budget because they include \$48,000 of one time funding for administrative costs required to bring Anderson Place online. January to June earned fees are unknown at this time as HUD has not released them.
  - Expenses are well under budget year to date.
  - Budgeted line items for Audit and OPEB have not yet had expenses charged to them.
  - Program gain is restricted for use within the program.
- **HAP Voucher Payments -41,347**
  - HUD contributions are lower than budget.
  - Funding for 2012 calendar year has not been appropriated at this point.
  - Vouchers issued have exceeded funding by \$41,347 requiring the use of Net Restricted Assets (NRA) to fill the funding shortfall.
  - With the Anderson Place vouchers coming online in October and November, the required use of NRA will accelerate.

**Central Office Cost Center +46,297 and Admin Building +60,141**

- The Admin Building expenses well under budget. The budget included the entire amount of the loan payments on the building but expenses include only interest. Principal Reduction payments are not an income statement item.
- A \$50,000 Principal Reduction Payment on loan 3 is due in January.
- COCC Revenue is on budget YTD.
- YTD Expenses are slightly under budget.
- Budgeted line items for Audit and OPEB have not yet had expenses charged to them.

**ADMH -0-**

- The funding provided for the Helen Thomson Homes exceeds the project's needs.
- Agreement includes enough funding to pay for repairs if something unforeseen should arise.
- This is a cost reimbursement agreement up to a maximum of the budget amount.

**New Hope +10,073**

- Revenue is under budget YTD due to vacancies.
- Expenses YTD are under budget primarily due to delay in hiring our on site manager.
- HCD has approved use of reserves for repairs to the bridge connecting the two buildings. Repair cost is expected to exceed \$100,000 and planning for the project has begun.

**Migrant Programs: +10,063** The Office of Migrant Services (OMS) reimburses the Agency for all allowable expenses up to the contract limits.

- OMS has authorized use of tenant rents to cover operating expenses before contracts were fully executed and reimbursements received.
- Davis Migrant Water Well project is grant funded cost reimbursement. Full grant amount of \$1,000,000 was received as deferred revenue in February, 2011.

**Davis Solar Housing: +3,801**

- Revenue is slightly under budget.
- Expenses are significantly under budget.

**Pacifico: -1**

- YCH and City of Davis are finalizing the Pacifico Operating Agreement. The draft agreement includes a management fee for YCH and funding to cover the project's expenses. Any excess rental income will be turned over to the City of Davis.

**FISCAL IMPACT:**

- YCH has a total Year to Date Income of \$210,957.
- YTD Gains from LIPH and HCV operations are restricted for use within the programs.
- HCV Vouchers has begun consuming NRA.
- Funding for LIPH and HCV for calendar year 2012 is unknown at this time.
- Although individual line items may show over expenditures, program staff has line item authority to modify their budgets within the total amount appropriated by the Board.

**CONCLUSION:**

Although the current year is exceeding expectations at this point, funding for the last half of the 2011-2012 year is unknown but will almost certainly be reduced from current levels.

- Staff recommends the Board receive and file the September 2011 Financials.
- Staff will be monitoring income and expenses and adjusting accordingly. In addition, staff will bring back the mid-year budget revision between January and March for any additional course corrections.

**Attachments:**

**Attachment A:** September 30, 2011 Balance Sheet

**Attachment B:** September 30, 2011 Income Statement

**Attachment C:** Accounts Receivable Summary

**Attachment D:** Units Available/Units Rented Report